

Labour Market Profile 2018



Tanzania & Zanzibar

Danish Trade
Union Development
Agency Analytical
Unit



ULANDSSEKRETARIATET – DTDA
DANISH TRADE UNION DEVELOPMENT AGENCY



PREFACE

The Danish Trade Union Development Agency (DTDA) is the Danish trade union agency for international development co-operation. It was established by the two largest Danish confederations, the Danish Federation of Trade Unions (Danish acronym: LO) and the Danish Confederation of Professionals (Danish acronym: FTF). The organisation's activities are related to support democracy and protect workers rights via development programs of the trade union movements in Africa, Asia, Latin Amerika, and the Middle East.

Labour Market Profile (LMP) provides a comprehensive overview of a country's labour market situation. The aim of publishing this report is to create awareness and understanding of the labour market's development, challenges and structural evolution in the countries where we implement development activities.

LMP is divided in several thematic sections: trade unions, employers' organizations, tripartite fora and institutions, national labour legislation, violations of trade union rights, wages and working conditions, status of the workforce, education, social protection, and economy.

LMP's format evolved from a presentation of statistical data from 2013 to a more analytical instrument today. Quality of data has been improved through a data-collection tool which is implemented in collaboration with the DTDA Sub-Regional Office and the national partner. This has made this report unique in the areas where unionism has a central role on the labour market, which include information of the trade union membership growth and trade union density trend, development of social dialogue and collective bargaining, status of central bi-/tri-partite mechanisms, impact of policy and legislation labour market reforms as well as the standing of the International Labour Organization (ILO) standards of informal economy workers.

Key sources of data-collection and information gathering for the LMP are particularly:

- As part of development program monitoring, national partners provide a yearly narrative report of the labour market's challenges and in

collaborating with the DTDA Sub-Regional Offices updating a data-collection tool.

- National statistical institutions and international databanks are used to general data-collection, which include the ILOSTAT and NATLEX, World Bank Open Data, ITUC Survey of violations of Trade Union Rights, the U.S. Department of State as well as other labour market related global indexes.
- Academia and media sources (e.g. LabourStart, national news, etc.) are also used in the general research on labour market issues.

This report was published in August 2018.

A wide range of labour market profiles are available on our website:

<http://www.ulandssekretariatet.dk/content/landeanalyser>).

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The front page picture was from the Company 2000 Industries. It was photographed by Dorthe Friis Pedersen.

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EXECUTIVE SUMMARY

The United Republic of Tanzania (Tanzania mainland and the semi-autonomous Zanzibar) has implemented a liberalized market economy transition since the 2000s with support from a solid economic growth. The country also benefitted from political and social stability. Labour productivity is slightly superseding the tempo than the Eastern Africa average. This is driven by higher capital formation and foreign direct investments.

There was some political downturn and an upsurge of systematic violations of trade union rights in recent years, though. The economy's development is not broad-based but driven by capital-intensive sectors concentrated in the large urban areas. Although the number of extremely working poor fell fast, yet 67% of working poor are still living below US\$3.1 per day; and a middle-class is just slowly evolving. The inflation in consumer prices gnarled the workers' income purchasing power.

Several legal reforms of the labour market were approved with some improvements in recent years. However, there are some flaws on the labour legislations of the right to organize, right to collective bargaining and right to strike in relation to the international standards. It is still not easy of doing business. A point often overlooked is that the labour regulations are only reaching a relatively small formal sector in practice, which includes the minimum wages. In reality, a large majority (85%) of the total employment is enclosed by a growing informal economy due to insufficient job creation in the formal sector.

The extent of social dialogue on the labour market is low with confrontational labour relations and weaknesses of several tripartite institutions. On the positive side, trade unions and the employers' organization recently participated in some joint activities and bipartite meetings. Coverage of collective bargaining agreements among employees was on a rise until a drop in recent years due to several structural challenges among the trade union movement.

Some of the key shifts on the labour market in the last decade were that the agricultural employment share declined while it grew in the service sector. The industry sector basically stayed on a flat growth. This is mirrored by the narrow and stalled employees segment whereas some changes in vulnerable employment, i.e. many own-

account workers (self-employment) move towards unpaid contributing family workers. An internal rural-urban migration is happening in the country with a gradually swelling urbanization. This is interlinked to an increasing enrolment in higher levels of schooling just as a higher influx of job seekers in urban areas.

The education system in Tanzania is confronting a pressure on all levels because of a fast growing young population. The lower the level of education, the higher the proportion of youth enters into vulnerable employment in the informal economy. They often confront an unstructured entrepreneur environment as well as a lack of technical and managerial skill. Youth unemployment is estimated at 9.4% and it is mainly in urban areas. Insufficient formal job creating cause restless, frustration and social insecurity among the youth.

Child labour rate at 29% is displaying a dysfunctionality of the education system and the labour market. Gender inequality remains present in the country accompanied by patriarchal social structures; and imitated in deep earnings gender gaps.

Reforms were launched to improve the social protection in the country. Although membership in social protection schemes increased, the coverage remained low. The narrow group of employees coupled with frail social dialogue milieu keep the pension schemes on a very slender coverage at 3.3% of the workforce.

Data from Tanzania mainland reveal that unionizing is more prevalent in the public sector than in the private sector; the latter with a large majority in micro, small and some medium enterprises. The trade union membership growth experienced a downturn in recent years as a negative impact of a shrinking public sector along with the trade union federation's internal issues. Not to mention, the trade union movement has not yet prioritized an increase of members from affiliated organized workers from the informal economy. In Zanzibar, the number of trade union members also dropped due to internal unionizing reforms and cleaning up on the paying contributions register. Tanzania mainland's trade union density to employees was estimated at 17% in 2017; it was higher in Zanzibar at 28%.



The table below on the Status of Key Labour Market Indicators in the Framework of the Decent Work Agenda (DWA) in Tanzania and Zanzibar is based on a yearly data-collection by the DTDA Sub-Regional Office (SRO) in Tanzania in collaboration with partners. This is part of the monitoring of global outcome indicators to measure the development program impact results. The selected key indicators are concentrated on areas where the trade union movement has a central

role on the labour market. Two indicators, the violation of trade union rights and the cooperation in labour-employer relations, are additional indicators of the data-collection tool as a value-added on the measurement of the unionism's status.

'Yes' and 'No' measurements are based on assessments from the DTDA Sub-Regional Office and partners accompanied by the data-collection tool.

Status of Key Labour Market Indicators in the Framework of the Decent Work Agenda (DWA) in Tanzania and Zanzibar, 2017

Creating decent jobs	
Policy reforms addressing creation of decent employment	Tanzania mainland: Yes, revisiting the National Policy on Occupation and Safety places; make up of National Policy of Social Security Fund Policy; and revisiting the National Policy of Employment. Zanzibar: No policy was adopted in 2017, but with work in progress in development of the Decent Work Country Program as well as the Minimum Wage Policy.
ILO standard setting on improvement of status of workers from the informal economy	No - There is no tri-partite National Informal Economy Forum nor other national forums and policies addressing status of workers from the informal economy in Tanzania mainland and Zanzibar.
Guaranteeing rights at work	
Growth in trade union members from year 2016 to 2017 (%)	Tanzania mainland: Lack of updated data. Zanzibar: A drop of 8.6%.
Violations of trade union rights	Ranking 4 out of 5 (5+ is worst). *
Labour legislation is improved according to ILO standards	Yes, four (4) pieces of labour market related legislations reforms per May 2017 were approved in 2017; especially the Employment and Labor Relations Act and the Labour Institution Act from 2017 in Tanzania mainland were registered as improvements.
Partner organizations with minimum 30% women representation in decision-making bodies	Tanzania mainland: Yes, registering of 33% representation in decision-making bodies. Zanzibar: Yes, registered of 53% representation in decision-making bodies.
Extending social protection	
Health social protection coverage as % of total population in partner countries	Tanzania mainland: 15% Zanzibar: 10%
Workers from the informal economy have access to national social security schemes	Tanzania mainland: Yes, but not fully coverage. Zanzibar: Yes, but not fully coverage.
Promoting social dialogue	
Trade union density of total employment (%)	Tanzania mainland: 2.4% Zanzibar: 2.8%
Trade union density of employees (%)	Tanzania mainland: 17% Zanzibar: 28%
Cooperation in labour-employer relations	Ranking 113 out of 137 (1 is best). **
Number of Collective Bargaining Agreements (CBAs)	Tanzania mainland: 331. Zanzibar: 7.
Workers' coverage of Collective Bargaining Agreements to employees	Tanzania mainland: 12% Zanzibar: 2.8%
Bi-/tri- partite agreements concluded	Tanzania mainland: Yes, recommendations for amendment of labour laws and regulations, increase on minimum wages and a reduction of PAYE rates for minimum wage earners. Zanzibar: Yes, a wide range of both bi-/tripartite meetings.

* This is interpreted as a 'systematic violations of rights', which is expressed as the government and/or companies are engaged in serious efforts to crush the collective voice of workers putting fundamental rights under threat, according to the International Trade Union Confederation (Source: ITUC, Global Rights Index).

** This indicator is based on data from the Global Competitiveness Index that represents employers' opinion from surveys (Source: World Economic Forum). Other sources: CESTRAR, Danish Trade Union Development Agency Sub-Regional Office data collection and Danish Trade Union Development Agency research and calculations.



COUNTRY MAP



Source: Google



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TRADE UNIONS

Tanzania, mainland

The history of trade unions in Tanzania can be traced back to the 1920s. Today, there were registered 23 trade unions in Tanzania mainland. Around 607,000 were members in 2017 with a trade union density in terms of the total employment at 2.4%. Two out of five (40%) were women. Unionizing was mainly in the formal sector; approximately 3% of all members were affiliated members from the informal economy (see more on Table 1).

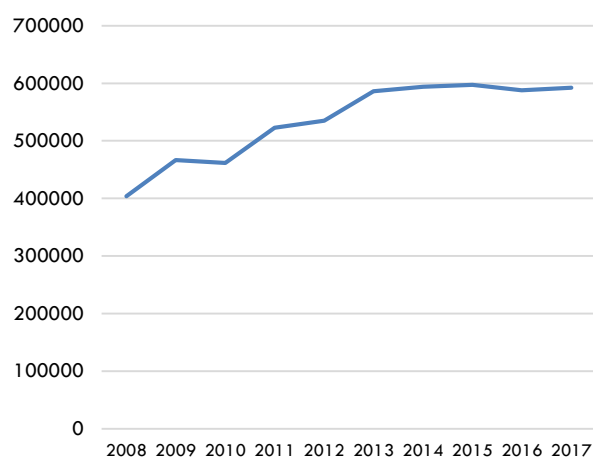
Table 1: Status of unionism in Tanzania mainland, 2017

Number of trade unions	23
Membership fees	5% direct check-off system
Members of trade unions	607,000
Women members of trade unions (TUCTA)	40 %
Trade union density (employment)	2.4 %
Trade union density (employees)	17 %
Affiliated organized workers from the informal economy (2014)	17,865

Source: TUCTA; and own calculations on trade union density with employment data from ILO.

According to data from the Trade Unions Congress of Tanzania (TUCTA), the number of members grew by 47% during the last decade. However, the enrolment of new members stalled in recent years, increasing only by 1% from 2013 to 2017 (see also Figure 1).

Figure 1: Number of members in TUCTA affiliated unions' trend, 2008-2017



Source: TUCTA

Estimations of the trade union density also illustrated slightly declining trends. First of all, the trade union density of employees fell by 2 percentage points from

2014 to 2017; reaching 17% in 2017. This was a result of the hindered membership influx and superseded by the employees' segment increase. Data from the latest Integrated Labour Force Survey from 2014, with some statistically adjustments in comparison with the ILO's status of employment estimations, showed a share of 27% of employees. Across sectors, employees in central and local government had the highest proportion of trade union members (81%) followed by the parastatal organizations (63%). Both had a very small share of employment from the total employment (see also the sub-section: Sectoral Employment). Private sectors had much smaller proportions of members in trade unions than in the public sectors (Table 2).

Table 2: Paid employees with membership in trade unions or employees association in Tanzania mainland, %, 2014

Sector	%
Central and local government	81 %
Parastatal organizations	63 %
Private sector (agriculture)	1.1 %
Private informal economy	1.6 %
Private sector (non-agriculture)	16 %
Household duties	27 %
Total	27 %

Source: [Tanzania National Bureau of Statistics, Integrated Labour Force Survey from 2014](#)

The demonstrated negative trade union trends were an impact of several issues. First of all, the smaller proportion of unionizing in the private sector was related to its structure: Around 95% of the businesses in Tanzania were micro, small and medium enterprises; and a large majority was operating in the informal economy. This resulted in that the employees from the private sector had a lower bargaining power with their employers than those from the public sector. Secondly, the liberalized market economy process gradually reduced the public sector's leading role in the economic production. The latter sector payroll was cleaned up for "ghost workers" in 2016. Unions were not successful in defending members who were dismissed from employments without terminal benefits because of their illegal existence in the employments. This made some members lose their confidence with trade unions. Thirdly, the trade union movement has not yet prioritized an initiative in affiliating organized workers from the informal economy (see also Table 1). In contrast, the neighboring countries have experienced a massive influx of affiliated organized workers from the informal economy in recent years.¹



Trade Unions Congress of Tanzania (TUCTA)

TUCTA was established in 2001 under the Trade Unions Act of 1998 and it is the sole national trade union federation in Tanzania mainland. The organization is recognized as an institutional player in the labour market with ties to the government and regular meetings with many other state institutions. TUCTA is affiliated to the International Trade Union Confederation (ITUC).

The organization went through an election process that began in 2015. It was concluded in November 2016 with new leadership: chaired by Mr. Tumaini Nyamhokya as President; and Dr. Yahya Msigwa as Secretary General. The Congress covers 390 members, the General Council with 190 members, the Executive Committee with 47 members, the Executive Board with 15 members. Three out of nine in leadership positions and decision-making bodies are women in TUCTA.

TUCTA represented 12 trade unions with around 592,000 workers in 2016/2017. The organization has confronted a competition from new and fragmented unions. There were registered 11 independent trade unions with around 15,000 workers in 2017. Overall, TUCTA represents 98% of all trade union members in Tanzania mainland. Close to one out of two (45%) of TUCTA's total membership is organized by the Tanzania Teacher Union (TTU) and it is one of the strongest trade unions in the country. TTU, together with the trade union for government workers (TUGHE) (11%) and local government workers (TALGWU) (10%) represent 66% of the total TUCTA membership.

Two more trade unions – the Tanzania Social Services Industry Workers Union (TASIWU) and the Tanzania Union of Private Security Employees (TUPSE) – are underway to join TUCTA. Appendix Table 25 provides more details of the affiliated trade unions' membership, number of Collective Bargaining Agreements (CBAs), and number of Occupational Health and Safety Committees at workplaces.

As indicated, TUCTA has relatively few affiliated organized workers from the informal economy. TUCTA has no strategy on how to engage in the informal economy (see also the sub-section: Informal Economy).

TUCTA faces serious financial constraints due to a lack of income from member fees from affiliated unions, real estate, and losing external donor support, among others. The organization is working on financial recovery plans. Internal conflicts triggered due to some affiliated unions opposed TUCTA's constitutional right to

direct check-off from the source (5% of member fees paid to unions). Not to mention, TUCTA hardly pay salaries to the secretariat, and most activities have been donor funded.

Zanzibar

Zanzibar's own labour concerns were neglected in many years. In 2001 it became constitutional matters. The Zanzibar House of Representatives was compelled to enact the Zanzibar Trade Union Act, which allowed registration of trade unions in Zanzibar. Subsequently, the national trade union centre was established in 2003 and branded as the Zanzibar Trade Union Congress (ZATUC). This organization covers all trade unions in Zanzibar.

Zanzibar Trade Union Congress (ZATUC)

ZATUC became gradually recognized with increased influence in decision-making on the labour market. This included to conducting negotiations and signing collective agreements. The ITUC affiliates ZATUC.

Unionism in Zanzibar is under reforms. Internally, ZATUC was merging resources together to make fewer and stronger unions. So far a larger merger process of trade unions in the public sector reduced the number of affiliates from 11 to 9. Mergers in the private sector are in progress; and if it succeeds then ZATUC affiliates will further drop down to 7 unions. In addition, it was decided that members of a union must pay contributions obligatory. Those who were not paying at all were not considered as members any longer. As a result of these criteria, the membership dropped from 21,000 in 2015 to 18,000 in 2017, which equaled shrinkage of 13%. A point often overlooked is, that the Labour Relations Act requires a union with 50 or more members to be registered and sets literacy standards for trade union officers. This is particularly a challenge of increasing the trade union membership rate in the private sector which is mostly micro and small enterprises roofed by informality.

The trade union density was estimated at 2.8% of the total employment and 28% of the formal employment in Zanzibar in 2017 (Table 3). Appendix Table 26 shows more details of the trade union movement's membership, number of Collective Bargaining Agreements, and number of Occupational Health and Safety Committees at workplaces.



Table 3: Status of unionism in Zanzibar, 2017

Number of trade unions	9
Membership fees (median, per month)	US\$1.8
Members of trade unions	18,239
Women members of trade unions	7,397
Trade union density (total employment)	2.8 %
Trade union density (formal employed)	28 %
Members of affiliated trade unions from the informal economy	896

Source: ZATUC; and own calculations on trade union density.

To promote a higher influx of members, ZATUC adopted a five-year strategic plan and a work plan that aimed to engage with informal economy. A national union committee was set up with an informal economy desk in 2015 to organize the workers. As mentioned, paying obligatory trade union contributions for all, which included organized informal workers, was a key issue for the trade unions. Some informal economy workers were successfully organized in associations, to which they pay a flat rate at around 500-1000 shillings (equivalent to US\$0.2-0.4) per month, and enjoy a proportional representation, by trade unions. Yet only 5% of all members were affiliated workers from the informal economy (Table 3).

The Constitution of ZATUC gives an equal gender equality 50% participation in leadership and empowers youth to join. However, it is not a compulsory 50% for women to be leaders. Collected data revealed that 54% of leadership positions and decision-making bodies were women and 15 young people were leaders in various positions at affiliated level in 2017. According to ZATUC register, 39% of the total trade union memberships were women.

It is noteworthy to mention that around one out of two public teachers were members of the teachers' union, ZATU, which is the largest affiliated union in ZATUC. Regionally, ZATU is active in the federation for East African Teachers' Unions (FEATU) that recently gained legal registration in Tanzania. The organization is in the process of finalizing the establishment of a permanent office in Arusha and receiving official observer status in the East Africa Community (EAC) in line with the East African Trade Union Confederation (EATUC) (only on issues pertaining teachers' rights and education matters).

EMPLOYERS' ORGANISATIONS

Based on estimations from ILO, 2.8% of the total employment in Tanzania consists of employers in 2017 (see more on Figure 3). The Global Competitiveness Index provides the Tanzanian employers' view on a wide range of aspects, including labour market efficiency. The latter is elaborated upon surveys among employers and other statistical data. They considered the labour market as effective on a medium level, ranking 63 out of 137 countries (1st is the best).²

Out of the 10 labour market efficiency indicators, the highest scorings were redundancy costs (i.e. cost in weekly wages of advance notice requirements, severance payments, and penalties due when terminating a redundant worker), ranking 27 out of 137 countries; followed by women participation rate in the labour force ranking 31. It is also worthwhile to mention that cooperation in labour-employer relations had the lowest ranking of 113 (see more on Table 4).

Table 4: Employers' view of the labour market efficiency in Tanzania, 2017-2018

Indicator	Rank
Total	63
Cooperation in labour-employer relations	113
Flexibility of wage determination	93
Hiring and firing practices	85
Redundancy costs (weeks of salary)	27
Effect of taxation on incentives to work	106
Pay and productivity	105
Reliance on professional management	89
Country capacity to retain talent	74
Country capacity to attract talent	62
Women participation in the labour force	31

Note: Rank from 1 to 137 (1 is highest).

Source: [The Global Competitiveness Report, 2017-2018, 7th pillar: Labor market efficiency](#)

Tanzania, mainland

The Association of Tanzania Employers (ATE) was founded in 1960 and it was considered as the main employers' organization in Tanzania. Their main objective is to enhance sustainable socio-economic development in coordination with the government and trade union movement. In practice the organization provides advisory and represent services of industrial relations, law, management, among others, to its members. ATE is governed by an annual general meeting and an executive council. It has representatives in most important bi/tripartite organs.

ATE's membership increased from 1,300 registered direct members in 2015/16 to 1,400 in 2018 (May).



Furthermore, around 6,000 were indirect members from private business firms, companies and some parastatal organizations. A majority of members were based in Dar es Salaam (70%) and the rest were in other parts of the Tanzania mainland (30%).³ The members were classified in 8 divisions: agriculture, commerce, industry, mining, banking and finance, oil and gas, utilities and services, and private security.

Subscription fees are charged on quota pro-rata basis. An entrance fee costs TZS 100,000 (US\$45) and annual subscription fee varying depending on the number of employees: lowest (1-10 employees) TZS 100,000 (US\$45) and highest (51-100 employees) TZS 800,000 (US\$357).⁴

ATE is an active member of the Tanzania Private Sector Foundation (TPSF) and the East African Business Council (EABC). The organization is also affiliated to the International Organization of Employers (IOE) and it is a founding member of the Business Africa formerly known as Pan African Employers Confederation (PEC). ATE participates in ILO's annual conference of which Tanzania is a member and has one vote as an apex employers' association in Tanzania. Finally, ATE is a member of the East African Employers Organization (EAEO).

Zanzibar

Employers' organization is the Employers Association of Zanzibar (ZANEMA). Main activities are to represent the private sector in policy advocacy and to conduct training workshops for members. ZANEMA maintains good working relations with ZATUC. The organization faces constraints in terms of manpower resources, though. ZANEMA is a member of the East African Employers Organization (EAEO).

CENTRAL TRIPARTITE STRUCTURES

Tanzania, mainland

Labour Court

Labour Institutions Act from 2004 established the Labour Court in Tanzania mainland as a division of the High Court. The former court is presided by a judge and two assessors from the employers' organizations and trade unions. The institution is implementing procedures of settling its referred labour disputes.

Labour inspectors are often hindered in their ability to ensure labour law compliance in relation to sanctioning an employer through the courts is cumbersome and it

appears to depend on the seldom-used delegation of prosecutorial authority from the Director of Public Prosecutions (see also the section: Working Conditions).⁵ The Labour Court has struggled with a lack of resources and processing slightly less than half of the cases it receives.⁶

Labour, Economic and Social Council (LESCO)

By law, LESCO advises the Minister of Labour and Employment on the national labour market policy and additionally any proposed labour law before it is submitted to cabinet. It furthermore collects and compiles information and statistics relating to the administration of the labour laws. LESCO operates with an independent chairperson and sixteen members, all appointed by the mentioned minister, which represent the interest of the government, employers and workers; and four members appointed because of their expertise.

In practice, tripartite meetings in LESCO were not held often, but there were occasional consultations with trade unions. Representatives on some issues prior to meetings were effectuated although coordination mechanisms were not well established. What affected the dialogue was often related to their recommendations, which were not acted by the government because of political position. On the positive side, the institution has recommended a ratification of the ILO Convention 189 on domestic workers.

Labour Commission for Mediation and Arbitration (CMA)

Labour disputes are mainly regulated and resolved by mediation or arbitrate through the CMA. This is an independent department of the Ministry of Labour that operated since 2007. CMA has 20 field offices with two arbitrators/mediators per field office on average.

Mediate or arbitrate embrace any dispute within the labour laws framework, which includes antiunion discrimination. CMA is relatively well-functioning and an important organ in the Tanzanian labour market.⁷ However, a wide range of other challenging aspects have been observed such as a very limited common understanding on how Workers' Council contract should be made and registered; failure to update the Workers Council contract when it expires; and organizational rights for employees are often denied in private sectors.

The position of processing legal cases does still not respect or recognize CMA jurisdiction in terms of labour



matters involving defamation.⁸ Not to mention, a labour dispute case over termination of employment for bribery allegations went all the way up to High Court in 2016, but it was faulted by the Court of Appeal who ordered a fresh hearing after noting some inadequacy in the employment laws. This was related to services and notifications by CMA to the parties' dispute and enabled them to take appropriate measures in case of any grievance, i.e. uncertainty is not conducive for the timely adjudication of labour disputes.⁹

Based on the limitations of data availability, CMA received 10,281 cases; 6,057 were resolved and 4,224 were appealed to the Labour Court for revision during the period 2010-2015 (April). Table 5 below shows the trend of cases in the period from 2013 to 2015 (April).

Table 5: Number of cases in the Commission for Mediation and Arbitration in Tanzania, 2013-2015

Year	2013	2014	2015 (Jan-April)
Total number of cases	1,751	1,732	1,285

Source: Commission for Mediation and Arbitration in Tanzania

Sectoral Wage Boards

The members of the Wage Boards are appointed by the Minister of Labour and Employment in consultation with LESCO. The functions of the Wage Boards are to: i) conduct an investigation on a minimum remuneration and other conditions of employment; ii) promote collective bargaining between registered trade unions, employers and registered employers' associations, and iii) make recommendations to the mentioned minister on minimum wages and conditions of employment.

Legal reforms in 2017 decided to bring only two Minimum Wage Boards: One for private employees and the second for public employees. Before the amendment, Minimum Wage Boards were based on sectoral levels, e.g. domestic service, private security, agriculture, mining, and health. As a Part of the legal reforms, wage orders shall be reviewed within 3 years from the date of issue; and provide for more favorable wage, allowances terms and conditions of employment to be negotiated annually between employer and employees at the work place or at any level in the respective organization. It was observed that the government sets wages for employees of the government and state-owned organizations with some limitations on collective bargaining (see more on the sections: National Labour Legislation and Working Conditions).

Essential Services Committee

The Essential Services Committee is composed of government representatives, employers and workers. The functions of this committee are: i) to monitor the implementation and observance of essential services determinations, minimum services agreements, maintenance services agreements and determinations; ii) to promote effective dispute resolution in essential services; iii) to develop guidelines for the negotiation of minimum services agreements; and iv) to decide, on its own initiative or at the reasonable request of any interested party, whether or not the whole or a part of any service is an essential service.¹⁰

Workers in certain "essential" sectors may not strike without a pre-existing agreement to maintain "minimum services." The Committee may only determine a service as essential when it can be shown that an interruption of that service would "endanger the life, personal safety or health of the whole or any part of the population." Workers in other sectors may also be subjected to strike limitations determined by the Essential Services Committee. This committee has the authority to periodically deem services as essential.¹¹

Other bi/tripartite organs

- Workman Compensation Body
- Work Permit Board
- Vocational Training Board
- Tanzania Commission for AIDS
- National Social Security Board (NSSF)
- National Health Insurance Fund Board (NHIF)
- Public Pension Fund
- Regulatory Board for Social Security
- Joint Assistance Strategy
- Negotiation machinery at the Joint Staff Council (central) and at the Master Joint Staff Council.
- Teacher Education Quality Task Force, EFA Committee
- Education Sector Advisory Council
- Education Sector Master Workers Council
- Board of the Vocational Education & Training Authority (VETA)
- Boards of Trustees
- The Ministerial Advisory Board



Social dialogue in Tanzania mainland

Social dialogue covers several aspects: Industrial relations, freedom of association and the right to organize, collective bargaining, consultation, examination of grievances and settlement of industrial disputes.

The country's labour legislation provides for collective bargaining in the private sector. Public-sector employees have the right to bargain collectively through the Trade Union of Government and Health Workers (TUGHE). In practice, TUGHE conducts negotiations with the government through workers' councils, which are conducted regularly. They have established workers' councils with government departments or institutions in about 98% of the government work places. In this regard, workers' councils discuss different agendas including issues of salary increase, financial regulations, Human Resources policies, etc. Whatever is agreed and signed in the workers' councils, they become the Collective Bargaining Agreements and it becomes enforceable by the law.

However, not all Public sector employees have the right to bargaining collectively through TUGHE because it depends on the Public Institutions, e.g. local government employees have their own union – the Tanzania Local Government Workers Union (TALGWU) – are organized under TUICO.

Be that as it may, there are some legal flaws on the rights to collective bargaining. As indicated, the legislation is less prescriptive and provides minimum requirements that widen the spectrum for employers and employees to negotiate the terms and conditions of employment as well as agree on work standards. ITUC has additionally registered restrictions on the principle of free and voluntary bargaining in Tanzania. This is related to compulsory conciliation and binding arbitration procedure in the event of disputes during collective bargaining, other than in essential services, i.e. the system of compulsory arbitration sets the conditions and terms of employment of public service employees.¹²

Although the legal framework for tripartite social dialogue in Tanzania mainland is set, the reality is that social dialogue is still limited in practice and it is often ineffective. This is due to weak enforcement mechanisms, fragile and some dormant social dialogue institutions as well as overloaded dispute resolution mechanisms. This contributes to complicated and often confrontational labour relations. According to a survey undertaken by

ATE, employers have not yet fully embraced the possibilities that collective bargaining can provide, which is likely to be the same for the employees. As mentioned, this was reflected in the mentioned Global Competitiveness Index's low ranking in the cooperation in labour-employer relations (see also Table 4).

On the positive side, social dialogue has some improvements in Tanzania mainland. Trade unions and the employers' organization were undergoing joint activities, which included four bipartite meetings in 2017; and several meetings with the Government on how the reformed Social Security Fund scheme should operate. Also a Memorandum of Understanding (MoU) was signed by TUCTA and ATE in 2017 to establish a joint Collective Bargaining Agreements (CBA) framework. The two organizations are in a process of designing the framework.

Research of comparative CBAs from development countries showed that 16% of CBAs in Tanzania were extended to employers who did not sign the agreement. This was relatively higher than the ten other surveyed countries (eight in Africa), which was estimated at 9% on average. The country has a relatively low share of 21% in terms of agreements signed by one or more employers' association, which was in contrast to the total average of 26%. A large majority of the share of CBAs in Tanzania (95%) was covered by the private sector.¹³

Data revealed that the number of workers covered by CBAs was on an upsurge since 2008. The coverage peaked at 492,000 workers in 2014 with a share of employees at 16%. As already mentioned, the trade union movement entered into a difficult period during the recent years and it was reflected in a drop at 14% of employees' CBAs coverage in the period from 2014 to 2017 (Figure 2). According to TUCTA register, a total of 331 CBAs were effective (new or renewed) in 2017 which covered 12% of employees and 1.6% of total employment (see more on Table 6).

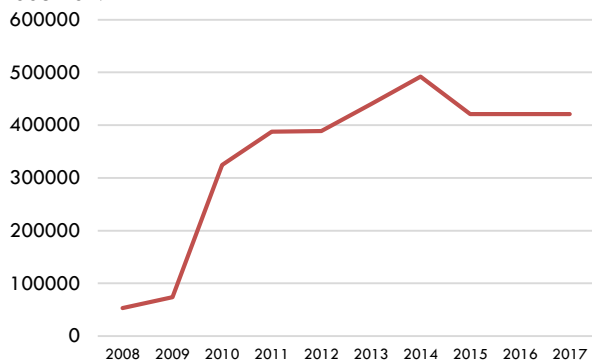
Table 6: Status of Collective Bargaining Agreements (CBAs) in Tanzania mainland, 2017

Number of effective CBAs	331
Workers covered by CBAs	421,797
Share of employees covered by CBAs	12 %
Share of employment covered by CBAs	1.6 %
Growth in employees CBAs coverage (2014-2017)	- 14 %
Annual increase of wages per CBAs (2015)	0-20 %

Source: TUCTA; Danish Trade Union Development Agency; WageIndicator; own calculations of share of employees covered by CBAs and growth.



Figure 2: Number of workers covered by Collective Bargaining Agreements (CBA) trend in Tanzania mainland, 2008-2017



Source: TUCTA

Zanzibar

Zanzibar Industrial Court

The Zanzibar Industrial Court is a division of the High Court of Zanzibar. The institution settles formal labour disputes conferred to it and like its mainland counterpart, the Zanzibar Industrial Court is presided by a judge and two assessors from employers' organisations and trade unions.¹⁴ The courts are the only venue in which labour disputes can be heard. According to ILO labour administration audit, the industrial court was functioning, but slow and irregular due to a lack of resources.¹⁵ Administrative authorities' power to unilaterally dissolve, suspend or de-register trade union organizations is an issue in Zanzibar, i.e. the High Court can interfere in trade union affairs by appointing the Registrar to act as a trade union liquidator.¹⁶

During 2015 the government advised for the speeding up of the establishment of industrial court. Among others, the Ministry for Justice and Legal Affairs initiated hearings with experts to improve the trust of the courts and to delimit the case delays.¹⁷

Labour Advisory Board

The Labour Advisory Board (LAB) consists of nine members; three members each from the government, employers and workers, and all appointed by the Labour Minister. The board provides advice on labour related issues, such as proposed legislation, ILO conventions, industrial relations, and working conditions. It is required to meet four times a year.¹⁸ On the negative side, the board was reported not to function effectively; and bipartite meetings between trade unions and employers' association were very informal with general discussions. On the positive side, LAB was

involved in the implementation of a National Plan of Action (NPA) from 2016 that established an integrated platform for improving the functioning of individual labour dispute resolution systems. It aims to strengthen several aspects: i) procedural legal frameworks through law reforms; ii) improving the functioning of labour institutions through institutional reforms and capacity building; and iii) promoting bipartite grievances and dispute handling procedures through collective bargaining and workers' councils to encourage voluntary compliance and settlement of disputes.¹⁹ It was registered that two tripartite meetings were implemented in this institution in 2017.

Wages Advisory Board

The Wages Advisory Board consists of 13 members, representing the government, employers and workers. It provides recommendation for minimum wages and working conditions. The board is required to meet twice a year. This board takes consequential decisions annually and one of the major recent decisions was the new minimum wage fixing in the private sector (see more in section: Labour Conditions). However, when the political tensions are high, the social dialogue is affected. It was registered that two tripartite meetings were implemented in this institution in 2017.

National OSH Committee

This committee negotiates for all matters concerning labour with a legal mandate with reference to the Labour Relation Act. Two people from each constituent (i.e. government, employers and employees) and the chair are appointed by the minister concerning labour issues. Decisions are mainly made by consensus; thus the influence of the parties is high. It was registered that two tripartite meetings were implemented in this institution in 2017.

Other important bi/tripartite organs

- Conflict Resolution Committee
- Zanzibar Social Security Board
- Zanzibar Disabled Board
- Zanzibar Business Council (bipartite)
- MKUZA on Irrigation/Poverty Board
- National Committee on HIV/AIDS
- Committee on Education Policy
- Aids Business Coalition Zanzibar (ABCZ)
- Education Coordinating Board
- National Tripartite for Dispute Handling Unit



Based on data collection, the participation in bi-partite and tripartite fora has increased in Zanzibar in recent years.²⁰

Social dialogue in Zanzibar

Just as in Tanzania mainland, a legal framework for tripartite social dialogue in Zanzibar is set. However, dialogue is still limited in practice and with some ineffectivity, e.g. managerial employees do not have the right to bargain collectively with respect to salaries and other conditions of employment in the semi-autonomous region.²¹ On the positive side, steps were taken to improve the social dialogue in 2017. This included several bipartite meetings between ZUTAC and ZANEMA, e.g. National Negotiation Stationary, negotiation meetings with Ministry of Public Services, negotiation meeting with Alsumeit University, and meetings with the President of Zanzibar. In addition, there was one tripartite meeting about the Conflict Resolution Committee meetings and two with the National Good Governance Strategic Committee.²²

Three effective (new and renewed) CBAs were adopted in 2017. According to the register, five out of 10 trade unions affiliated to ZATUC had a total of 7 effective CBAs. This was up from 2 CBAs in 2012. The coverage of CBAs among employees remained low with an estimated 2,000 workers; and a very small share of employees at 2.8% (Table 7; and see more on Appendix Table 26).

Table 7: Status of Collective Bargaining Agreements in Zanzibar, 2017

Number of CBAs	7
Workers covered by CBAs	2,000
Share of employees covered by CBAs	2.8 %

Source: ZATUC; own calculations on the share of employees covered by CBAs.

NATIONAL LABOUR LEGISLATION

The latest registration of labour market legislations in Tanzania mainland and Zanzibar counted 286 pieces in May 2017.²³ Table 8 below illustrates the number of approved legislation reforms in the period from 2014 to 2017 (May). A more detailed list of legislations is available in Appendix Table 27.

Two key legislation reforms in Tanzania mainland in recent years were the Employment and Labor Relations

Act and the Labour Institution Act, both from 2017 (see more below).

Table 8: Number of approved labour market related legislations in Tanzania and Zanzibar, 2014-2017 (May)

	2014	2015	2016	2017 (May)
Number of new/amended legislations	2	8	15	4

Source: ILO, NATLEX, Tanzania

Constitution²⁴

The Constitution applies to the United Republic of Tanzania. The state is obliged to realize the right to work and receive social welfare. The freedom of association is guaranteed, though with several restrictions. Equal opportunity and just remuneration is enshrined in the constitution.

A Constitution Review process was initiated in 2013 and it was finalized in 2015. The participating trade union representatives ensured an inclusion of labour rights clauses in the new draft constitution. The constitutional referendum was planned to be held in April 2015. However, heightening political tensions, delays to voter registration and security sectarian postponed the process. Issues with concerns were mainly related to the division of Tanzania mainland and Zanzibar, ethnic relations as well as ownership of oil and gas reserves. Sources informed that the constitution review was still not included in the proposed Ministry of Constitutional Affairs 2017/2018 budget, which has raised a concern that the constitution review was never a priority for the current government.²⁵

The Tanzania mainland and Zanzibar have separate main labour laws:

Tanzania, mainland

Employment and Labour Relations Act²⁶

The Employment and Labour Relations Act (ELRA) of 2004 sets fundamental rights at work and regulates hours of work, remuneration, leave, termination of employment, trade unions and employers' organizations, organizational rights, collective bargaining, strikes and lockouts, and sets dispute resolution under the Commission for Mediation and Arbitration. The labor laws cover all workers, including foreign and migrant workers.

A reform of ELRA was approved in 2017. Some of the main improvements were related to child labour



prohibition, employment standards, and trade union matters. On the negative side, ELRA does not stipulate a reasonable period for the processing of applications for registration of trade unions.

Labour Institutions Act²⁷

The Labour Institutions Act of 2004 applies to the United Republic of Tanzania. It establishes the Labour, Economic and Social Council, the Commission for Mediation and Arbitration, the Essential Services Committee, Sectoral Wage boards, the Labour Administration and Inspection, and the Labour Court.

Reforms of this Act were approved in 2017. Some of the improvements were related to appointment of members to: i) the Labour, Economic and Social Council, ii) the Commission for Mediation and Arbitration, and iii) Wage Boards. The amended Act also changed Wage Board consultation and Wage Order Review, e.g. the order shall be reviewed within 3 years from the date of issue.

Zanzibar

Labour Relations Act²⁸

The Labour Relations Act of 2005 regulates fundamental employees' rights, establishes the framework for registration of trade unions and organizations, organizational rights, collective bargaining and agreements, labour disputes / right to strike, dispute prevention, and resolution and establishes the Zanzibar Industrial Court.

The Act requires a union with 50 or more members to be registered and sets literacy standards for trade union officers. This provides considerable powers of the registrar to restrict registration by setting forth criteria for determining whether an organization's constitution contains suitable provisions to protect its members' interests.²⁹

The Employment Act

The Employment Act from 2005 regulates fundamental rights and protection, employment procedures and foreign employment, contracts of service and employment standards and rights (hours at work, wages, leave, vacation, penalties, termination of employment, etc.). The law also establishes the Labour Advisory Board, wage fixing machinery and wages protection as well as the Labour Commission and labour inspection.

Observations on the labour legislation

The International Trade Union Confederation (ITUC) has registered several observations of the legislations with reference to the international standards of right to organize, right to collective bargaining and right to strike. These are summarized below:³⁰

- The law prohibits anti-union discrimination, but does not provide adequate means of protection against it.
- Power to refuse official registration on arbitrary, unjustified or ambiguous grounds.
- Excessive representativity or minimum number of members required for the establishment of a union.
- Sanctions imposed for organizing or joining an organization not officially recognized.
- Restrictions on trade unions' right to establish branches, federation and confederation or to affiliate with national and international organizations.
- Restrictions on the right to elect representatives and self-administer in full freedom.
- Administrative authorities' power to unilaterally dissolve, suspend or de-register trade union organizations.
- Compulsory conciliation and/or binding arbitration procedure in the event of disputes during collective bargaining, other than in essential services.
- Excessively long prior notice/cooling-off period.
- Absence of specific protection for workers involved in lawful strike actions (e.g. against dismissal).
- Restrictions with respect to the objective of a strike (e.g. industrial disputes, economic and social issues, political, sympathy and solidarity reasons).

Ratified ILO Conventions

With reference to the United Republic of Tanzania ratification of the international labour standards, a total 36 ILO Conventions are ratified (see also Appendix Table 28);³¹

Ratifications for the ILO Conventions

- Fundamental Conventions: 8 of 8.
- Governance Conventions (Priority): 1 of 4
- Technical Conventions: 27 of 177.
- Out of 36 Conventions ratified by Tanzania, of which 31 are in force, no Convention has been denounced; 5 instruments arrogated; none have been ratified in the past 12 months.



The latest ratified Convention is the Seafarers' Identity Documents Convention (Revised) (No. 185) from 2017. The convention entered into force in April 2018.

Trade Agreements

Tanzania is part of the East African Community (EAC). The EAC free trade agreement from 1999 contains a labour provision with cooperation on employment and working conditions with an emphasis on gender equality as well as discriminatory law and practices. Furthermore, the labour provision of the Common Market for Eastern and Southern Africa (COMESA) agreement extends to cooperation on employment conditions and labour law.³² Tanzania is also part of the 2000 Cotonou Agreement between the European Union (EU) and African, Caribbean and Pacific (ACP) countries, which reaffirms commitment to ILO's Fundamental Conventions and includes a labour provision on cooperation on various labour and social issues.

In 2005 the EAC established a customs union and in 2010 the EAC agreed to establish a full common market with free movement for workers, goods, services, and capital.

Freedom of association and collective bargaining is enshrined in the EAC common market in the sense that an EAC migrant worker has the same rights as a national.³³ The free movement of labour within the EAC opens up questions of how to achieve equal opportunities and equal social and labour rights for migrant workers, for example if workers can bring pensions with them across borders. The free movement of labour is also a source of concern in some of the EAC countries, as the countries' workforces have differences in productivity and educational level. The actual implementation of the economic integration has slowed down the last few years especially with regards to lifting barriers to trade and free movement of labour.

TRADE UNION RIGHTS VIOLATIONS

Tanzania has experienced some downturns in the trade union rights violations. On the Global Rights Index, the country had a stable ranking at 3 out of 5 (5 is worst) in the period from 2014 to 2016, but it dropped one place down the latter, ranking 4 out of 5 in 2017. This was registered as 'systematic violations of rights'. This is interpreted as the government and/or companies are engaged in serious efforts to crush the collective voice of workers putting fundamental rights under threat.³⁴

ITUC registered three cases of systematic violations of rights in 2017: i) Tanzania Mines, Energy and Construction Workers Union (TAMICO) member was shot dead, ii) physical threats against TAMICO representative, and iii) Kinondoni District Council raised levies to be paid by bus operators without consulting workers.

Other sources registered that private-sector employers adopted antiunion policies or tactics, which were against the law regulations in both the mainland and Zanzibar. In 2017 TUCTA reported a story of international mining interests engaging in antiunion activities such as bribing officials from the Ministry of Labour Inspectorate to ignore worker complaints or to write favorable reports on working conditions. TUCTA also stated that employers threatened or terminated workers to prevent organizers from achieving the 50-percent threshold to guarantee access to collective bargaining.³⁵

Both Tanzania mainland and Zanzibar have no active complaint procedure in relation to Freedom of Association cases with ILO.³⁶

WORKING CONDITIONS

The latest published minimum wage standards in Tanzania mainland was in 2015 and raised the minimum wage to TZS 310,777 (US\$152) per month. These cover for employees in both the public and private sectors. Back in 2013, other minimum wage standards were divided into nine employment sectors. The lowest minimum wage was TZS 40,000 (US\$18) per month for the lowest-paid category of domestic workers residing in the household of the employer while the highest was TZS 400,000 (US\$179) per month for workers in the telecommunications, mining, energy, and financial sectors (Table 9). This points out that, the lowest minimum wages were not enough to support basic living conditions.

In Zanzibar the latest minimum wage adjustment was approved in 2016 when civil servants' wage increased by 100% reaching TZS 300,000 (US\$134) per month (Table 9).

Only workers from the formal sector are covered by the minimum wages; but a majority of Tanzanian mainland and Zanzibar workers are operating in the informal economy or subsistence farming where the wage regulations are not applied (see also the sub-section: Informal Economy).



The latest Formal Sector Employment and Earnings Survey from 2015 in Tanzania mainland counted that one out of four (25%) of employees earned monthly wages from TZS 300,001 (US\$134) to TZS 500,000 (US\$244). Two other large segments were those who earned monthly wages from TZS 500,001 to TZS 900,000 (US\$440) that covered 21% and it was similar at 19% for those who earned from TZS 150,001 (US\$73) to TZS 300,000. The survey furthermore revealed that workers from the private sector were more present among the lowest earned monthly wages while only few were on that level in the public sector.³⁷ Other facts demonstrated that only 6% of annual graduates from secondary and tertiary school levels in the mainland found formal waged employment.³⁸

Table 9: Minimum wages in Tanzania mainland and Zanzibar, per month

	Current Shilling (TZS)	Current US\$
Tanzania mainland		
Minimum wage (2015-)	310,777	152
Highest minimum wage (2013-)	400,000	179
Lowest minimum wage (2013-)	40,000	18
Zanzibar		
Minimum wage (public sector) (2016-)	300,000	134
Wages and labour regulations		
Minimum wage applicable to workers *	122,019	55

* Worker is 19 years old with one year of work experience.

Source: WageIndicator.org and the World Bank, Doing Business Labor Market Regulations

The ordinary workweek is legally set at 45 hours per week, with a maximum of nine hours per day or six days per week. Before the mentioned reform of the ELRA (2004) in 2017, most employers' practices were to turn employee's employment contracts into casualization of employments contracts. Today, a contract for a specific period shall not be less than twelve months, i.e. it compels the employers to grant the employees a longer contract of employment. New regulations allow the employee who agrees with his/her employer to work during his/her annual leave. Before the amendment, the law prohibited an employee to agree to work during his/her annual leave in lieu of the paid leave. Employers shall now ensure that no employees are continuously working in any leave cycle without applying for annual leave. Other general

working conditions in Tanzania are available below (Table 10).

First thing to remember is that the labour standards are not effectively enforced by the government on several levels. First of all, the public labour related authorities lack resources and capacities to enforce the laws. Second, the authorities' regulations only reach the narrow formal sector and not the dominating informal economy (see more on the sub-section: Informal Economy). In practice, a large majority of workers are simply not encompassed. Just as an example, many workers do still not own employment contracts and work without legal protections such as social protection.

Table 10: Status of Working Conditions in Tanzania

Fixed-term contracts prohibited for permanent tasks	Yes
Maximum length of a single fixed-term contract (months)	No limit
Maximum number of working days per week	6
Premium for night work (% of hourly pay)	5.0 %
Premium for work overtime work (% of hourly pay)	50 %
Paid annual leave (average for working days with 1, 5 and 10 years of tenure, in working days)	20
Minimum length of maternity leave	84
Receive 100% of wages on maternity leave	Yes
Five fully paid days of sick leave a year	Yes
Unemployment protection after one year of employment	no

Source: World Bank, Doing Business, Labor Market Regulation in Tanzania

The labour authorities operated with 88 labour inspectors on the Tanzania mainland; and 5 inspectors in Zanzibar. In mainland, one inspector covered around 283,000 per employed while it was one inspector per 130,000 employed in Zanzibar. If the focus was only among employees, the coverage per inspector was estimated at around 39,000 in mainland and 14,400 in Zanzibar. In contrast, the ILO recommends one inspector per 40,000 workers in less developed countries.³⁹

WORKFORCE

The total population of the United Republic of Tanzania was 54 million in 2017; 1.3 million in Zanzibar. The population is growing fast at around 3.1% per year. An estimated total workforce was 25.7 million out of which 22.3 million (87%) were economically active and 3.4 million (13%) were inactive. Table 11 below illustrates that Tanzania has a higher employment-to-population ratio on all levels than the Eastern African averages. Tanzanian men have higher employment-to-population ratios on all levels than Tanzanian women,



e.g. a gender gap on 9 percentage points among age +15 years.

Other estimations showed that the total employment-to-population ratio trend experienced a marginal increase from 79% in 2000 to 81% in 2017 in the country. The youth employment-to-population rate experienced an upsurge, especially in the 2010s, so far, with an increase of 9 percentage points in the abovementioned trend period. A growing gap of the youth employment-to-population rate with the Eastern Africa average increased from 4.0 percentage point in 2000 to 13 percentage points in 2017 (see more on Table 11).

Table 11: Estimations of employment-to-population ratio in Tanzania and the Eastern Africa, Age and Sex distribution, 2017

Sex	Age	Tanzania	Eastern Africa
Total	Total 15+	81 %	72 %
	Youth 15-24	69 %	57 %
Men	Total 15+	86 %	78 %
	Youth 15-24	72 %	60 %
Women	Total 15+	77 %	67 %
	Youth 15-24	67 %	54 %

Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

Sources revealed that around 850,000 young people enter the country's labour market annually, but only 50,000 to 60,000 formal sector jobs were created each year. With more than 66% of the population under 25, this job shortage will keep rising and it creates pressure on the unemployment and underemployment along with a mounting informal economy⁴⁰.

Tanzania experienced some structural changes on the status of employment in the 2000s. This was stalled in the 2010s, so far. First of all, many workers moved from own-account workers (i.e. self-employment and not engaged as 'employees' on a continuous basis) towards contributing family workers (i.e. self-employment in an establishment operated by a related person) and on the margin to employees (i.e. workers who get a basic remuneration).⁴¹ The latter segment increased by 7 percentage points in the period from 2000 to 2017 peaking at 14% of the total employment in 2017. Since employees are often active in more urban areas, the contracted progress of this segment is reflected in the slow urbanization: The degree of urbanization (i.e. the share of urban population in the total population of a country) rose from 26% in 2006 to 32% in 2016.⁴²

Another glimpse in the structure of the employment in Tanzania is that a large majority of enterprises, 97%, were household "micro" enterprises (1-4 employees), with 66% of the total being own account (one person) activities.⁴³

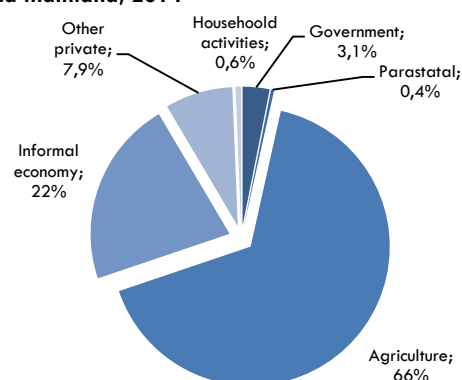
Figure 3: Estimations and projections of status of employment in Tanzania, %, 2000-2020



Sources: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

The agricultural sector dominated the employment in the country: 2 out of 3 (66%) were located in this sector. Albeit small-scale agricultural producers were not statistically characterized as workers in the informal economy, but as self-employed. They did not have any access to decent work benefits, coverage of labour rights and social protection. Workers in the informal economy contributed to a large segment of 22% of the total employment. Other were present in the private sector (8%), government (3%); and the rest, household activities and parastatal, covered very small segments (Figure 4).

Figure 4: Employment by status in employment in Tanzania mainland, 2014



Source: [Tanzania National Bureau of Statistics, Integrated Labour Force Survey from 2014](#)

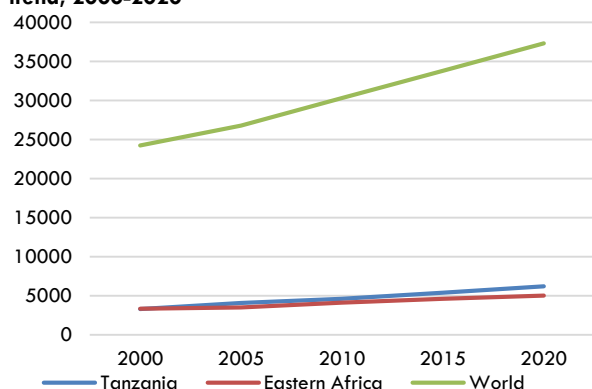
In Zanzibar the labour market was estimated to hold 72,000 public and private workers from the formal



sector. The informal economy was expanding along with a high unemployment rate.

There is a clear linkage in the status of employment and labour productivity. Employees are often more present in the formal sector with access to capital, finance and training while own-account workers and contributing family workers often operate in more informal micro and small enterprises with low productivity activities. The segment of employees is narrower in Tanzania than the Eastern Africa average (20% of total employment); this is much higher on the World average at 54%. This is mirrored in the labour productivity on Figure 5 below that places Tanzania and the Eastern Africa average far below the World average. The relatively low labour productivity is furthermore related to that the educational system is not doing enough to endow workers with the skills their employers need in the formal sector (see also the section: Education).

Figure 5: Estimations and projections of labour productivity trend, 2000-2020



Note: Labour productivity is defined as output per worker (GDP constant 2011 international \$ in Purchasing Power Parity (PPP))

Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

Unemployment

In the strict international definition of unemployment, which measures 'looking for work', Tanzania was estimated very low by ILO with 2.1% of the active workforce being unemployed in 2017. This was in line with the result of the latest national Integrated Labour Force Survey (ILFS) from 2014. On a more broad international definition of unemployment, which includes workers available but not looking for work, it increased slightly up to 5.2%. If the statistical measurement furthermore adds marginal attachment to employment, the unemployment rate rose up to 10%. Unemployment was more prevalent in urban zones than rural areas, 13% vs. 8.4% in terms of the broad unemployment, respectively; with a particularly high unemployment

rate in Dar es Salaam at 22%. Overall, the unemployment rate has been on a declining trend on the margin diminishing at 0.8 percentage points in the period from 2006 to 2017 on the strict definition, and 1.4 percentage points on the broad unemployment measurement. Women's unemployment rate was higher than men's (see also the section: Gender). Not to mention, Tanzania had a significant lower unemployment rate than the Eastern Africa average with a gap of 4.2 percentage points (see more on Table 12).

Since the narrow formal sector in Tanzania does not create many new job opportunities, just as the workforce is not covered by an unemployment protection scheme and confronting rampant poverty, a large majority is instead seeking underemployment in informal activities as a survival strategy. To some extent, this explains the low (strict) unemployment rate in Tanzania.

Table 12: Unemployment in Tanzania and Eastern Africa average, 2017

Type	Gender	Tanzania	Eastern Africa
Unemployment	Total	2.2 %	6.4 %
	Men	1.7 %	4.9 %
	Women	2.8 %	8.1 %
Youth Unemployment	Total	3.9 %	11 %
	Men	3.2 %	9.1%
	Women	4.7 %	12 %
Underemployment (2014)	Total	12 %	N/a
	Men	12 %	N/a
	Women	12 %	N/a

Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#), and [Tanzania National Bureau of Statistics, Integrated Labour Force Survey from 2014](#)

Youth (15-24 years old) had a low (strict) unemployment rate at 3.9% in 2017 with a huge gap of 7.1 percentage points in comparison with the region's average (Table 12). On the broad international definition, youth unemployment was higher at 12%. Youth segment had the highest unemployment rate in comparison to other age groups (see also the section: Youth). Youth unemployment in Tanzania confronts a mismatch of the education system and the labour market. Youths' attitudes towards work as well as a lack of practical techniques were often cited. Youth in Dar es Salaam are six times more likely to be unemployed than rural youth. As previously mentioned a large majority of the youth entering the labour market ends up in vulnerable employment in the informal economy. Underemployment – which is interpreted as all those working less than 40 hours a week, but being available



or preferred to work more hours, although not being able to, because of involuntary reasons – was estimated at 12% with no gender gap (Table 12). Although the underemployment rate does not appear to be rampant in the country, it shadows the relatively low labour productivity and informal activities. To point out, since 2006, the underemployment has been on a fast increase.

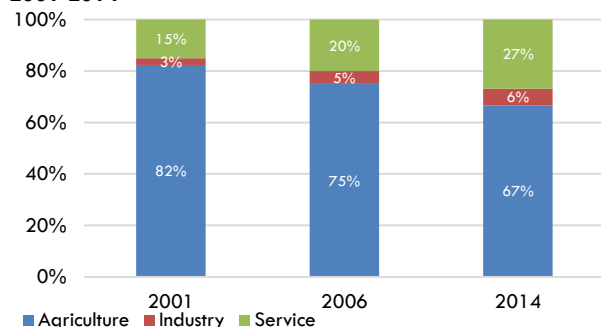
Unemployment in Zanzibar

Official data from Zanzibar estimated the (strict) unemployment rate at 4.4% in 2010. The youth unemployment rate was significantly higher at 17%. As in the mainland, women had higher unemployment rates than men. According to the authorities, this signaled that unemployment in Zanzibar was essentially a youth phenomenon.⁴⁴ Based on other methods of measuring the unemployment, other sources argued that the unemployment rate was much higher at 34% in 2012; with youth joblessness and underemployment at 85%.⁴⁵ Unemployment in Zanzibar has been called a “ticking time bomb”.⁴⁶

Sectoral Employment

Just as the mentioned structural changes on the status of employment in Tanzania, it was furthermore reflected in the employment by aggregate sector trends. To begin with, the proportion of employment in the agricultural sector dropped by 15 percentage points in the period from 2001 to 2014. The majority of the employment changes were moved towards the service sector that increased from 15% to 27% in the same period. Employment in the industry sector remained as a quite small segment (see more on Figure 6). This shift in the employment in aggregate sector has to some extent been replicated in a slight upsurge on the labour productivity and an evolution of employment by economic class (see also Figure 5 Table 24).

Figure 6: Employment by aggregate sector in Tanzania, 2001-2014



Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

Based on the latest Integrated Labour Force Survey from 2014, a total of 20 million workers were employed in 2014. There was a very narrow gender gap on the margin on the total employment. Men dominated the industry sector and some aspects of the service sector (i.e. transport and communication as well as public administration and education/health). On the other hand, women were slightly more employed than men in the agricultural sector which was similarly in several other service sub-sectors. This was especially in trade and restaurant/hotels, which covered a significant part of the total employment (17%). Other services and finance/business services also had relatively high women participation rates, but both were very small segments of the total employment (see more details on Table 13).

Table 13: Employed persons and GDP share per sector, 2014

Sector	Total sector employment	Sector employment share, %	Ratio of men in sector employment, %
Agriculture	13,409,810	67 %	48 %
Mining & quarrying	218,024	1.1 %	80 %
Manufacturing	615,323	3.1 %	59 %
Electricity, gas & water	32,983	0,2 %	82 %
Construction	422,395	2.1 %	97 %
Trade, restaurants & hotels	3,315,809	17 %	42 %
Transport, storage & communication	552,431	2.8 %	95 %
Finance, real estate & business services	66,623	0.3 %	47 %
Public administration, education and health	770,518	3.9 %	73 %
Other services	459,776	2.0 %	33 %
Total	19,863,692	100 %	51 %

Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

In Tanzania, the agricultural sector contributed with 32% of the Gross Domestic Product (GDP), 25% in industry and 44% in the service sector in 2014. Economic growth is today concentrated in the private sector’s telecommunications, financial services, retail trade, mining, tourism, construction and manufacturing. It is interesting to observe that these sectors are predominantly capital-intensive and concentrated in large urban areas. As an example, the broad finance sector, which covered only 0.3% of the total employment, backed 11% of the GDP with a very high GDP share per worker of US\$77,407 per year. The



rest sub-sectors diverge from a GDP share by sector per worker of US\$1,132 (agricultural sector) to US\$8,833 (mining) (see more details on Table 14).

Table 14: GDP share by sector and per worker in Tanzania, 2014

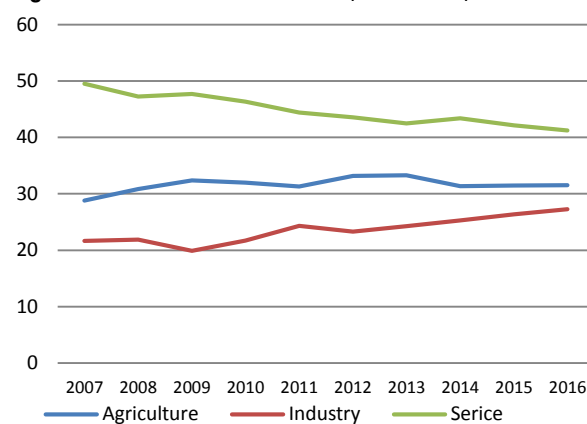
Sector	GDP share by sector, %	GDP share by sector per worker, US\$
Agriculture	32%	1,132
Mining & quarrying	4.0%	8,843
Manufacturing	6.1%	4,778
Electricity, gas & water	1.3%	18,997
Construction	14%	15,518
Trade, restaurants & hotels	13%	1,846
Transport, storage & communication	7.0%	6,107
Finance, real estate & business services	11%	77,407
Diverse services	7.2%	4,504
Other sources	5.9%	6,185
Total	100%	2,426

Note: GDP share by sector per worker is calculated by the total GDP (current US\$) divided by GDP share per sector origin which is then divided in number of workers per sector.

Source:; [African Economic Outlook, Tanzania 2016](#); and own calculations on GDP share by sector per worker.

It is interesting to observe that the structural changes on the status of employment as well as aggregate sector employment had some contrast with the aggregate sectors' share of GDP. As an example, the share of the employment in the service sector increased significantly, but this sector's share in GDP was on a declining trend. This signals a dysfunction between the labour market and the economy in Tanzania. One point is that the employment change did not benefit much to the employees' segment. Most people instead ended as contributing family workers in micro enterprises that operate with more informality and low labour productivity. The industry sector's share of the GDP has demonstrated an upsurge in recent years that was more in line with this sector's employment share increase. The agricultural sector share of GDP has been more stable despite the significant reduction of this sector's employment share. This suggests that the labour productivity has improved in the latter sector. More details on the sector share in GDP is available on Figure 7.

Figure 7: Sector share in Tanzania, % of GDP, 2007-2016



Source: [World Bank, World Development Indicators](#)

Migration

The East African Community (EAC) commits Tanzania to adopt measures to the free movement of persons and labour from the other five member states. So far, Tanzania has been very reluctant to open its borders and thus lags behind neighbouring countries in implementing the provisions in the EAC's Common Market Protocol. During the last two decades, Tanzania has experienced a higher outflow than inflow of people. This was expressed in the net migration indicators that registered a number of (minus) 200,000 people in 2015 since many native Tanzanians migrated for better labour opportunities. However, personal remittances remained very low in the country, and did not contribute much to the economy (Table 15). It was worthwhile to mention that Tanzania hosted many refugees from conflict riddled neighbouring countries, from mainly Rwanda and Burundi in the beginning of the 1990s. Many of those have returned home, which has contributed to the high negative net migration flow (Figure 8).

Table 15: Status of migration in Tanzania

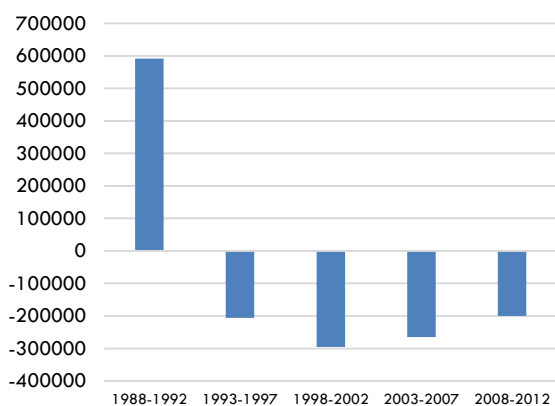
Net number of migration (2015)	Tanzania	- 200,000 *
Net migration rate	Tanzania	- 1.24 ** (2010)
		- 0.80 ** (2015)
Personal remittance (received), % of GDP (2012-2016, av.)	Tanzania	0.9 %
	Sub-Saharan Africa	2.4 %

* Net migration is the net total of migrants during a period of five years, i.e. the total number of immigrants less the annual number of emigrants, including both citizens and non-citizens. ** One migrant per thousand of the population.

Source: [World Bank DataBank](#) and [KNOEMA](#)



Figure 8: Net migration trend in Tanzania, 1988-2012



Source: [World Bank DataBank](#)

Tanzania does not only send workers out of the country but also attracts labour migrants. The authorities opened up for granted citizenship, e.g. in 2014 almost 170,000 Burundians living in eastern parts of Tanzania were assigned with citizenship. Other survey data from 2013 illustrated that only 0.13% of the total workforce was regular non-citizen employees. It was related to that migrant workers often faced difficulties in seeking legitimate employment. In practice, discrimination against migrant workers occurred often. Tanzania Immigrations Authorities often carry out blueprint operations to catch illegal immigrants. In March 2015, the parliament passed the Non-Citizens Employment Regulation Act, which gives the labour commissioner authority to deny work permits if a Tanzanian worker with the same skills is available. It suggests that most immigrants operate in the informal economy.⁴⁷

Equally important, the internal migration in Tanzania is under an evolution. Like in many other African countries, Tanzania is experiencing some urbanization. Albeit this urbanization has been an economic power engine in Asia, it has, so far, not experienced the same impact in Tanzania. According to the latest Integrated Labour Force Survey from 2014, migration-measures showed that there were 27% of persons reported that migrated to other places from their place of residence. Dar es Salaam had the highest proportion of persons who migrated from other areas, which was 56% of the total residents. This could be characterized as a 'youth bulge', i.e. the rural-urban migration is dominated by young adults. Studies have argued that this internal migration flow in Tanzania is interlinked to the higher levels of schooling and job seeking as employees who triggers migration to towns and cities.⁴⁸

Informal Economy

Informal economy not only contributes significantly to Tanzania's economy but it also absorbs a large majority of the workforce. According to Tanzania National Bureau of Statistics, the concept of informal employment excludes persons engaged in agricultural activities. The definition of the informal sector includes enterprises owned by individuals or households that are not constituted as separate legal entities independent of their owners, have no complete set of accounts, produce some of their goods for sale and their employment size is below 5 employees.⁴⁹ Based on data from the Tanzania mainland Integrated Labour Force Survey 2014, around 43% (6.3 million persons employed in informal economy) of total households were operating in the informal economy. This segment increased by 3 percentage points since 2006. Informality was much more prevalent in Dar es Salaam (65%) than in other urban zones (57%) and in rural areas (32%). The increase of households in informal businesses was particularly in Dar es Salaam, which points towards an impact of the mentioned internal rural-urban migration and an insufficient formal job creation. A broader definition of employment in the informal economy (i.e. including workers from subsistence farming) demonstrated that the vast majority of workers in Tanzanian mainland and Zanzibar were quite high at 85% and 88%, respectively. On this background, it is not surprising that estimations from the International Monetary Fund (IMF) suggested that the size of the informal economy was around 50-66% of the GDP (Table 16).

Table 16: Employment and economy in the informal economy in Tanzania

Share of persons employed in the informal economy	Tanzania (2014)	85%
	Zanzibar (2010)	88%
Size of the Informal Economy	Tanzania	50-66%

Source: [ILO & DFID, Zanzibar Social Protection Expenditure and Performance Review and Social Budget, 2010](#); [Tanzania National Bureau of Statistics, Integrated Labour Force Survey from 2014](#); and [IMF Working Paper: The Informal Economy in Sub-Saharan Africa: Size and Determinants](#).

Just as in many other African countries, most new jobs are created in the informal economy, crowding-out jobs in the formal sector. Tanzania mainland's National Employment Policy (NEP) assessed that the informal economy had a capacity to employ 63% of the yearly increasing labour force in urban areas and 8.5% among the formal sector.⁵⁰ The informal economy also absorbed many since unemployment is not an option. By

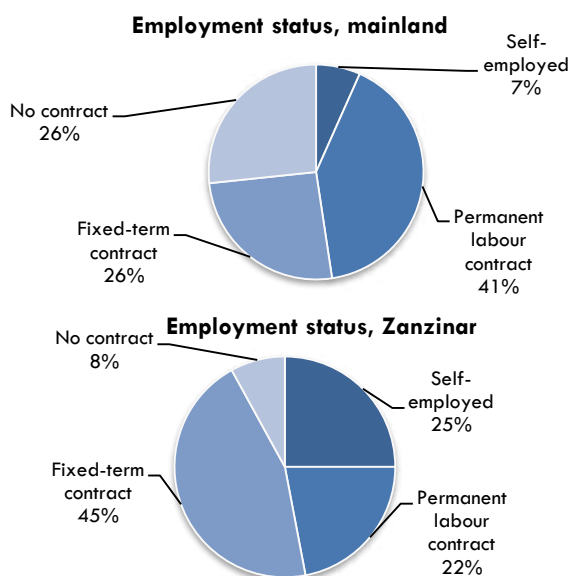


the same token, the adopted employment policy in Zanzibar meant to increase job creation in the informal economy by encouraging self-employment and also establishment of economic processes zones, which have encouraged investment as well as promoted productivity and competitiveness.

Both Tanzania mainland and Zanzibar lack a Tripartite National Informal Economy Forum and have an absence of other national forums and policies addressing informal economy workers.⁵¹ On the positive side, social security reforms in Tanzania mainland promoted to include the informal workers (see also the section: Social Protection). Formal registration of companies can be measured as a proxy of the possibilities of formalizing the economy. As an example, the procedure of 'starting a business' in Tanzania was ranked quite low of 162 out of 190 countries on the Doing Business Index (see also Appendix Table 29).

A Tanzania mainland Wage Indicator survey from 2012 showed that around 33% work without a contract.⁵² The survey preselected workers who had better conditions and sampled registered self-employed and employees (not unregistered self-employed in the agricultural sector). The survey illustrated that more young people tended to have no contract. The median wage for workers with a permanent contract was more than double than for workers with no contract. In Zanzibar, 33% did not operate with contracts (Figure 9).⁵³

Figure 9: Employment in the informal economy



Source: [WageIndicator, Data Report, Wages in Tanzania, WageIndicator survey 2012](#); and [WageIndicator, Data Report, Wages in Zanzibar, WageIndicator survey 2013](#)

Child Labour

Child labour is widespread in Tanzania. Based on the latest National Child Labour Survey from 2014, around 29% were in child labour. This was similar to the sub-Saharan Africa average (Table 17). The largest number of working children was among unpaid family workers (93%) and nine out of ten (92%) were in the agricultural sector. Children labour activities were most often as domestic workers, street vendors, shopkeepers, transportation, fishing, clove picking, small businesses, and gravel making.

Table 17: Working children, Proportion of all children, age 5-17 years in Tanzania mainland and Zanzibar

Region	Year	Type	%
Tanzania, mainland	2014	Child labourers	29 %
		Hazardous work	22 %
Zanzibar	2006	Child labourers	9 %
Sub-Saharan Africa	2008	Children in employment	28 %
		Child labourers	25 %
		Hazardous work	13 %

Note: Children in employment include all children who conduct some kind of work, whereas child labourers are a narrower term without mild forms of work. Hazardous work is the worst form of child labour as defined in ILO C182.

Source: [National Bureau of Statistics, Tanzania National Child Labour Survey 2014](#); [ILO, IPEC, National Action Plan for the elimination of child labour 2009 - 2015](#); [ILO, Accelerating action against child labour, International Labour Conference, 99th Session 2010](#)

Law prohibits the exploitation of children in the workplace. Among others, the minimum age for contractual employment is 14. Children over 14 but younger than 18 may be employed to do only light work, that can't harm their health, development, or attendance at school. However, the government does not effectively enforce the law. One reason is that many children work in private homes or rural areas. The distance for urban-based labour inspectors and the unwillingness of children to report the conditions of their employment also complicated inspections in the enforcement of the law. On the same token, the children are vulnerable to exploitation and with few protections.⁵⁴

In Zanzibar, among 5-17 year olds only 9% were reported to be engaged in child labour. It is noteworthy to mention that Zanzibar's child rights law from 2011 was the winner of the 2015 Future Policy Award on securing children's rights, beating 29 other nominated policies to the prize. It earned the award for its balanced coverage of child abuse and violence against children and for its promotion of child rights.⁵⁵



Gender

Labour legislation ensures gender equality in Tanzania. For example, it promotes equal treatment and remuneration in employment; accords the right to take maternity and even parental leaves; and forbids discrimination at the workplace in access to resources and financial tools, and requires equal pay for equal work. It is interesting to observe that the international Global Gender Gap (GGG) Index - measuring gaps rather than levels of gender equality and women's empowerment - was ranking Tanzania 68 out of 144 countries (1 is highest).⁵⁶ This is reflected in the national statistical data that revealed relatively small gender gaps on key labour indicators (Table 18).

Table 18: Key workforce indicators, Men and Women, 2014

	Men	Women	Gender gap, percentage point (p.p.)
Participation rate	81 %	78 %	- 3 p.p.
Unemployment *	8.2 %	12 %	+ 4 p.p.
Time-related underemployment	12 %	12 %	0 p.p.

*Unemployment rate with marginal attachment in employment.

Source: [Tanzania National Bureau of Statistics, Integrated Labour Force Survey from 2014](#)

What is not captured in the GGG Index is that gender inequality remains present in the country. One statistical 'hidden' issue is that the society is surrounded by a patriarchal social structure that underlies the unequal social power relations between men and women. This is exemplified by women's access to decent work. In Tanzania there is a dominance of men among paid employees in the formal sector, i.e. men cover 66% of total employees and women cover 34%. On average, a Tanzanian man earns 39% more than what an average woman earns in total. It is not only an impact of discrimination and nepotism on the labour market that keeps women in lower paid sectors, but also because they have slightly lower levels of education (see also the section: Education). Although employers in the formal sector are more attentive to gender provisions against gender discrimination, legal gender provisions are not effective in the dominating informal economy where women often are employed in hazardous jobs, being bullied, experiencing threats and sexual harassment.⁵⁷

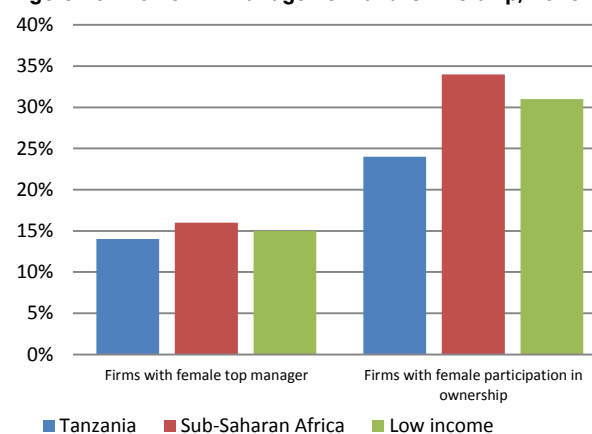
The gender inequality in Tanzania mainland and Zanzibar is also shielded by other socio-cultural factors, e.g. many women are locked out of land ownership, and have limited access to credit and productive farm inputs as well as often lacking support from extension services and access to markets. Overall, based on

another international Gender Inequality Index - measuring health, empowerment and economic status - it ranks Tanzania 129 out of 159 countries (1 is highest).⁵⁸

Another aspect of the gender inequality on the labour market in Tanzania is related to unequal division of responsibilities and decision-making within a family. For example, women's control over household assets and income are often limited. While women have some decision-making powers on the utilization of their income, the amount of money earned is often insufficient to meet household needs adequately. Many rely on their children's earning to supplement the family income, which gives an indication of the previously mentioned relatively high child labour rate in Tanzania mainland.

The latest Enterprise Survey revealed that 24% of firms had women participation in ownership in Tanzania, which was significantly lower than the sub-Saharan Africa average at 34%. Tanzania furthermore has a lower score in terms of firms with women in top management (Figure 10). As an illustration, in agricultural estates women are frequently the pickers and packers while it is not easy for them to obtain better-paid jobs on the estates; very rarely they attain management positions.

Figure 10: Women in Management and Ownership, 2013



Source: [World Bank & IFC, Enterprise Surveys: Tanzania Country Profile 2013](#)

Youth

Transition from the education system into the labour market is intertwined into the employment structure, cultural stance, social networks, urban or rural context, and educational achievement. The labour market is under a pressure due to a fast growing youth population. Nearly 1 out of 2 (47%) of Tanzania's



population is under 15 years of age. A youth boom is thus expected to rise in the upcoming years.

In Tanzania mainland, youth was statistically defined as persons who are 15 to 35 years of age. There is a total youth population of 15 million persons; of whom 13 million (85%) were economically active and 2.3 million (16%) were economically inactive. Out of the economically active youth population, 11 million (88%) persons were employed and 1.5 million (12%) were unemployed.⁵⁹ When comparing the youth unemployment rate between men and women, the latter outnumbers the former with a percentage point gender gap of 5. Similarly, young women have a much higher Not in Employment or in Education and Training (NEET) rate than men, which is part of the previously mentioned patriarchal social structures, still evident in the country (see more on Table 19 below).

The youth often has limited options available in the formal sector. Data from the Integrated Labour Force Survey 2014 revealed that only 16% of youth were paid employees while a large majority were in unpaid family helpers in agriculture (45%), work on own farm in agriculture (19%), and self-employed in non-agriculture without employees (15%). After all, young people were rarely found in professional jobs as managers, professionals or technicians.⁶⁰ The private sector employs slightly more young people than the public sector.⁶¹ Since paid employment in rural areas is limited, it pushes an increasing rural-urban migration of young people. This is not met by supply of formal jobs and it explains the fast increase of contributing family workers among youth (see also Figure 4).

Table 19: Youth population in employment, unemployment and NEET in Tanzania mainland, % and gender gap, 2014

	Men	Women	Gender gap, percentage point (p.p.)
Employment participation rate *	78 %	76 %	- 2 p.p.
Youth unemployment *	7.0 %	12 %	+ 5 p.p.
Not in employment (NEET) **	12 %	21 %	+ 9 p.p.

*Age group: 15-24. ** Not in employment or in education and training (NEET).

Source: [Tanzania National Bureau of Statistics, Integrated Labour Force Survey from 2014](#)

Sources have demonstrated that Zanzibar's youth tend to be slightly better educated than the mainland's. In contrast, the former are less likely to be employed than the latter along with higher unemployment rates. The

agriculture and tourism sectors are the primary industries employing youth in Zanzibar.⁶²

EDUCATION

A way to measure the education system's influence of employability is through the education attainment levels. According to the available data, 30% (4.4 million) of children were not attending school and the population has 5 years' education attainment on average.⁶³ Many children are not in education which explains the high child labour rate. Likewise, the relatively low education attainment reduces workers' labour skill capacity level that turn into a lower labour productivity.

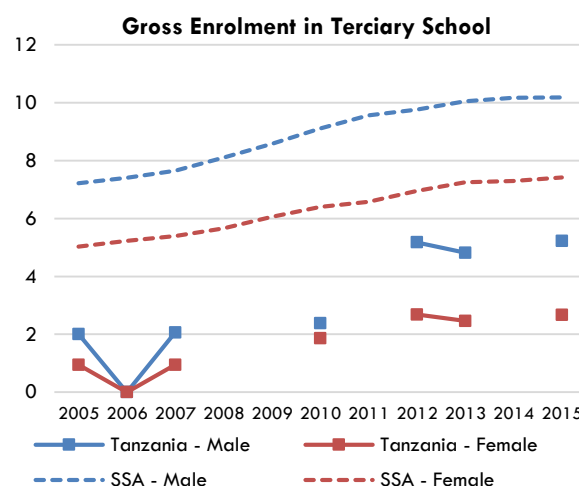
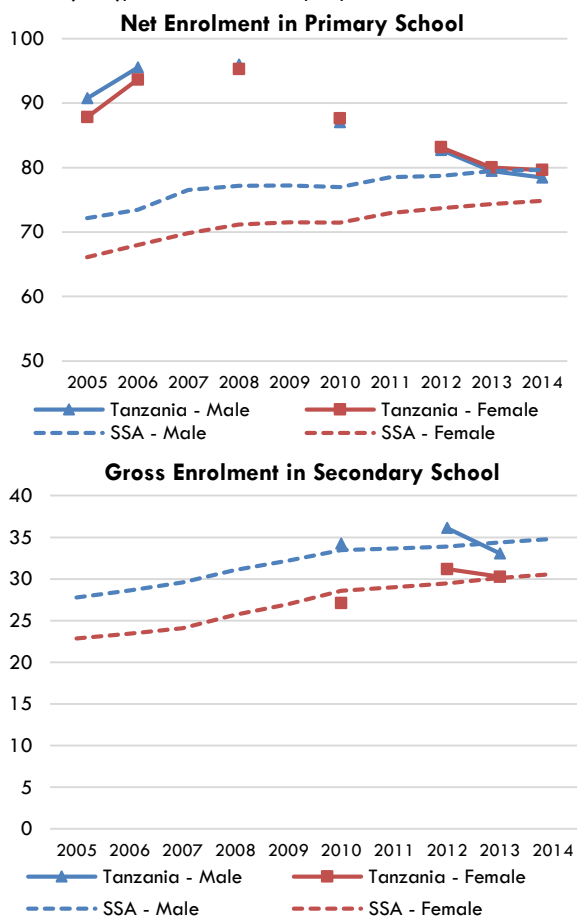
Based on the Basic Education Master Plan, the Tanzanian government aimed to achieve universal access to basic education for children over the age of 7 years and ensures that at least 80% of children complete primary education. On this background, the government promoted free and compulsory primary education since 2001. Net enrolment in primary schools increased fast during the 2000s, peaking at 95% for both boys and girls in 2008. However, this enrolment rate started to fall afterwards dropping down to an 80% average in 2014. It was more in line with the sub-Saharan Africa average rate for boys while Tanzanian girls were still on a relatively higher enrolment rate (Figure 11).

To tackle youth unemployment, free education was re-introduced in Tanzania in 2017, at pre-primary, primary and ordinary level of the secondary education. However, in recent years in Tanzania mainland, there has been a lack of replacement of public sector retiring teachers, terminated 'ghost' teachers and teachers caught up with fake academic and professional certificates. This furthermore happened for employees in other public sectors as an impact of a thorough audit of employees prior to a vast move for replacements. However, this placed the government and other stakeholders in a challenging position to ensure that there was a corresponding improvement of the education infrastructure, a manageable teachers' workload, an increase of study materials/equipment, quality assurance strategies and resources. To some extent this situation was reflected in the declining net enrolment in primary education. As an example, the influx of students was not equalled by an expansion of teachers and schools' facilities constrained the educational system. This included low teaching time, weak performance incentives for teachers, delayed or insufficient resource flows to schools and absence of student assessments in early grades⁶⁴.



It is often observed that an increase of young graduates at different education levels were coming out, only to find very limited opportunities for employees just as self-employment is challenged by a lack of proper entrepreneurship competences. This causes restlessness, frustration and social insecurity among these young graduates and the public in general. This demonstrated a need of education and training service providers on an approach to integrate education and training with entrepreneurship related competences. Data showed that gross enrolment in secondary school was more or less in line with the regional average and showed a declining trend from 2012 to 2013. Gross enrolment in tertiary education was on a rise, especially for males, but it was stalled in recent years and stayed below the region averages (Figure 11).

Figure 11: School Enrolment in Tanzania and sub-Saharan Africa (SSA), male and female, %, 2005-2015



Note: Net enrolment is the ratio of children of official school age, who are enrolled in school to the population of the corresponding official school age. Gross enrolment is the ratio of total enrolment, regardless of age, to the population of the corresponding official school age. Gross enrolment can therefore be higher than 100 percent, but with tertiary or university education, the age of the pupils is more diverse. Source: [World Bank, Education Statistics](#).

Vocational training

Enrolment in vocational training was on an increase in Tanzania. Data revealed that the number of vocational students increased by 39% in the period from 2010 to 2013. Additionally, the ratio of vocational students to secondary education increased by 2 percentage points in the same period, peaking at 12% in 2013. The latter indicated a higher interest in the vocational training among students. Generally, vocational training in Tanzania is hovering far above the regional averages on key indicators, which includes women's participation in this type of education (see more on Table 20 and Figure 12).

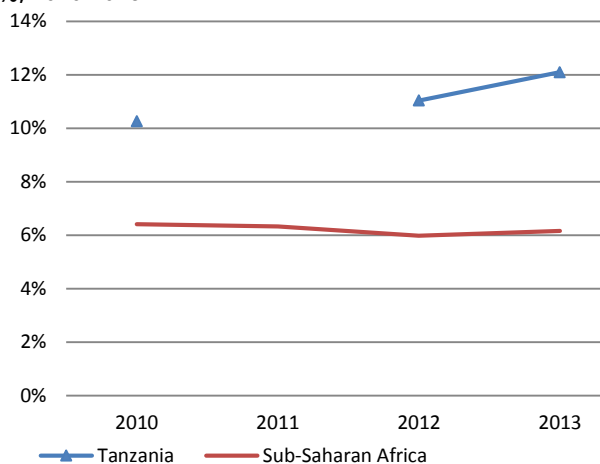
Table 20: Status of Vocational Training in Tanzania and the sub-Saharan Africa (SSA), 2010-2013

Tanzania	2010	2013
Enrolment in vocational training, total	187,257	248,239
Teachers in secondary vocational education	N/a	15,164 (2012)
Comparative estimations	Country/region	%
Secondary education, vocational pupils (% women)	Tanzania	46 %
	SSA	40 %
Ratio of pupils in vocational training to all pupils in secondary education	Tanzania	12 %
	SSA	6.2 %
Ratio of pupils in vocational training out of 15-24 year olds	Tanzania	2.5 %
	SSA	1.8 %

Sources: [World Bank, Education Statistics](#)



Figure 12: Ratio of vocational student to all pupils in secondary education, Tanzania and the sub-Saharan Africa, %, 2010-2013



Source: Source: [World Bank, Education Statistics](#)

Formal vocational training is administered by the Vocational Education and Training Authority (VETA) of Tanzania. Vocational training is performed by technical colleges, religious training centres; private training centres and through informal apprenticeships. The government launched new specialized vocational training centers in July 2016 to plug the gaps for skilled labours currently depending on VETA.⁶⁵

It is estimated that 37% of formal firms in Tanzania are offering formal training.⁶⁶ However, this segment covers a narrow segment of formal employees along with limited middle and high enterprises. Due to the Skills and Development Levy, employers in Tanzania are required by law to pay 6% of their wage bill; 2% of the wage bill goes to the Vocational Training Fund, which is administered by VETA, and 4% is remitted directly to the Treasury. Recently the government has allocated the 4% to the Higher Education Student Loans Board (HESLB). Employers have argued that the levy is unacceptably high, and that there is misallocation of the 4% remitted to the Treasury.⁶⁷ On the other hand, the trade unions seem to have played a modest role in developing the vocational education and training system. The unions have not been very active in developing policies or forwarding initiatives in this field.

An apprenticeship lasts 21 months in average. The training fee is around TZS 4,000 (US\$3.2) per month on average, and a skilled worker will earn an average of TZS 81,228 (US\$65).⁶⁸ Informal training is common. Around 58% of skilled workers are coming from informal apprenticeships, compared to 15% from formal vocational training and 15% in NGO non-formal training.

The labour market's demand-side is mainly guided by the National Employment Policy (NEP), which promotes employment creation initiatives and employment growth. The policy had some deficiencies in terms of the post-employment education and training system that lacks guiding in such skills development initiatives. However, the Recognition of Prior Learning (RPL) program with donor support was launched in 2013 to open up possibilities for people who did not get formal education in classes of being recognized and certified in firms and offices with low pay. Around 8,000 people were organized in 2017 and the aim is to reach a figure of 450,000 artisans by the year 2025.

Opportunities for vocational training in Zanzibar are limited. While enrolment in general education has expanded rapidly within the last decade, technical and vocational education has only experienced a limited growth. There are few recognized institutions that offer this type of education/training in Zanzibar.⁶⁹ Based on the limitations of data availability, there were only outdated statistics.⁷⁰

SOCIAL PROTECTION

Tanzania, mainland

Tanzania mainland attempts to move from social security towards social protection. This has been directed through three phases. First, the Extension and Harmonization phase was promoted in the period from 2014/15 to 2015/16 that aimed for an extension of coverage towards universal coverage, reform the legal and regulatory framework along with mandatory/basic social protection programs. Second, the current Stabilization phase from 2016/17 to 2020/21 is in progress. It focuses on stabilizing the functions of a system with new reformed institutions; products supplementary schemes, basic scheme, e.g. universal pension; and social health insurance schemes for the informal sector; and life annuity markets services to be provided to the population. Third, the Growth and Prosperity phase from 2021/22 to 2025/26 will focus on efficiency, effectiveness, standards and livelihood of the population.⁷¹ According to studies, the process of developing an overarching national social protection framework was somewhat stalled, which partially was because of different institutions were anxious to maintain or gain a prominent role in a policy area that has received increasing attention amongst donors.⁷²

Some of the key social protection reforms in recent years were the enactment of the Public Service Social Security Fund Act from 2017 that reshuffled the social



security funds into two institutions: The National Social Security Fund (NSSF), which now serves for private employees; and the Public Service Social Security Fund (PSSSF) for public servants. This included that the four public social security funds – the Public Service Pensions Fund (PSPF), the Parastatal Pensions Fund (PPF), the Government Employees Provident Fund (GEPF), and the Local Authority Pension Fund (LAPF) – were merged to form the Tanzania Public Service Social Security Fund (TPSSF). Public employees who were contributing to NSSF will be transferred to TPSSF; private sector employees who contributed to the PPF will be transferred to NSSF. It is worthwhile to mention that LAPF opened more doors to allow workers from the informal economy in April 2017 through a voluntary scheme to join and submit statutory payments through mobile phones to encourage people to join the fund. Around 1,500 members joined this fund from 2010 to 2016, but beefing up the mobile money services was targeted to reach over 3,000 new members by December 2017.⁷³ Still the overall social security coverage is less than 1% of the entire population, and about 6.5% of the formal working population.⁷⁴

The low social protection coverage has been related to a fragmentation between the formal sector and a dominating informal economy with unpredictable incomes and unorganized informal saving mechanisms. On the positive side, the amendments of the new Social Security Law extended coverage to the informal economy workers. Albeit this law is in force, the implementation has been silently stalled on account of workers being disgruntled because the law abolishes withdrawal benefits.⁷⁵ Some of the challenges on the social protection in Tanzania mainland are that the government has reached huge arrears in payments to the social security funds, which threatens the whole social security system. As an example, health expenditure per capita was on an increase from US\$13 in 2000 and peaked at US\$41 in 2012. This rate dropped down to US\$32 in 2015.

The Public Servant Act from 2002 was also amended in 2017 by including a new section, which provided for retirement age. It stated that the voluntary retirement age was 55 years while the compulsory retirement age was 60 years. Part of this was to include professors and associate professors as well as medical specialists; their voluntary retirement age is 60 years while the compulsory age is 65 years.

Social security funds registered a total membership growth from 1,274,000 in 2008 to 2,142,000 in 2015, which equals a growth of 68%. Taking into the equation

the relatively fast growing employment, the evolution in the ratio of social protection to total employment was just 2.2 percentage points reaching 8.9% in 2015. The positive growth was an impact of the social protection system reform in the country. The two largest social insurance funds offering health and medical coverage are: i) the National Health Insurance Fund (NHIF) that provides the main access to health services; and ii) the mentioned NSSF. The former, NHIF, has expanded its active registered members from 164,708 in 2001 to 600,000 in 2014; and, including dependents, a total of more than 1 million people were covered.⁷⁶ Other estimations of health social protection coverage were 13% of the total population, which was relatively low in comparison to the Africa average at 25%. The latter, NSSF, had registered 600,000 members in 2014 (see more on Table 21).

Table 21: Status of public spending and coverage on social protection schemes in Tanzania and the sub-Saharan Africa (SSA), %

Indicator	Measure	Tanzania	SSA
Total social protection expenditure	% of GDP	6.8 %	4.3 %
Public health care expenditure	% of GDP	5.5 %	2.6 %
Health social protection coverage	% of total population	15 %	25 % *
Trends in government expenditure in health	% change per year	-2.6 %	N/a

* The average covers the entire Africa region.

Source: [ILO, Social Protection, Statistics and indicators](#)

Active contributors to a pension scheme in the working age were significantly lower than the sub-Saharan Africa average, i.e. 3.3% vs. 8.4%, respectively (see more on Table 22). Previously it was demonstrated that around 13% of the total employment were employees (revisit Figure 3), thus even a majority of the more formal workers were not covered by pensions. One of the reasons is that the coverage of collective bargaining agreements continues to be narrow among employees. Another important issue is that the change in employment (Figure 6) triggers a decline in subsistence farming which challenges many older people not receiving adequate support from family members. Not to mention, the Tanzanian mainland authorities have not launched a universal old-age pension scheme to curb this challenge.



Table 22: Pension Benefits, Coverage and Contributions in Tanzania and the sub-Saharan Africa (SSA), 2010

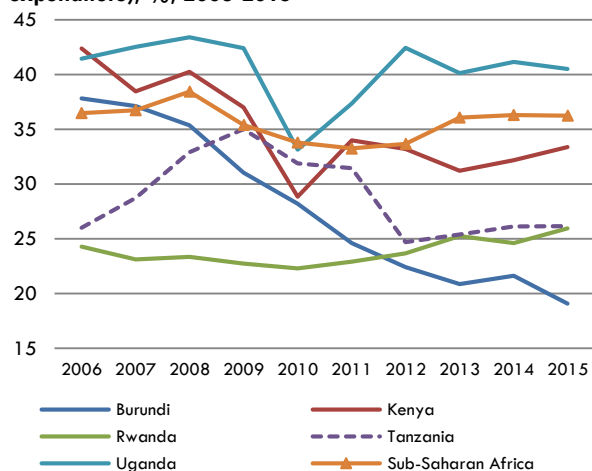
Theme	Measure	Tanzania	SSA
Social benefits for active age	% of GDP	0.03 %	0.3 %
Pensionable age receiving an old age pension (age 60+)	Proportion of total	3.2 %	22 %*
Active contributors to a pension scheme	15+	3.3 %	8.4 %
Active contributors to a pension scheme	15-64 years	3.1 %	5.9 %

* The average covers the entire Africa region, which is most likely to be higher than the SSA average.

Source: [ILO, Social Protection, Statistics and indicators](#)

Private health out-of-pocket expenditures were still a main aspect among families' income in Tanzania. On the positive side, the share of private spending dropped by 9 percentage points in the period from 2009 to 2015, standing at 26% in 2015. Out-of-pocket health expenditures remain lower than the sub-Saharan Africa average and several other neighboring Eastern Africa countries (Figure 13).

Figure 13: Out-of-pocket expenditure (% of current health expenditure), %, 2006-2015



Note: Out of pocket expenditure is any direct outlay by households, including gratuities and in-kind payments, to health practitioners and suppliers of pharmaceuticals, therapeutic appliances, and other goods and services whose primary intent is to contribute to the restoration or enhancement of the health status of individuals or population groups. It is a part of private health expenditure.

Source: [World Bank, World Development Indicators](#)

Still there is no unemployment benefit scheme. New social security regulations introduced to abolish withdrawal benefits from contributors of social security schemes, which widely drew workers' condemnation. The government assured to introduce some unemployment benefit schemes to counter-check the severity from the imposed social security changes. It was noted that trade

unions were lobbying for a review of the social protection law, arguing that some aspects of the regulations were violating the fundamental principles of human labour rights articulated in the constitution of the United Republic of Tanzania.

The government is in a progress of expanding the Tanzania Social Action Fund conditional cash transfer program which supports an increase in school enrollment and a decrease in child labour. Apart from public major social security schemes, there are also health social security schemes operating in the rural and peri-urban areas to provide health services to the disadvantaged groups/households, including workers from the informal economy. For example, NSSF's special scheme on health insurance for members in the informal economy has resulted in a positive impact after registering over 70,000 members since its establishment.⁷⁷ In addition, Community Health Fund (CHF) is basically operating in the rural areas and Tiba Kwa Kadi fund (TIKA) in the urban areas. They are voluntary schemes; and contribution differ from place to place depending on agreed lump-sum by members in the certain locality mainly districts. However, these schemes have not fully succeeded to enroll many members, due to poor health services provided in the rural areas.

Zanzibar⁷⁸

The Zanzibar Social Security Fund (ZSSF) is the only public insurance scheme in Zanzibar. In 2017, the organization registered around 80,000 members, which equaled a health social protection coverage of 10% of the total population. ZSSF provides old age pension, life insurance, invalidity and maternity benefits. The fund delivers a contributory scheme with 10% of salary paid by the employer and 5% by the employee. However, the financial sustainability of the fund remains uncertain. In addition, ZATUC has been concerned about compulsory transfers from social security to health schemes. And, ZANEMA has criticized a proposed increase of employers' contribution from 10% to 13% for the employers, entitlements of the full benefit from 60 months to 156 months, among others.

Pension coverage in Zanzibar is around 3.5 times lower in average than the Tanzania mainland. Pay-out to old age pensions was tended to be delayed, often for several years.⁷⁹

In 2013, the ZSSF raised the issue of extending social security coverage to informal economy. A Social Security Law revision is in the final process. This also



included that the Government of Zanzibar decided to introduce the Zanzibar Universal Pension Scheme (ZUPS) which is provided to all older people aged 70 years and above. It was launched in April 2016. This new universal pension is the first of its kind in Eastern Africa. The scheme was geared as a response to weakening traditional support systems for older people, as an impact of the decline in subsistence farming, which has resulted in that many older people do not receive adequate support from family members. Many are simply unable to work or can only earn a very small income. The majority of older people do not have any other source of income, such as an earnings-related pension.⁸⁰ According to the new pension scheme, people over the age of 70 will receive a monthly non-contributory pension of TZS 20,000 (US\$9).⁸¹ In 2016 around 21,000 people started benefitting from ZUPS.⁸² In the beginning of 2018, the scheme coverage increased up to 28,000 people. Despite the progress made in implementing the scheme, the program still faces a number of implementation challenges, e.g. although the system for complaints and appeals has not yet been fully operationalized.

Workers from the informal economy are voluntary contributors. A self-employed worker/business person upon his/her discretion is required to contribute at least TZS 20,000 (US\$8.9) per month at the minimum period of nothing less than 6 months. In return, such worker is entitled to the scheme's full benefits. No clear data on contributors from the informal sector are available.

There are also several non-contributory safety-net programs for vulnerable children, elderly and disabled. Moreover, Zanzibar has several funds for Zakat, the Islamic founded social welfare, with an amount equivalent to 2.5% of annual personal income.

There is no health social protection scheme in Zanzibar. However, some employees in United Republic based in Zanzibar are under Tanzania mainland's NHIF and some have covered themselves from private international companies. As indicated above, the government is in a process of establishing a social protection fund, but it has been very slow.

ECONOMY

In the past two decades, Tanzania has experienced a liberalized market economy transition as well as political and social stability. This was intertwined into a solid economic growth. The economic development was mainly driven by some fast growing sectors, such as construction, transport and financial services. Discovery

of oil and gas reserves holds promises for the extractive industry and for substantial contributions to the country's economy. On the negative side, these mounting sectors are capital intensive with still relatively low employment shares. In addition, the formal economy is stymied by the informal economy that mutes the labour productivity and tax incomes.

Total Gross Domestic Product (GDP) was estimated at US\$52 billion in 2017 and the GDP growth per capita was hovering far above the sub-Saharan Africa average, 3.2% vs. 1.1% on average during the last decade (see more on Table 23 and Figure 14). Despite impressive economic results, it is worthwhile to mention that Tanzania remains as an economic poor country, ranking 191 out of 229 countries in terms of GDP per capita in purchasing power parity (PPP) (1 is richest).⁸³

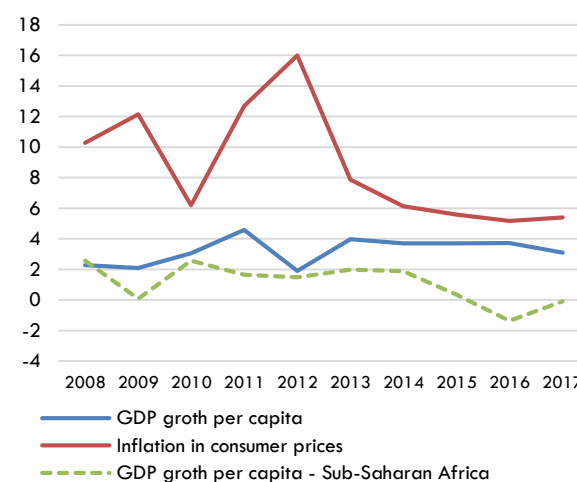
Inflation in consumer prices was estimated at 5.4% in 2017; and at 8.7% on average over the last decade. The relatively high inflation was negatively affecting the workers' income purchasing power. It is noted that the inflation rate decreased during 2018, so far, reaching the lowest inflation rate since February 2003; which was aided by low food prices.

Table 23: Key Economic data in Tanzania, 2017

GDP	US\$ 52 billion
GDP per capita (current US\$)	US\$936
GDP real growth	7.1 %
Inflation	5.4 %

Source: [CIA, The World Factbook, Tanzania](#); [World Bank, World Development Indicators](#)

Figure 14: GDP per capita growth and inflation trend in Tanzania, %, 2008-2017



Source: [World Bank, World Development Indicators](#)



The amount of capital formation signals how much of the new value added in the economy is invested rather than consumed. When it increases it points towards that economic activities are in progress and could support the economic development and job creation. To put this in some numbers: Gross fixed capital formation was estimated at 32% of GDP on average during the last decade in Tanzania and it balanced far above the sub-Saharan Africa average that was estimated to be 20%. This was mirrored by the abovementioned relatively higher GDP growth per capita and a faster pace of labour productivity than the region average.

Foreign Direct Investment (FDI) is the net inflows of investment to acquire a lasting management interest in an enterprise operating in an economy other than that of the investor. In Tanzania the amount of FDI was higher than the sub-Saharan Africa average: 4.0% of GDP vs. 2.8% on average, respectively, over the last decade. This illustrates that Tanzania is among the 10 biggest recipients of FDI in Africa. The current FDI stock is estimated at US\$20 billion (42% of GDP). Despite investors being attracted to the positive economic development and rich natural resources, low levels of industrial development, environmental concerns, lack of transparency and poor compliance with legislation were noted as obstacles to investment.⁸⁴ To some extent, this has kept the country's export sector relatively small in comparison to the region's average, 19% of GDP vs. 30% on average during the last decade.

The government has developed an ambitious development agenda focused on creating a better business environment through improved infrastructure, access to financing, and education progress. However, it is still not easy doing business in Tanzania. The country is scoring quite low on the global Doing Business Index ranking 137 out of 190 countries (1 is best) in 2018. The country is staying below the sub-Saharan Africa average. Out of 10 Ease of Doing Business indicators, getting credit and enforcing contracts have the best scores. It is still quite cumbersome trading across borders, starting a business, dealing with construction permits and paying taxes (see more on Appendix Table 29). Overall, the doing business regulations are not covering the activities in the dominating informal economy.

Despite the already mentioned political and social stability, the governance milieu has experienced some changes in recent years in Tanzania. This was particularly related to a downturn in the political stability as well as a slight deterioration of voice and

accountability (i.e. based on captures perceptions of the extent to which a country's citizens were able to participate in selecting their government, as well as freedom of expression, freedom of association and a free media). The country scores a low-medium level on all six Governance Indicators. The Voice and Accountability indicator has the highest Governance score while the former highest scoring Political Stability indicator tumbled down to the lowest ranking in 2016 (see more on Appendix Table 30). In Zanzibar, the civil society is not harassed by the government, like the current situation in Tanzania.

Human development and living conditions improved slightly in the country. On the ranking of the global Human Development Index (HDI), Tanzania took one step up on the ladder since 2010 reaching 151 out of 188 countries in 2015 (1 is best). A middle-class living with at least US\$5 per day evolved by 12 percentage points from 2000 to 2018, peaking at 15% of the total employment age in 2018. In contrast, extremely poor (<US\$1.9 per day) plunged from 75% to 35% in the same period. Still many people are in vulnerable positions which keeps them as moderately poor (>=US\$1.90 & <US\$3.10) or as near poor (>=US\$3.10 & <US\$5) (see more on Table 24).

Table 24: Employment by economic class in Tanzania, 2000-2018

Year	Extremely poor (<US\$1.90)	Moderately poor (>=US\$1.90 & <US\$3.10)	Near poor (>=US\$3.10 & <US\$5)	Middle class (>=US\$5)
2000	75 %	16 %	6.0 %	3.0 %
2010	44 %	29 %	16 %	11 %
2018	35 %	32 %	18 %	15 %

Sources: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

Export Processing Zones (EPZ)

The EPZ and Special Economic Zone (SEZ) programs in Tanzania were established in 2002. This sector has expanded since then. Today, at least 25 EPZ/SEZ is actively operating. The number of EPZ/SEZ workers increased significantly from 38,000 in 2016 to around 52,400 in 2017 (July), which equalled an EPZ/SEZs employment growth of 38% and reaching 1.5% of total employees in 2017. EPZ/SEZs contribute to around 5% of national exports. According to a survey, the most frequently cited reasons for choosing to get a job in EPZ/SEZs were: Better salary, better working conditions and better social benefits. Average wages per month were approximately TZS 390,000 (US\$179) in 2016.⁸⁵



A study concluded that Tanzania's EPZ program was falling behind, mainly due to rigid and expensive infrastructural issues. While EPZ firms were enjoying fiscal incentives, the government has not been reaping benefits from the scheme as well as borne fiscal losses in terms of huge tax exemptions extending over up to 10 years.⁸⁶ The EPZ/SEZ programs face a number of other challenges: A high cost of operations and production due to unreliable supply of electricity and water, which made the operating enterprises uncompetitive on the international markets.⁸⁷ Another recent study revealed that EPZ/SEZs in Tanzania were highly disorganized. Many firms were non-operational

and it appeared that the EPZA did not have a good handling on how the SEZs were functioning in practice. The firms were overly burdened with red-tape and bureaucratic procedures that add significantly to their cost structure and reduced their competitiveness (see more on Appendix Table 29). Accessing labour with the necessary skills moreover appeared problematic for firms located in Tanzania.⁸⁸

There are two EPZs on Zanzibar, where there previously have been unconfirmed reports of trade union rights violations.



APPENDIX: ADDITIONAL DATA

Table 25: Status of Trade Unions in Tanzania, 2016/2017

Trade Unions	Total Members	Women Members	No. of CBAs	Workers covered by CBAs	No. of OHS Committees at workplaces
TUCTA	592,060	-	331 **	421,797	398
CHODAWU - Conservation, Hotel Domestic and Allied Workers Union	39,666	10,976	35	N/A	7
COTWUT - Communication Transport Workers Union of Tanzania	6,043	1,301	15	1,703	4
TTU - Tanzania Teachers Union/ Chama cha Waalimu Tanzania	265,921	111,641	1	266,039	0
DOWUTA - Dock Workers Union of Tanzania	3,865	-	2	3,810	1
RAAWU - Researchers, Academician and Allied Workers Union	12,437	4,468	4	N/A	2
TALGWU - Tanzania Local Government Workers Union	59,903	32,145	1	N/A	0
TAMICO - Tanzania Mines, Energy and Construction Workers Union	12,071	1,421	10	18,765	10
TEWUTA - Telecommunication Workers Union of Tanzania	1,593	631	3	1,627	2
TPAWU - Tanzania Plantation and Agricultural Workers Union	47,861	16,769	198	N/A	25
TRAWU - Tanzania Railways Workers Union	3,540	391	2	3568	0
TUGHE - Trade Union of Government and Health Workers	66,038	26,973	5	300	2
TUICO - Tanzania Union of Industrial and Commercial Workers	73,122	27,192	31	35,438	345
Independent unions	14,947	-	-	-	-
TASU – Tanzania Seafarer Union	841	-	3	741	-
TFCAWU - Tanzania Fishing Crew and Allied Workers' Union	2,400	-	-	-	-
TUJ - Tanzania Union of Journalists	150	-	-	-	-
TAFIMU	573	-	-	-	-
IGWUTA	676	-	-	-	-
TASIWU - Tanzania Social Services Industry Workers Union *	2,851	-	-	-	-
TUPSE - Tanzania Union of Private Security Employees *	1,102	-	-	-	-
MPETU	303	-	-	-	-
FIBUCA	4,508	-	-	-	-
PRIPPAWUTA	361	-	-	-	-
NUMET	1,182	-	-	-	-

* TASIWU and TUPSE are underway to join TUCTA. ** TUCTA's register showed a slightly higher number of Collective Bargaining Agreements (CBAs) than the individual trade unions' registers which was recorded as a total of 310 CBAs.

Source: TUCTA and Danish Trade Union Development Agency research.



Table 26: Trade Union Centre and affiliated unions in Zanzibar, 2017

Trade unions	Total Members	Women Members	No. of CBAs	Workers covered by CBAs	Members in informal economy
ZATUC - The Zanzibar Trade Union Congress	18,239	7,397	7	2,000	896
COTWU-ZNZ - Zanzibar Communication and Transport Workers' Union	1,122	259	1	200	100
ZASU - Zanzibar Seafarers Union	1,480	5	-	-	390
TUICO-Z - Zanzibar Union of Industrial and commercial Workers	1,334	236	2	300	-
ZUPHE - Zanzibar Union for Public and Health employees	3,212	1,205	-	-	80
CHODAWU-Z - Zanzibar Conservation, Hotel, Domestic and Allied Workers' Union	1,602	513	2	950	255
ZATU - Zanzibar Teachers' Union	6,410	3,515	-	-	-
ZAFICOWU - Zanzibar Financial and Commercial Workers Union	635	227	-	-	-
TEWUTA-Z - Zanzibar Telecommunication Workers Union	131	21	1	50	-
ZAPSWU - Zanzibar Public sector Workers Union	2,313	1,128	1	500	50

Source: ZATUC and Danish Trade Union Development Agency research.

Table 27: Labour market related national legislations approved in Tanzania and Zanzibar, 2014-2017 (May)

Type	Legislation
2014	
Social security (general standards)	Pension Benefits Harmonization Rule, 2014
Specific categories of workers	Zanzibar Nurses and Midwives Council Act, 2014 (Act No. 5 of 2014)
2015	
General provisions	Employment and Labour Laws (Miscellaneous Amendments) Act, 2015 Zanzibar Public Leaders Code of Ethics Act, 2015 (Act No. 4 of 2015)
Elimination of child labour and protection of children / Employment policy and promotion of employment	Youth Council of Tanzania Act, 2015
Migrant workers	Non-Citizens (Employment Regulations) Act 2015
Specific categories of workers	Teacher's Service Commission Act, 2015 (No. 25 of 2015) Public Private Partnership Act, 2015 (Act No.8 of 2015)
Occupational safety and health	Zanzibar Environmental Management Act, 2015 (Act No.3 of 2015) Zanzibar Disaster Risk Reduction and Management Act, 2015 (Act No.1 of 2015).
2016	
General provisions	Miscellaneous Amendment Act of 2016 (Act No. 5 of 2016) Zanzibar Constitution (Eleventh Amendment) Act, 2016 (No. 8 of 2016) Access to Information Act, 2016 (No. 6 of 2016)
Elimination of child labour, protection of children and young persons	Law of the Child (Juvenile Court Procedure) Rules, 2016 (G.N. No. 182 of 2016)
Equality of opportunity and treatment	Tanzania Commission for AIDS Regulations, 2016 (G.N. No. 145 of 2016)
Education, vocational guidance and training	Zanzibar Institute of Education Act, 2016 (Act No. 4 of 2016)
Occupational safety and health	Occupational Safety and Health (Notification of Occupational Diseases, Injuries and Dangerous Occurrences) Rules, 2016 (G.N. No. 280/2016) Tanzania Commission for AIDS Regulations, 2016 (G.N. No. 145 of 2016)
Social security (general standards)	Workers, Compensation Regulations, 2016 (G.N. No. 185 of 2016)
Migrant workers	Non-Citizens (Employment Regulation) Regulations, 2016 (G.N. No. 331 of 2016) Immigration (Amendment) Regulations, 2016 (N.N. No. 246/2016)
Seafarers	Merchant Shipping (Medical Examinations) Regulations, 2016 (G.N. No. 244 of 2016)
Fishers	Tanzania Fisheries Research Institute Act, 2016 (No. 11 of 2016)
Specific categories of workers	Oil and Gas (Upstream) Act of 2016 (Act No.6 of 2016) Tanzania Agricultural Research Institute Act, 2016 (No. 10 of 2016)
2017	
General provisions	Zanzibar Electoral Commission Office Act of 2017 (Act No. 1 of 2017) Employment and Labour Relations (General Regulations), 2017 (G.N. No. 47 of 2017) Evidence Act, 2016 (Act No.9 of 2016)
Labour administration	Labour Institutions (General Regulations) 2017 (G.N. No. 45 of 2017)

Source: ILO, NATLEX, Tanzania



Table 28: Status of Tanzania's Ratified ILO Conventions, 2016

Subject and/or right	Convention	Ratification date
Fundamental Conventions		
Freedom of association and collective bargaining	C087 - Freedom of Association and Protection of the Right to Organise, 1948	2000
	C098 - Right to Organise and Collective Bargaining Convention, 1949	1962
Elimination of all forms of forced labour	C029 - Forced Labour Convention, 1930	1962
	C105 - Abolition of Forced Labour Convention, 1957	1962
Effective abolition of child labour	C138 - Minimum Age Convention, 1973	1998
	C182 - Worst Forms of Child Labour Convention, 1999	2001
Elimination of discrimination in employment	C100 - Equal Remuneration Convention, 1951	2002
	C111 - Discrimination (Employment and Occupation) Convention, 1958	2002
Governance Conventions		
Labour inspection	C081 - Labour Inspection Convention, 1947	Not ratified
	C129 - Labour Inspection (Agriculture) Convention, 1969	Not ratified
Employment policy	C122 - Employment Policy Convention, 1964	Not ratified
Tripartism	C144 - Tripartite Consultation (International Labour Standards) Convention, 1976	1983
Up-to-date Conventions		
Wages	C094 - Labour Clauses (Public Contracts) Convention, 1949	1962
	C095 - Protection of Wages Convention, 1949	1962
	C131 - Minimum Wage Fixing Convention, 1970	1983
Industrial relations	C135 - Workers' Representatives Convention, 1971	1983
	C154 - Collective Bargaining Convention, 1981	1998
Vocational guidance and training	C140 - Paid Educational Leave Convention	1983
	C142 - Human Resources Development Convention	1983
Occupational Safety and Health	C148 - Working Environment (Air Pollution, Noise and Vibration), 1977	1983
	C170 - Chemicals Convention, 1990	1999
Specific categories of workers	C149 - Nursing Personnel Convention, 1977	1983
Dockworkers	C152 - Occupational Safety and Health (Dock Work) Convention, 1979	1983
<p><i>Note: Fundamental Conventions are the eight most important ILO conventions that cover four fundamental principles and rights at work. Equivalent to basic human rights at work.</i></p> <p><i>Governance Conventions are four conventions that the ILO has designated as important to building national institutions and capacities that serve to promote employment. In other words, conventions that promote a well-regulated and well-functioning labour market.</i></p> <p><i>In addition, there are 71 conventions, which ILO considers "up-to-date" and actively promotes.</i></p> <p>Source: ILO, NORMLEX</p>		



Table 29: Ease of Doing Business in Tanzania, 2018

Topics	2018
Overall	137
Starting a Business	162
Dealing with Construction Permits	156
Getting Electricity	82
Registering Property	142
Getting Credit	55
Protecting Minority Investors	129
Paying Taxes	154
Trading Across Borders	182
Enforcing Contracts	58
Resolving Insolvency	108

Note: Doing Business 2018 indicators are ranking from 1 (top) to 190 (bottom) among other countries. The rankings tell much about the business environment, but do not measure all aspects of the business surroundings that matter to firms and investors that affect the competitiveness of the economy. Still, a high ranking does mean that the government has created a regulatory environment conducive to operating a business.

Source: [World Bank & IFC, Ease of Doing Business 2018 in Tanzania](#)

Table 30: Governance Indicators in Tanzania, % and change percentage points, 2011-2016

Indicator	2011	2016	Change, percentage point (p.p.)
Voice & Accountability	44 %	40 %	- 4 p.p.
Political Stability	47 %	31 %	- 16 p.p.
Government Effectiveness	29 %	34 %	+ 5 p.p.
Regulatory Quality	37 %	36 %	- 1 p.p.
Rule of Law	37 %	38 %	+ 1 p.p.
Control of Corruption	34 %	35 %	+ 1 p.p.

Note: The Governance Indicators score from a percentiles rank from 0 (lowest) to 100 (highest).⁸⁹

Source: [World Bank, Worldwide Governance Indicators](#)



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