



**EDWIN RICHARD MWAKYEMBE**

**“AN ANALYSIS OF YOUTHS EMPLOYMENT  
OPPORTUNITIES IN TANZANIA”**

***“ANÁLISE DAS OPORTUNIDADES DE EMPREGOS  
DOS JOVENS NA TANZÂNIA”***

**Campinas  
2012**





**UNIVERSIDADE ESTADUAL DE CAMPINAS**  
**INSTITUTO DE ECONOMIA**

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**Orientadora: Profa. Dra. Eugenia Troncoso Leone**

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JOVENS NA TANZÂNIA”***

Dissertação de Mestrado apresentada ao Programa de Pós-Graduação em Desenvolvimento Econômico, área de concentração: Economia Social e do Trabalho do Instituto de Economia da Universidade Estadual de Campinas para obtenção do título de Mestre em Desenvolvimento Econômico, área de concentração: Economia Social e do Trabalho.

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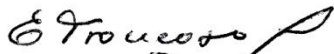
# **Dissertação de Mestrado**

**Aluno: Edwin Richard Mwakyembe**

**“An Analysis of Youths Employment Opportunities in Tanzania  
(Análise das Oportunidades de Empregos dos Jovens na  
Tanzânia)”**

**Defendida em 02 / 05 / 2012**

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**Dedication.**

For my Sons.

Noel & Emmanuel – Peter.

Play Your Part it can be Done: A luta continua.





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## **Abstract**

Writing on Youth especially to the areas of employment become greater phenomena to the scholars and policy makers; in this work the dynamics of Youth employment opportunities were studied in respect to existing contexts of the economy in Tanzania. The country been selected not only based on the knowledge of the writer but also because of the on going economic changes and the prevailed dynamics on the Youth employment opportunities which changed negatively as today's model of economy in the country. Despite the stated information this work went through the demographic features, macro economics and legal aspects relevant for Youth Employments Opportunities that suites the case, it went further on the analysis of the findings which directly used as a basis for arguments on the answering research question that guide this work and the objective of the in general.

The subject was not concerned straight to depict unemployment status of the Youth, but to portray the trends and interplay behaviour of employment opportunities pertained to the existing an economy. To see the changes happened to Youth Employment Opportunities in respects to an economic performance, in connections to the case, what was a position of decent work agenda to the existed Youth employment in Tanzania? Does the Youth Job qualified to be called decents, the question of mode of economy adopted by Tanzania a solution for Youth employment opportunities creation, and to what extent the changes has been occurred in Tanzania Youth employment opportunities to fit an existing economy. The conclusion drawn aim at showing significant issues happened toward changes of the economy and youth employment opportunities in Tanzania, recommendations presented were generally to improve Youth employment opportunities, but mainly focus was request of the Government interventions to an investment creation that can creates full employment and transform social as well as economic well being of Tanzanian.

**Keywords:** Youth – Employment, Public policies, Labor Market - Tanzania



## Resumo

Escrever sobre a Juventude, especialmente na área de emprego, tornou-se um grande fenômeno para os acadêmicos e os formuladores de políticas; nesse trabalho é estudada a dinâmica das oportunidades de trabalho destinada à Juventude dentro do contexto econômico existente na Tanzânia. O país foi selecionado não só pelo conhecimento do autor, mas também por causa das mudanças econômicas que vem ocorrendo e da privilegiada dinâmica das oportunidades de trabalho para os jovens que mudou negativamente de acordo com o modelo econômico atual do país. Apesar da informação dada, esse trabalho passa por características demográficas, macroeconômicas e legais que dizem respeito dos aspectos relevantes para as Oportunidades de Emprego para a Juventude, a pesquisa se aprofunda na análise das conclusões que são diretamente usadas como base para os argumentos da questão que norteia esse trabalho.

O assunto não diz respeito diretamente da situação atual do emprego para os jovens, mas sim faz um retrato das tendências e interações das oportunidades de emprego dentro da conjuntura econômica atual, para mostrar as mudanças que ocorreram com as Oportunidades de Emprego para a Juventude em relação com a atuação econômica, fazendo uma conexão com a posição da agenda do trabalho decente e o emprego dos jovens na Tanzânia, se é possível qualificar o trabalho dos jovens como decente, a questão da solução criada pela economia da Tanzânia para gerar mais oportunidades de emprego aos jovens, e ainda como se estende as mudanças que ocorreram nas oportunidades de trabalho aos jovens para a economia como um todo. A conclusão mostra que ocorreram questões significativas para a mudança da economia e da oportunidade de emprego para os jovens na Tanzânia, basicamente pelo foco dado pelo Governo nas intervenções que visavam a geração de investimento que podem levar a uma situação de pleno emprego e transformação social assim como uma melhora no bem-estar econômico do país.

**Palavras – Chave:** Juventude – Emprego, Políticas públicas, Mercado de trabalho - Tanzania



## **List of Abbreviations.**

ACTRAV	Bureau of Workers Activities.
AIDS	Acquired Immune deficiency Syndromes.
EAC	Economic Commission of Africa.
ESRF	Economic and Social Research Foundation.
FDI	Foreign Direct Investments.
ILFS	Integrated Labour Force Survey.
ILO	International Labour Organisation.
IMF	International Monetary Fund.
MOFEA	Ministry of Finance and Economic Affairs.
MWATEX	Mwanza Textile.
NAFCO	National Farms Corporation.
NARCO	National Ranches Corporation.
NBS	National Bureau of Statistics.
NDC	National Development Corporation.
NEP	National Employment Policy.
NGOs	Non Governmental Organisations.
NHC	National Housing Corporation.
SAP	Structural Adjustment Programme.
THB	Tanzania Housing Bank.
TAFICO	Tanzania Fisheries Company.
TANESCO	Tanzania Electric Supply Company.
TIPER	Tanzania Italia Petroleum Refinery.
TSH	Tanzania Shillings [Money].

TUCTA	Trade Unions Congress of Tanzania.
URT	United Republic of Tanzania.
UNDP	United Nations Development Programme.



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Pictures of Youth Economic Activities in Tanzania.



## 1. Introduction

### 1.1 Background of the Study.

Tanzania is located in Eastern part of the African continent (total area of 945,087 Km<sup>2</sup>), which includes the islands of *Mafia, Pemba, and Unguja*; the latter to form a semi-autonomous region called Zanzibar part of an official union within the Republic of Tanzania (Figure: 1). The country also has the Mount Kilimanjaro which is the highest mountain in Africa (height of 5,895 metre above the sea level). The former capital of Tanzania, *Dar es Salaam*, is situated slightly to the north of the central point along the coastline of the Indian Ocean. The new capital, *Dodoma*, is located in the centre of the country. The official languages of Tanzania are Swahili and English, though Swahili is dominant and widely spoken, but English is official language mainly in education and legal or judicial administration. It is a democratic country, political parties are allowed to participate in politics and elections of leadership, were the head of the government and state is recognised as a president of the United Republic of Tanzania.

An economic activity which available in Tanzania is mainly agricultural economy, the country has fertile land suitable for cash crops like cotton, tobacco, sisal, coffee, and cocoa to grow. Also food cultivation for the domestic consumptions especial crops like rice, potatoes, maize, horticultures and floriculture for export. The trade, both import and export, transportation, processing industry, energy, fisheries, Pastoralism, tourism and forest products as timber. The country has a great reserve of natural resources on gold, diamond, tanzanite, coal, cobalt, natural gas, white marten, and oil which is under search along the Eastern South Coast. The National Park has lions, elephants, rhinos, tigers, giraffes and so many other animals as well as beautiful birds.

Tanzania attained its independence from British administration in the 9<sup>th</sup> December 1961. After that the country adopted the parliamentary system. Members of Parliament are elected from the different constituencies in democratic manner to create the legislative house known as National Assembly which forms a part of the state. The president and members of parliament together are elected for every five years, when the President becomes the head of the State and Government as well as a military commanding in chief. The Judiciary system of Tanzania was adopted from the English system where Chief justice is the head of court administration. This was adopted from the British first established constitution namely Tanganyika Order in Council made in year 1920 when the British Administration took control of the country, this law was introduced on 20 July 1920.

**Figure: 1. Political Map of Tanzania.**



[Source: <http://www.ezilon.com/maps/images/africa/political-map-of-Tanzania.gif>]

The Government after independence took all initiative to make sure Tanzania reach its goals of self reliance by establishing an economic base through an instituted necessary Government owned companies. It was believed that an established economy will support the rapid facilitation for socio economic transformation. Many companies at different sector were created such as in Transportation [UDA and KAMATA], Agricultural development through National Farms Company [NAFCO] and National Ranch Company [NARCO], Urban Development [NHC and THB], Energy and Power [TANESCO and TIPER], Textile industries [URAFIKI, MWATEX and SUNGURA TEX]. Fisheries industries [TAFICO], to mention in few of the state owned companies. The creation tasks as well as monitoring of its operational efficiency and sustainability was vested to the National Development Corporation<sup>1</sup> [PACKARD: 2008], the trends went positively to guarantee for the economic performance that provides employment opportunities in the country.

The Tanzania economy was negative impacted in years 1970's as a results of the oil crisis, draught and war against Uganda. Moreover, all these affected the performance of the established state own companies inputs availability and marketing of its products [JICA, 2006]. In particularly, the self-reliance strategies under the socialism economy in Tanzania was negatively affected too, the world supply of oil resulted shortage of energy supply in the Tanzania's factories which resulted low operational interm of undertakings, production; low financial capacity as returns of poor performance. So, the Public Service system became big in terms of staffs without productivity, the result was Government failure on the management of its Payroll, inefficiency and ineffectiveness prevailed as a failures to the provision of Public Services to the people, such as medicine, food, clean water as well as employment [HAVNEVIK et al, 1993].

By the mid of the year 1985, Tanzania opened the doors of its economy to the hands of individual capitalist rather than state owned capital; the private sector participation was regarded as crucial for the economic performance. From this particular era, it was publicly declared that foreign direct investment as well as local investors should take the role in the performance of the

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<sup>1</sup> The Corporation had been formed in the 1964 and was charged with carrying on its business a net profit moreover it was to be self financing and part from borrowed funds and good transferred to it under inter Government technical assistance entirely upon its own income from the investment for financing its own Operation.

economy. The privatisation of the public owned State companies was taken as a main agenda in the facilitations of the economic policies. As was referred by many of Tanzania political economist and scholars to reflect an initial process to open for the cross borders trade and foreign investment to operate and to stimulate the paralysed country's economy.

Before 1985, education was mainly administered and controlled by the Government for all Tanzanians. Opportunities were not enough to allow many Tanzanians to acquire it; this is because of low level to development and young foundations for the goals of Socialism and Self Reliance reached by then. Besides that, the system enabled new employment entrants at all level of education to get formal jobs under formal sectors. In the 1990's, most of the State owned companies started to be devastated and handed over to the private ownership with expectations of better a performance to the economy among which the question of employment creation was taken into consideration.

### **1.2 Statement to the Problem.**

In the stabilisation of an economy towards more investments and employment creations, the second phase reign of the President Ali Hassan Mwinyi in the years of 1990s, Tanzania effectively started to facilitate and practice policies of an economic liberations in particular an adoption of the free market model economy. Changes were made to both economy structures as well as in the Government system through Civil Service Reform Programmes. The reforms were tailored to make the economy functioning and to increase the efficiency of the Government to the country. As it was noted, the size of the staffs was big in terms of number causing failure on the Government management of its payroll and the requirements for private sectors to take parts on the non core functions of the Government.

Changes on the public policies from Government participation on an economy towards the Private ownership and its effective participations in the economy had brought economic changes which are positive and negative. Through the changes all of the Government established productions structures interms of Factories and State owned Companies were closed and being sold to be handed over for the private capitalist in the so called to revamp their functions and efficiencies. Mostly of the privatisation was done by allowing local capitalist and the foreigners

through FDI to buy them on fulfilments of the promise to stimulate an economy and employment increases, were the Government should remained with a basic functions as a social services provider, maintaining peace and security rather than being a player in the economy as to take part on an investment creations for production. As [DICKEN, 2010:6] emphasises ‘old geography of the production, distribution and consumption are continuously being disrupted: new geographies of the production, distribution and consumptions are continuously being created’. From that phase of changes up to recently we realised new flows of economic activities as an emergence and participation of the Second sector in the form of Private Owned Firms and the new pattern of employments dynamics.

Tanzania productions line, assembly line and agriculture sector automatically seized on performance to give a room for a new kind of economy to take off. Withdrawal of the Government in the economy intervention to meet expectations of Private owned capital to run an economy in the Country has brought challenges on the part of labours in which Youth are part and parcel, [URT, 2011] in his speech the President of Tanzania Jakaya Kikwete noted that, ‘it is estimated 10.7% of the labour force were Unemployed labour in respect to total economic active population of 22,152,320 by the mid year 2011’<sup>2</sup>. An existing rate of unemployment went together with an emerged dynamic change on the new employment opportunities from which Youth are seen to be mainly actors and victims to an economic active population and the labour market of Tanzania. In my interpretations as reported on 30<sup>th</sup> December 2011, the local news paper as reported [KAYANDA: 2011] more than 400 Youth of deferent sex and academic level were made invasion to the office of their member of Parliament to ask for support in Jobs searching in Government simply they spent more than a Year with nothing to do at all corners in the region and on each economic sector<sup>3</sup>.

In addition to, the questions of existing unemployment or underemployment to the Youth of all level of educational background in accordance of today’s economy is still calls for more

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<sup>2</sup> URT.Ikulublog.com 1<sup>st</sup> January 2012.

<sup>3</sup> Mchando alisema “Sisi vijana unaotuona hapa tumemaliza masomo ya ngazi tofauti, wapo waliomaliza vyuo, wengine kidato cha sita na kidato cha nne, lakini pia wapo waliosoma na kuishia darasa la saba na wote wanatakiwa kupewa ajira zinazolingana na ujuzi na kiwango cha elimu waliyonayo, tunaomba ututafutie kazi ili tukukumbuke kwa hilo”.

<http://www.mwananchi.co.tz/biashara/-/18905-vijana-wambana-zitto-wakitaka-ajira>

attentions to be addressed, [UNDP :2010] in the report to assessment of MDGs emphasised that ‘the Youth employment challenges in Tanzania can be described as that of employability based on extent to which the Youth can be employed or absorbed (within and outside Tanzania). Youths find it is difficulties to join both the formal and the informal sectors’. An extent that NGOs, Labour Activists, Politicians of left and right emphasised on the Government initiative to combat for Youth employment opportunities, for instance Prime Minister of Tanzania Edward Lowasa need the public to involve in mass initiative to solve the Youth Unemployment in the country as reported on news paper of Tuesday 10<sup>th</sup> day of January on The [CITIZEN :2012], ‘ political parties to concentrate on finding solutions to youth unemployment, noting that the problem was very serious in the country’. Besides that, in my translation to the words of honourable Zitto Kabwe member of Tanzania Parliament said ‘Unemployment of the youth is national problem to the extents even graduates of all level are affected on it’<sup>4</sup> and Trade Unionist claim for it in all time that existing unstable Youth employment opportunities lead to the membership decrease and a sign of bad future for the labour movements in the country.

### 1.3 Justification.

Important economic changes which has occurred in Tanzania in the mid of the year 1980s, a free market model of economy whereby a non State intervention in the economy is a rule of the game. These changes raised questions of whether better working conditions for the population had to happen within the country in a very near future or not. The main motivation of this dissertation is to analyze the specific case of Youth Employment Opportunities in Tanzania. So, a more detailed study of the quality of existing jobs and the challenges to achieve the Decent Work goals of today’s World of Work was taken into consideration to justify the Youth Employment Opportunities.

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<sup>4</sup> Member of Parliament Kigoma North- Tanzania said ‘tatizo la ukosefu wa ajira ni la kitaifa zaidi na sio tatizo la Jimbo pekee, kiasi kwamba imefikia kipindi hata wasomi wanaohitimu vyuo vikuu wengine hupata shida katika kutafuta ajira serikalini au katika sekta binafsi ambazo pia ni chache na hazina nafasi nyin giza ajira’ .ibid

## **1.4 Objective of the Study**

### **1.4.1 General objective.**

The main objective of this dissertation is to analyse Youth employment opportunities in Tanzania according to the existing labour market situations. The study will examine employments dynamics that has happened to Youth employment considering the changes of the country's economy and the requirements of decent work goals on today's jobs.

### **1.4.2 Specific objective**

The promotion of Youth employment opportunities is an important debate in the Trade Unionist and Political leaders in Tanzania, especially the left-wing. This issue has been considered more seriously by the Tanzania's government from 2008 onwards on the National Employment Policy due to the increasing of unemployment and underemployment. Considering this problem, the specific objectives of this study are the following:

To study what are the shortfalls to the Youth employment opportunities in Tanzania.

To study as to what extent the changes of economic model has created interplay into Youth employment opportunities in Tanzania.

To study whether existed Youth employment conforms to what decent work goals are?

To recommend a necessary steps to be taken by the Government of Tanzania to combat the job precariousness to Youth employment opportunities.

To study to what level employment matters are de- regulated and re -regulated to suit the current economic situations in the country.

## **1.5 Hypothesis.**

Were the changes of Tanzania's economy created any dynamics to Youth decent work or any employment opportunities.

## **1.6 Research Question.**

To what extents Youth Employment interplayed in an economy of Tanzania?

## 1.7 Research Methods.

This part concern the methodology applied to the study. It is defined and categorised all necessary variables that are related and applied to meet the research objectives. Sampling designs used for the study, data collection method, presentations and analysis.

### 1.7.1 About the concepts.

**Youth:** The National Employment Policy [2008] of the United Republic of Tanzania defines Youth as person aged from 15 to 35, despite the fact that international context (declared by the United Nations) refers person aged 15 to 24 years. During this age period, the community expects the Youth *to start* participating in various development activities and become self-reliant to a certain extent.

**Employment:** defined in the view of the Tanzania national employment policy 2008, it encompass activities which are legally accepted (which are within the national accounts production boundary); activities aiming at attaining decent work goals; and activities yielding an income at least equivalent to the set sectoral minimum wage URT [2008].

According to international definitions employment refers to all persons (above specific age) who, during a specified period were in the economic activity as paid employed or self employed [ILO, Bureau of Statistics].

**Opportunities:** indicates a combination of circumstances, time and place suitable or favourable for particular activity or action, or indicates a combination of circumstances facilitating a certain action or inviting a certain decision, it's a room that enable ones to get what he or she aspires in the social contexts, or what enforce a person to adopt a certain needs.

### 1.7.2 Case Study.

Tanzania as a country was selected to this study; it's mid year population of different years was examined based on the changes of its economic models. Economic Active Population was considered in generally with strong focus to the Youth Group which is a core area of the analysis, this group based from 15 to 35 years old was categorised into two main groups, that were 15 to 24 and 25 to 35 years. The basis of selection was as in an account of the Tanzania



National Employment Policy of the Year 2008 from which Youth were defined in respects to employment matters.

### **1.7.3 Variables to the Study.**

For the testing of the hypothesis in place, research question as well as objective to the study, variables based on the Youth Employment matters such as Sectors of Employment engaged were studied to solicit information's on which sector Youth are participating and what sectors are not engaging and why they are not engaging there, as well as the quality of the job in that sector, Age distribution based on the Economic Active Population in the economy in respect to the different time interval to studies the participation of employment by all ages with capacity to work to see the distribution of Youth engagement in respects to other ages, schooling or education based studies against Youth Employment Opportunities engagement through deferent levels of academic development in the market, the distribution of Economic Active Population on the Labour Market and employment status, that are to seek information who or what group constitute high unemployment through all time of the global shift of the capitalism economy in Tanzania.

### **1.7.4 Data collection Method.**

Secondary data made a foundation on this study, information's where collected through Library and Internet. To facilitate that, relevant documents in terms of text books, presented papers and other publications were consulted to get information's necessary to this work; this was made so because was only way to do that for an accomplishment of this academic purpose and in regards that, paper write up was conducted outsides Tanzania.

Some difficulties was experiences as the uses of different sources with defferent data to make a certain set of information and making a meaningful decision, my country has no official database which can give a very updates and reliable data. For that case it was important to find data from different sources that related to the study. Tanzania National Bureau of Statistics seen to have few data and some were very out dated to meet the needs, all this situation attributed to the low availability of reliable and meaningful information

#### **1.7.5 Data Presentations and Analysis tools.**

Data were presented both in tabulation and explanatory methods to organise an ideas to the subject. Tabulation methods were applied to facilitate the study in statistical manners were comparisons was made in respect of time through different years of intervals to the variables studied, data between age groups in the Economic Active Population distribution, deferent sectors of the economy and education as well, were presented in tabulation design to effect the reader to go through and cross check the trends of Youth Employment in statistical way to validate an hypothesis and objectives of this dissertation.

Explanatory methods were used to analyse the data as a justification of the ideas on the variables, were by statements of the political leaders, scholars and other authoritative figures statement were considered from different sources of secondary information's, the text that narrates the employment trends to the Youth and labour Force of Tanzania in respect to the epoch of global shift of the capitalist economy were taken into consideration as source of data to be collected for the successfulness of the subject.

## 2 Tanzania Demography and Socio-economic Context.

### 2.1. Tanzania Demography.

The aim of this chapter is to analyse the demographic patterns and growth trends in Tanzania. The study will explore how demographic changes could affect the Youth Employment Opportunities in labour market. The demographic components [Nativity, migration, and mortality] will be considered in the analysis of the population patterns in connection to labour force.

First of all we can see in Table 1 that between 1980 and 2010 the Tanzania's population increased from 18.6 million to 41.8 million people. That means that the population growth rate was 2.73 per year during the last 30 years.

**Table: 1.**

Population Distribution of Tanzania (by Mid- Year) and Sex Ratio according to Age groups, 1980 and 2010						
Age groups	1980	Distribution in %	Sex Ratio	2010	Distribution in %	Sex Ratio
< 15 years	8,778,123	47.0	100.5	17,816,170	42.5	100.6
15 – 24	3,364,985	18.0	93.6	8,981,826	21.4	99.8
25 – 34	2,325,749	12.5	83.9	6,312,062	15.1	100.2
35 – 64	3,469,940	18.6	98.5	7,571,596	18.1	92.7
65>	726,265	3.9	108.3	1,211,241	2.9	76.8
Total	18,665,062	100.0	96.9	41,892,895	100.0	98.1
Source: <a href="http://www.census.gov/population/international/index.html">http://www.census.gov/population/international/index.html</a>						

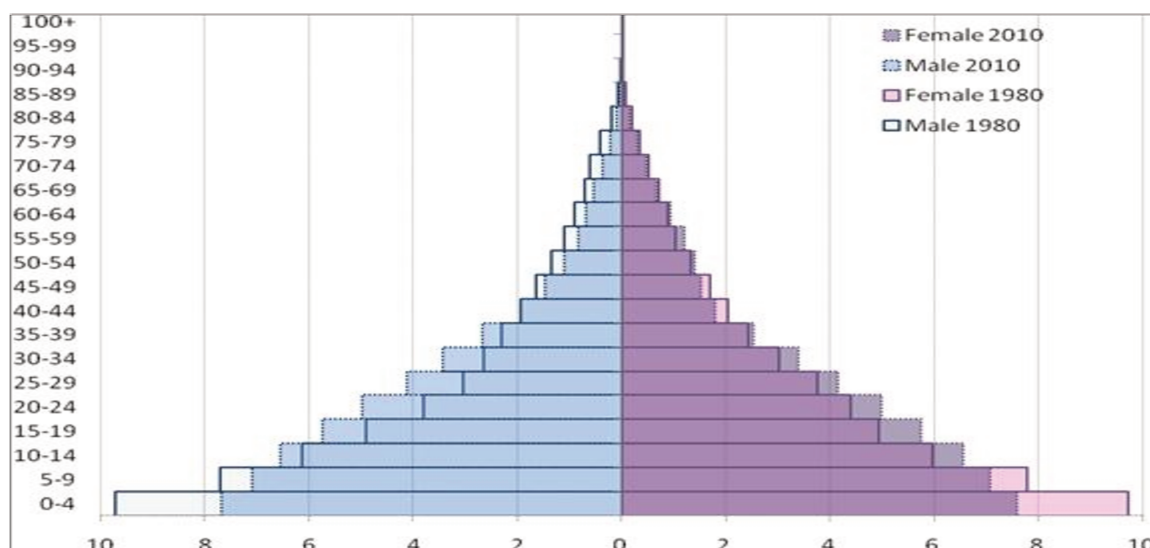
According to Table 1, the Youth Population aged between 15 and 34 was 30.5 % of the total population in 1980. The same age group reached 36.5% in 2010. In relation to the age group between 35 and 64 that was 18.6% in 1980 it decreased to 18.1% in 2010. The population above 65 years old decreased from 3.9 in 1981 to 2.9 in 2010. This numbers show that the Youth people continue to increase rapidly to have an impact on the demanding for job opportunities from the Tanzania labour market.

The population aged 15 – 64 was estimated in 54.6% of the total population in 2010 and this group was 49.2% in 1980. This means that the majority of the people continue in productive age, so the government spending should reflect on the investment that needs for labour force on its production so as to create more employment to its population. If this population can be fully employed it seems Tanzania has an opportunity to increase its GDP faster, but if these group of age were not fully employed there would probably be an increase socio - political problems as crimes and a political instability.

In 2010 (Table 1) people aged less than 15 years was about 47% in 1980 and was about 42.5% in 2010, which means that the population grow but there high mortality of the under five as a trends. The government should take immediate initiative to improve health services, improve food qualities and quantities, the construction of schools, enrolments in the primary school and secondary school that will allow this group to grow better as a future labour force. It is also important to mention that because this group will turn to become Youth in a near future to effects the working age population.

Population pyramid is the best way of showing and understanding the population distributions according to the age and sex. In Figure 2 there are two population pyramids, the lighter colours representing the Census of 1980 and the darker, 2010. The trends of birth rate were very high in 1980 and decreased in 2010. The base of the pyramid was still very wide, but it is possible to note that population is ageing slowly. The middle of the pyramid is darker than lighter, meaning that there are proportionally more people in 2010 when compared to 1980 in these ages, reflecting the mortality decrease of people in these intermediate ages.

**Figure: 2**                      **Tanzania Pyramids of Mid Years 1980 and 2010.**



**Source:** <http://www.census.gov/ipc/www/idb/worldpopinfo.php>

The fertility rates have decreased in Tanzania, from 6.8 children per women in 1980 to 4.3 in 2010. Despite the fact that total fertility rate decreased by 2.5 children per woman between 1980 and 2010 the reproductive process continues in 2010 very high and possibly at very early reproductive age.

Death rate was still very high in all ages. Several factors contribute to high death rate such as, death of under five years age that is very high due to HIV/AIDS cases are prominent in the country by 13 in the World ranking, maternal complexity. But others causes are violence and crimes, road accidents, drug abuse and narcotic use, diseases both Preventable and Non preventable, example Malaria and waterborne diseases such Cholera and typhoid's, low weight birth, pneumonia, cancers, natural death as per life expectancy, industrial diseases and accidents [Source: World Health Ranking web page 14th /march 2012].

Other aspect which is important to be understood is life expectancy of the population, because it has an impact to the future labour force into the labour market. The evolutions of life expectancy in Tanzania from the mid-year 1980 to 2010 are shown in the table 2. In year 1980

life expectancy in Tanzania was 47 years, this mean that high under five deaths and infants' death in general. The death was caused by economic hard ship that persisted in time due to the impact of War against Uganda 1978<sup>5</sup> under the Idd Amin dictatorship [NGOWI: 2009]. The number of Youth was very low as well the number of the working age 15 – 64 years of age as affected to extent, communist policy of the country were not opened to allow own capital, trade and accumulation of wealth was so difficult that resulted poor supply of basic things as clothes, medicines, clean water and accessibility of health centre were very low and in poorest standards.

To analyse in details the changes of Tanzania population age structure we can compare the population pyramids of the years 1980 and 2010. The pyramid of 1980, at the age of Youth from the 15 to 34 years old was very low in population, since the pattern of the pyramid was very thin as to start at third block around an age of 10 to 14 years old and above. Whereas in the mid-year 2010 at the fourth block still we can see some indicator of width as we do comparisons, this mean that the number of youth has increased and the economic and demographic shocks caused by the War of 1978 had some recovery by mid-year 2010, to reflect on the war also decreased on the child mortality rate that boost life expectancy in Tanzania.

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<sup>5</sup> Among the economic impact was infrastructures that were destructed in the 1978/79 war, the Kagera River bridge and sugar factory at Kyaka in Bukoba district. Other economic impacts of war are the reconstruction costs after the war. The economic costs of the 1978/79 war could not be quantified in monetary terms.

### 2.1.1 Mortality Trends for 30 mid Years Population.

**Table: 2**

Mortality trends for 30 mid-Years Population			
Year	Life expectancy at birth	Infants mortality rates per 1000	Under Five mortality rate per 1000
1980	47	129	208
1985	50	118	181
1990	51	111	164
1995	47	105	160
2000	46	82	147
2005	49	74	130
2010	52	68	116

**Source:** <http://www.census.gov/population/international/index.html>

Besides of the more technological and economic challenges that affects demography characteristics, Tanzania shows some improvement in the year 1985 and 1990 were life expectancy has increased (Table 2), because death of infants and under five had been reduced to some extents. It was due to the changes on the life standards from which medical, clothes, food was started to be more available, wealth creation and ownership by individual was permitted, and freedom of movement to international routes was guaranteed to the majority. Liberisation of education policy for Tanzanian, the impact of adult education lead to the improvement in life [WEDGWOOD: 2005]<sup>6</sup>.

From year 1995 to 2005, although infant and under five death is seen to decrease but life expectancy tend to decrease in the population, this meant death were still occurring in the population which was not directly connected to infant and under five, the death caused by highly spread of HIV/AIDS, Tuberculosis, Malaria and Waterborne diseases in the general population. This happened at this time were the country was in transformation of policy on privatisations of its State companies, so were no income to support health services from Government.

Year 2010 some improvement started as it is seen life expectancy increased to 52 years, these meant death of infants, under five and other causes has been improved. This happen after

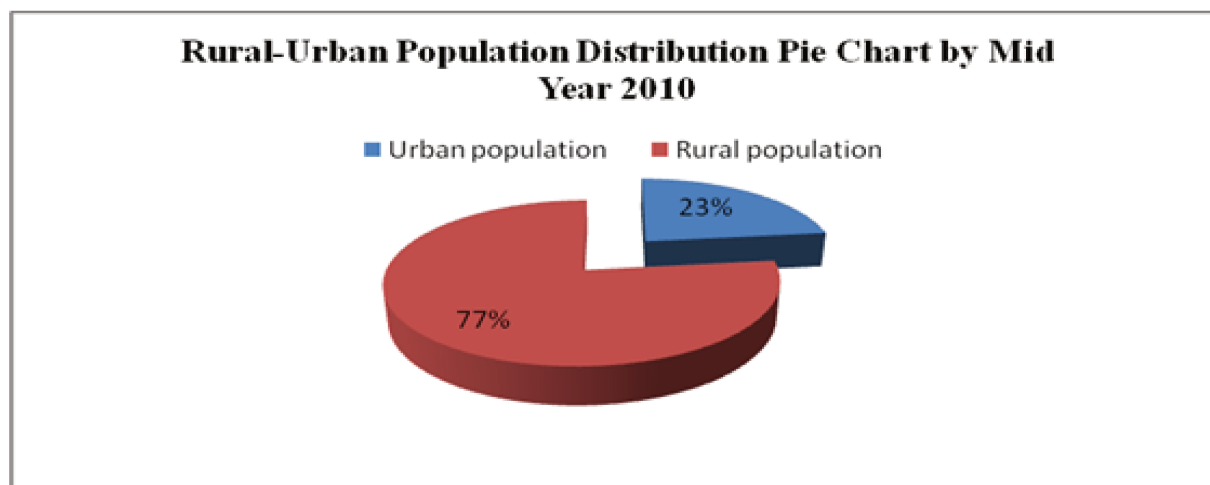
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<sup>6</sup> Urban Communities and farming communities with reasonable access to market and services directly without some support of the government as a return of education.

the supply of the ARV medicines to HIV/AIDS Victims, supply of Mosquito Net to every new born baby in a family, Ant - Malaria and HIV/AIDS campaign, Great control of Tuberculosis, New project of Clean water supply in the cities and at rural areas, improvement on the use of roads and road safety week campaign that reduce the Road accidents. Change in the life standard of the people of Tanzania as an impact of education especially use good house, health insurance, advancement in technology especially in health services, Agriculture and water supply, availability of energy alternative for example use of generators in rural areas instead on national electrical power grids.

### 2.1.2 Rural – Urban Population Distributions mid Year 2010.

**Figure: 3.**



**Source:** <http://www.census.gov/population/international/index.html>

Population of Tanzania which is concentrated in rural area are 77 %. This means the country is not industrialised and their economy was still based on agriculture. It's important for the Government to stimulate development of the country by injecting more efforts to the people who living in rural areas, especially on programme that creates employments, more supply of tools to increases agriculture outputs and the establishment of small industries to up grades agricultural produce in terms of medium and large investments. The supply of clean water,



school, electricity, health services, housing plan, roads and telephones in general are important things to transform rural life.

Though the high population was located in rural areas in Tanzania, the Government is responsible to improve periodically the standards of the cities especially on roads, housing, health, clean water and sewage systems to have a balanced development, because trends of the world population development shows people tend to migrate faster from rural to urban seeking for opportunities to invest more, jobs that pay well, medical services of quality and chances to prosper more in towns than in rural areas.

### 2.1.3 Tanzania Compared With Other Countries by Mid Years Populations.

**Table: 3.**

<b>Tanzania Compared with Other Countries Mid Year 2010 Population.</b>			
Country	Life Expectancy	Infants Mortality	Under Five Mortality
	at Birth	Rate Per 1000	Rate per 1000
Tanzania	52	68	116
USA	78	6	8
Brazil	72	22	26
Ghana	61	50	85
DRC	55	80	128
Liberia	57	78	115

Source: <http://www.census.gov/ipc/www/idb/country.php>.

According to the table, Life expectancy at birth in Tanzania was 52 years based on the midyear 2010; this shows that death was high to the infants, whereas in Brazil life expectancy was 72 years on the same year 2010. This shows that there was lower infant mortality in Brazil than in Tanzania. Ghana life expectancy was 61 years whereas Tanzania was 52 years, it shows even though all found in Africa with at least similar economic behaviour but infants were dying in Tanzania.

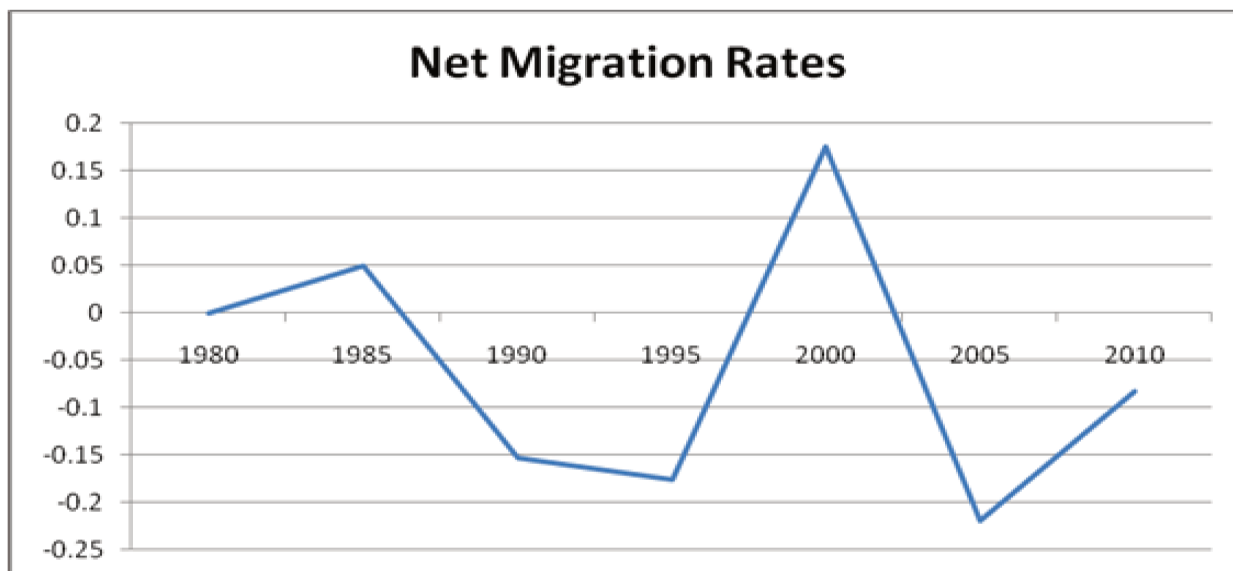
In additions, infant mortality rate in Tanzania was 68 deaths out of 1,000 infants by the mid year 2010, compared to the USA where infant mortality rate was 6 deaths per thousand infants, that was to say USA had high life expectancy to compare to Tanzania. Under five mortality rate in Tanzania was 116 per thousands of under five populations, where as Congo – Kinshasa life expectancy was 55 years it mean Congo had high infant mortality rate per thousands to compared to Tanzania.

#### **2.1.4 Migration Trends.**

The migration in Tanzania is mainly internal, from rural to urban areas in big cities such as Dar es Salaam, Arusha, Mwanza and Mbeya as well as other cities and towns. Since Dar es Salaam was the only city after independency of the country, was the place where trends of rural migration can be traced. According [NGORORA: 2008], in the year 1963 there were 365 thousands habitants in Dar es Salaam whereas in the year 2002 the estimations were of 2.5 million habitants. The growth based on migration was of 4.8 % between 1978 and 1988, where between the years 1988 and 2002 was 4.3 % mainly due to rural urban migration.

[MUZZIN et al: 2008] added that, from 1967 to the year 2002 in Tanzania urban population increased from 5.7% to the 22.6% based on the census of the year 2002. Based on the facts that, looking for jobs, better living standard and social services was the push factor to rural urban migration, to conclude rural urban migration [ILFS: 2006] emphasized that, living in urban areas has increased from 19.2 % in 2001 to 25.9 % in the year 2006, which was typical reflect the rural urban migration.

**Figure: 4.**



**Source:** <http://www.census.gov/population/international/data/idb/informationGateway.php>

On international migration trends, since Net Migration Rate was best way to show the difference between immigrants and emigrants, to which a positive value of the graph give the meaning that more people was entering the country where as Negative value mean more people living than entering. According to the graph above, international or cross borders migration from year 1980 to 1985 years was little that we can say not highly experienced process as 0.05% immigration in the United Republic of Tanzania, where as in the years 1990 to 1995 net migration rate was in negative value of the graph this mean there were emigration by 0.17%. Year 2000 net migration went on to positive value as a sign for the immigration, and the year 2005 to 2010 become negative again to show the trend was emigration, to explain about what was happened here under was some factors contributed to the net migration rate.

In the year 1990 to 1995 high emigrations as negative sign dominate from the data, this was due to the following facts, number of technocrats were started to emigrate internationally, these were group of the Medical Doctors, Professors, Economist and Teachers. Manly was contributed by the Southern African Countries independence and the end of Socialism policies that take out some limitations on migration, the mentioned professional cadre went outside the country to seek for green jobs as a factor push.

Year 2000, Net Immigration due to the great reforms made by the Government of Tanzania both structural and policy was undertaken in Tanzania, the question of Privatisations and Foreign Direct investment had encourage foreigners, Tanzanian who were living abroad to turn back and involves in economic activities of the Country, these changes lead more job and good salaries, efficiency and effectiveness of the government delivery of services so life was improved a lot to the people.

Yet in the years 2005 to 2010, net migration had a negative sign to the population of Tanzania, these indicates that people are leaving the country due to some reasons as follows, fall of the economic set up due the economic crises where by many investments went down, inflation increase and exchange rates of forex per Tanzania shilling was fluctuates too much that US Dollar was shooting up extraordinary, the question of unstable availability of electrical power and high price of Petrol and petrol Products make life more worse.

### 2.1.5 Inequality Status in Tanzania.

**Table: 4.**

<b>Tanzania Poverty and Inequality Evolution.</b>		
<b>Year</b>	<b>% Poor</b>	<b>GINI</b>
1991/1992	29.68	33.83
1994/1997	32.68	33.84
1998/1999	36.72	33.86
2000/2001	46.84	34.62
Gini Per capital household income 5 extreme poor.		
Poverty Line: \$1.25 =1875		
<b>Source:</b> <a href="http://www.wider.unu.edu/research/database/engb/database">www.wider.unu.edu/research/database/engb/database</a>		

One of the most commonly used measures of inequality is the Gini index. The Gini index ranges from 0 to 1. The “0” represents perfect equality with everyone having the exact income and the “1” represents perfect inequality with one person having all income. The [Table:

4] shows the evolution of poverty (% of poor people) and inequality in Tanzania. The percentage of poor people was almost one third of the Tanzania's population in the years 1991/1992 while the inequality, measured by the Gini index, was 33.83 percents.

In the following years the poverty increased highly reaching 46.84 % of population in 2000/2001 while inequality grew more slowly reaching the value of 34.62 %. The trends on evolution show that poverty and inequality increased in Tanzania during the 1990s and 2000, but the poverty increases faster than inequality.

**Table: 5.**

Household Income in Tanzania 2010		
Tenths	Household Income	Accumulated House Income
1st.	1.8	1.8
2nd.	2.9	4.7
3rd.	3.8	8.5
4th.	4.7	13.2
5th.	5.8	19.0
6th.	7.1	26.1
7th.	8.8	34.9
8th.	11.3	46.2
9th.	15.9	62.1
10th.	37.4	99.5
	100	
GINI	0.41	
<b>Source:</b> <a href="http://www.wider.unu/research/database/engb/datebase">www.wider.unu/research/database/engb/datebase</a>		

According the [Table 5], the first tenth of extreme poverty (10 % of household) accumulated 1.8 % of total household per capita income and the poorest 2<sup>nd</sup> tenth household accumulate 4.7 % of the total household accumulated income. But the tenth 10 representing the richest group of household receive 37.4 % of income accumulated 100% of the total accumulated income. This difference can be contributed by lack of employment, poor education plans for youth to attain skills for jobs holding, low investments level by Government and private capitalist to make full employment that can increase income to the poorest people.

The 5<sup>th</sup> tenth of the extreme poorest household in Tanzania were just accumulated an income of the 19 % of the cumulative income. While the 3<sup>rd</sup> tenth of the richest household in Tanzania accumulated 64.6 % of the total household income, it suggested that, high number of household has low income to compare to 3<sup>rd</sup> tenth poor household income which was 8.5 % of the total household accumulated income, this can be low capacity of the Trade Unions to make a meaningful collective bargaining to guarantee an income distribution, capitalist monopoly power to fix price and wage, poor minimum wage set up and reluctance by Government accept proposal to make changes from time to time.

## 2.1.6 Human Development Indicators.

**Table: 6.**

<b>Evolution of HDI in Tanzania.</b>				
	<b>Mean Years of</b>	<b>Expected Years</b>	<b>GNI</b>	
<b>Year</b>	<b>Schooling</b>	<b>of Schooling</b>	<b>Per Capita</b>	<b>HDI</b>
<b>2000</b>	3.72	5.33	916	0.332
<b>2001</b>	3.93	5.33	952	0.339
<b>2002</b>	4.13	5.33	985	0.347
<b>2003</b>	4.34	5.33	1,018	0.354
<b>2004</b>	4.55	5.33	1,054	0.361
<b>2005</b>	4.76	5.33	1,109	0.370
<b>2006</b>	4.83	5.33	1,143	0.375
<b>2007</b>	4.90	5.33	1,16	0.379
<b>2008</b>	4.97	5.33	1,226	0.386
<b>2009</b>	5.04	5.33	1,283	0.392
<b>2010</b>	5.11	5.33	1,344	0.398
<b>Source:</b> <a href="http://hdr.undp.org/en/reports/global/hdr2010/chapters/">http://hdr.undp.org/en/reports/global/hdr2010/chapters/</a>				

According to [table 6] the year 2000 to the year 2010 the human development index [HDI] ranges from 0.332 to 0.398, these shows in Tanzania the human development index is below 0.5 to categorise the country as a nation of the low human development. For these ten years analysis it meant low standard in development on the areas of:

Education that means the basic education system especially secondary education for few and even an applicability of theory to life were not compliant especially on primary education due to the poor quality of it and corruptions on the part of lack to openness on accessibility on the part of selections for further education. Health Services were not and still not well developed all over the country, uses of modern scientific tools on health services not introduced and still existence of local belief as well as traditional healing by the uses of local medicines to the even disease that was well research and curable in hospital, so all these incidences will have several impacts on the labour market as we are going to see on the coming chapter on the trends of the labour markets.

But at in recent years, we have seen changes as a mean years of schooling increases the life expectancy tend to increases too, this signify that, as more attainment of education to the population of Tanzania pushes up long the standard of living, this was due to acquiring life knowledge and skills in: Keeping Sanitations to the environment as example, the use of sewage system to transfer sewage water in urban started to be introduced, use of toilets in villages and living in modern houses that approved and accepted by city/municipal/towns plans. On maternal health by mothers, nurses and family in general, these help protections of under five children death from air communicable [e.g. tuberculosis] and waterborne diseases [Cholera and Typhoid] through self initiative and Government campaign. Increases on the use of protective on the diseases that are preventable like Malaria on the availability and uses of mosquito net and HIV/AIDS availability and uses of condoms all these attributed on reductions to the spread of disease and death in general.

## **2.2. Tanzania Macro Economics Context and Employment.**

In this part, is an explanation of the status of macro economic aspects in Tanzania with respects to their contributions to the employment were studied; it's a very important part because it's the one that shows potentiality of the sectors, the role of labour force performance and behaviours in the economic sectors.

### 2.2.1 The Gross Domestic Product Trends.

The GDP of Tanzania was showed growth rates of 6.7 % in the year 2011<sup>7</sup>, in exactly figure was 23 Billion USD equal to 0.04 % of the World Economy as per World Bank, despites of its growth it does not suffice the need to the Labour market of Tanzania for creation new employment due to the dependency of one sector which is agriculture and ineffectiveness on use of other richness of the country figure five [Tradingeconomics Page: 2011]. The GDP by Sector shows the contribution by the Services sectors that covers Hospitality Industries, Financial Markets interms of Banks and Micro Credit Services as well as Sales activities expand by 47 %.

The Agricultural sector [Figure: 6] on which was referred as backbone of the economy has contribution of 30 % where as Industrial sector was still down in contributions by 23 % in the economy per year. Through this figures it is possible to start seeing a picture on how macro economic functioning and the way it related to the employment. URT [2008]<sup>8</sup> declared that 'Unemployment and underemployment have remained one of the intractable problems facing Tanzania since 1970s, where by the country went through an economic crisis reflected by the fall in the annual GDP growth rate from 5 % to an average of 2.6 % in the early 1980s, and about 1 % in the beginning of the 1990s'. Where as by 1998 to 2010 average GDP was 9.95 Billion USD of high in December 2010 by 23.06 Billions and lowest by 4.26 % in the year 1990, and the GDP per Capita is 456.14 USD in December 2010.

In recent Years the performance of agriculture sector has yet being faced more challenges interms of its contribution to the GDP, although an economy grew for 7 % as reported by Governor of Tanzania Central Bank in March year 2012, showed only One percentage increases in Agriculture contribution as from the years 2009 was 3.2 % and in 2010 about at 4.2 % [KISUMUNI: 2012]. Many factors were accounted as a slow growth of the agriculture sector, among which was market segment to promote growth, since there was no stable industrial base as

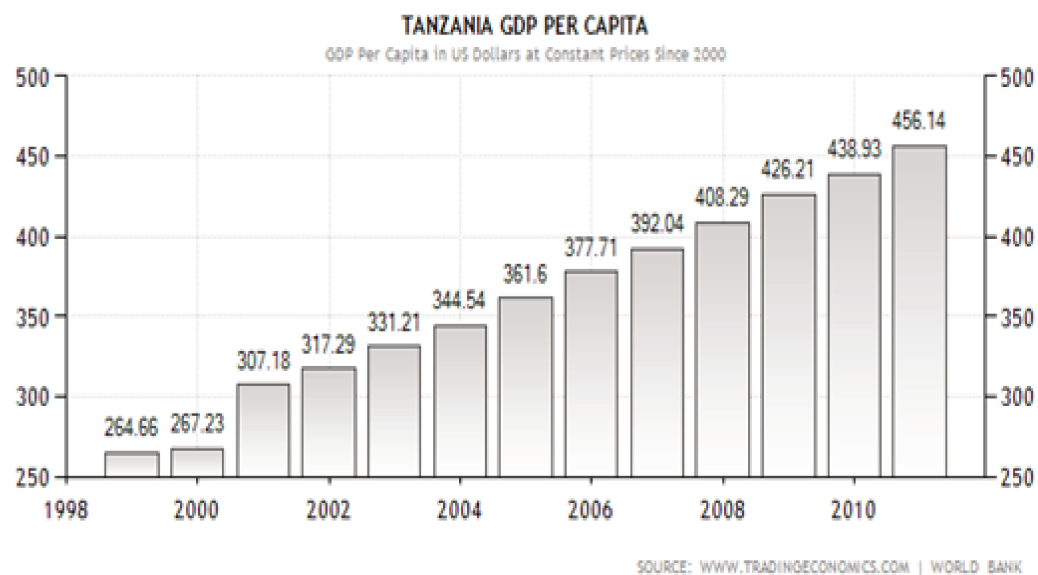
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<sup>7</sup> The Gross Domestic Product (GDP) in Tanzania expanded 6.7 percent in the second quarter of 2011 over the same quarter, previous year. Unlike the commonly used quarterly GDP growth rate the annual GDP growth rate takes into account a full year of economic activity, thus avoiding the need to make any type of seasonal adjustment. Historically, from 2002 until 2010, Tanzania's average annual GDP Growth was 7.06 percent reaching an historical high of 11.30 percent in December of 2007 and a record low of 2.90 percent in December of 2006. [ <http://www.tradingeconomics.com/tanzania/gdp-growth-annual> 7th January 2011].



a link to support the market of the agricultural produce it caused poor performance of the sector, and the discouraged labour force on it [SIMBA: 2012], agriculture as a main stay has failed to improve the living standards of those who Works on it.

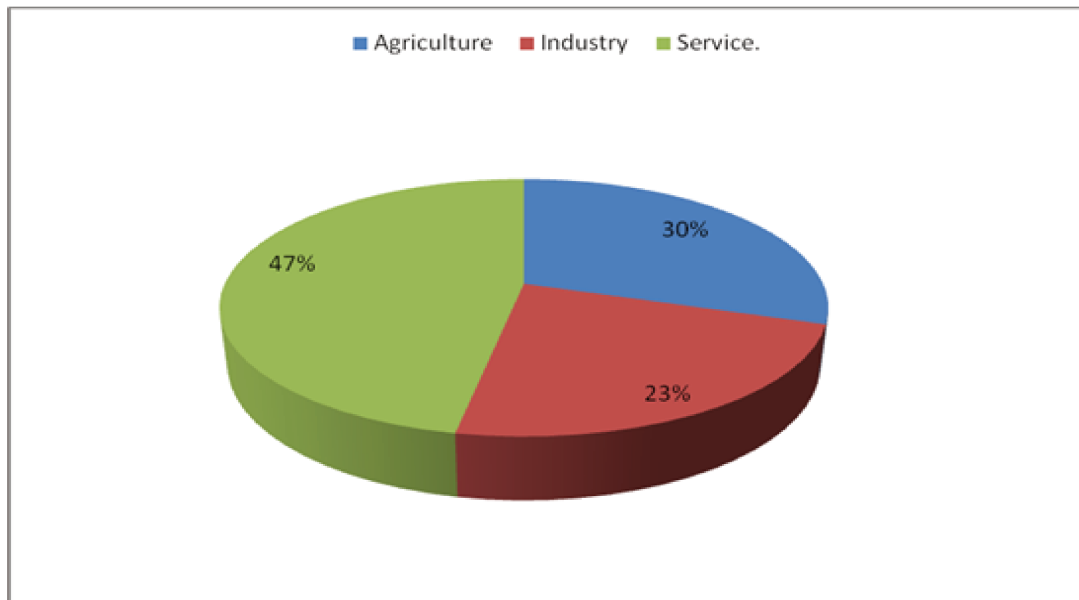
**Figure: 5.**



**Adopted From:** [www.tradingeconomics.com/World Bank](http://www.tradingeconomics.com/World Bank).

**Figure: 6**

**Tanzania Gross Domestic Product Year 2010.**



**Source:** [www.indexmundi.com/tanzania/gdp\\_composition\\_by\\_sector.html](http://www.indexmundi.com/tanzania/gdp_composition_by_sector.html)

#### **2.2.4 Role of the Tanzania Economy to Labour Market.**

In recent years, role of the Tanzania economy is clearly defined and elaborated to focus in the Country National Development Vision 2025<sup>9</sup> especially the target 3.3 that look for a Strong and Competitive economy with the following behaviours, ‘A diversified and semi-industrialized economy with a substantial industrial sector comparable to typical middle-income countries [URT: 1999]. Macroeconomic stability manifested by a low inflation economy and basic macroeconomic balances, growth rate of 8 % per annum or more. An adequate level of physical infrastructure needed to cope with the requirements of the vision in all sectors, an active and competitive player in the regional and world markets, with the capacity to articulate, to promote national interests and to adjust quickly to regional and global market shifts’.

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<sup>9</sup> <http://www.tanzania.go.tz/vision.htm> [10/01/2012].

Historically the country an economic roles was elaborated by various macro economic strategies or policy, but soon after independence 1961 the roles was to integrate ‘Freedom and hardworking’<sup>10</sup> to take out the feelings of the many people that freedom was resting, to induce the spirit of hard working society so as to transform an economy of the country, followed by policies of the socialism as a tool possible for Socio Economic Development that was tailored and believed only way to transform society and economy structure under Arusha Declaration of 1967<sup>11</sup> where the main principles based on Socialism and Self Reliance, in generally an economy of country was designed and had a role to bring about socio-economic transformations toward better livelihood to the people through employment, an economy that provide room for the labour force to participate thereto effectively through government intervention on the creation of investments to providing full employment for the labour force.

Tanzania by now open it’s economy to allow private sectors to play its role as a means to stimulate economy toward socio economic developments, this was done by allowing Public Private partnership to work together on the Government functions which were non core, total Government withdrawal on trading type of functions to allow private sector to take part and for to confined on its core missions only especially commitments to the Millennium Development Goals [URT: 2005]. There has been improved economic performance at the macro-level in the past six years. GDP growth rate consistently rose reaching 6.2 % in 2002. National Accounts estimates show that the growth rate dropped to 5.6 % in 2003 due to drought that led to reduced food supplies and decreased power supply. In 2004 there has been a remarkable rise to record 6.7 % GDP growth rate.

During the same period, inflation has been under control. The annual inflation rate was 4.4 % in 2003 compared to 6 % in 2000. The rate increased from 4.0 % in July 2003 to 4.6 % at the end of March 2004 due to drought and the sharp rise in oil prices. Foreign reserves reached 8.9 “months of imports” compared to 6.3 “months of imports” in 2000. At the end of March 2004, the reserves could cover imports of goods and services for about 8 months, which is above the target of 6 months. The nominal exchange rate is market-determined with interventions

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<sup>10</sup> UHURU NA KAZI

<sup>11</sup> The strategy was based overly on state-control of the major means of production, exchange and distribution and on the prospect of a growing and viable public sector (through public investment), as the principal engine of economic growth and development. [<http://www.tanzania.go.tz/vision.htm> -12/01/2012]

limited to smoothing fluctuations. Increases in investments in infrastructure such as roads, telecommunications, mining and tourism have been recorded owing to increased inflows of foreign direct investments (FDI) and domestic revenue effort. Progress has been noted in the social services and public support services. Significant improvement in performance is evident in areas such as primary education and road network. Overall, the current levels of delivery of services require further improvements in quantity and quality, which calls for sustained investments in all sectors.

### **2.3 Employment Policies and Legal Framework.**

Analysis of the policy and legal framework in relations to the employment opportunities in Tanzania, aimed to show how and to what extents of the effort to access employment and rights to engage on other occupations. The freedom and right to work in Tanzania is real guaranteed in respect to the laws of the country and international standards to labour are in place to effect an employment, here I am going to make reference in relations to the Constitution of United Republic of Tanzania [1977], municipal laws and policies, as well as international documents as those of ILO.

According to the Constitution of the United Republic of Tanzania employment is declared and guaranteed under Article 9[e] ‘ that every person who is able to work does work, and work means any legitimate activity by which a person earns a living’ this means states and its agencies should guarantee jobs to the people. Article 22[1] ‘Every Person has the right to work’. So carefully interpreting an article the rights is guaranteed not only Tanzanians but even to all foreigners who need to come and work in Tanzania. The constitution is not only grants rights to work but it went further to effects the rights to just and equal remuneration to the workers under Article 23 [1] ‘Every person, without discrimination of any kind, is entitled to remuneration commensurate with his work, and all persons working according to their ability shall be remunerated according to the measure and qualification for the work. Article 22 [2] ‘person who works is entitled to just remuneration’ [URT: 1977]. The question of discriminations in any manner to the people of deferent race, gender, and origin and ethnicity background is protected by this constitution in respect to employment.

The law of the country that administer employment are divided into three statutes, law number six<sup>12</sup> of 2004 ‘Employment and Labour Relations Act’ and that of number seven of 2004 ‘Labour Institution Act’<sup>13</sup>, as well as law number eight of 2002<sup>14</sup> ‘Public Services Act’, both of them provides room for fair industrial relations and the question for the youth employment provisions are elaborated to pay attention for the labour administration. Under part two of the law number six of 2004 it provides for Fundamental Rights and Protection for labour use included the category for Youth of 18 years and below that age referred as a children to participate on employment, section 5[2, 3] it provides for the conditions or standards for an age of the person to participate in an employment, provisions reads ‘(2) A child of fourteen years of age may only be employed to do light work, which is not likely to be harmful to the child's health and development; and does not prejudice the child's attendance at school, participation in vocational orientation or training programmes approved by the competent authority or the child's capacity to benefit from the instruction received. (3) A child under eighteen years of age shall not be employed in a mine, factory or as crew on a ship or in any other worksite including non-formal settings and agriculture, where work conditions may be considered hazardous by the Minister. For the purpose of this subsection, "ship" includes a vessel of any description used for navigation’ [URT; 2004].

The national employment policy 2008 was in place to guarantee development creation ‘an aim of the NEP was therefore to stimulate an adequate employment growth in our economy, in order to reduce Unemployment and underemployment rates and eventually attain full, productive and decent employment for all Tanzanian’[URT: 2008:iv]. To attain this NEP envisage the Tanzania Development Vision 2025 and the National Strategy for Growth and Reduction of Poverty to face the challenge of the globalised economy. Among of the policy issue that is very important to be addressed is ‘Enhancing the Promotion of Youth Employment’ through eliminating obstacles that constraints youth to access and engage into productive employment [URT; 2008].

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<sup>12</sup> An Act to make provision for core labour rights, to establish basic employment standards, to provide framework for collective bargaining, to provide to the preventions and settlement of disputes, and provides for related matters.

<sup>13</sup> An Act to provide for the establishment of labour institutions, to provide for their functions, powers and duties, and to provide for other matter related to them.

<sup>14</sup> An Act to constitute the Public Service of the United Republic, to provide for its function and obligations, to establish the public services commission and provide for matters related to it.



### **3. Economy and Labour Market.**

#### **3.1. An Economic Changes and Labour.**

Tanzania being a part of the countries in a developing world was subjected to the new model conditions in its economy, especially that of sanctioning Government from business oriented activities. [CHANG: 2004] urged that, economic changes based on global shift had three major components in it, which are all critical of the welfare economics approach. Firstly, its subscription to contractarian political philosophy leads to the view that any extension of the roles of the state beyond the 'night watchmen' role is morally unacceptable, neoliberal thinkers argue that economic efficiency should be sacrificed for the sake of individual freedom.

Secondly, mostly neoliberal economist concur with Australian economists in urging state intervention in a complex modern economy is doomed to failure due to the problem of informational costs and, more fundamentally, uncertainty. Thirdly urged that, the state should be seen as an agent which serves the interest of politically influenced groups inside and outside the state apparatus [politicians, bureaucrats, interest groups], which means that the states intervention is like to create allocative inefficiencies, organisational slacks, and rent seeking 'waste', rather than correct for 'market failure'.

In an adoption and acceptance of these new changes in Tanzania economic model, in the early 1990 the only and big functions of the Government were to ensure the changes was effected. So I do concurred as commented by the [ESRF: 1990] 'in the years 1990s therefore we saw dramatic changes in what was thought as should be the ideal reforms, it came to be emphasized that reforms should go well beyond mere trade liberalization and financial market deregulation to include deep changes in the rules of the game and structure of property rights ranging from divestiture of public firms to price liberalization and changes in the macroeconomic regimes'.

##### **3.1.1 Economic Structural Reforms and Employment.**

The role of the reform was an increased in effectiveness, efficiencies and efficacies of the Government in its undertaking, to stimulate macro economic performances and creation of more employment through privates' sector participation. REED [1996] noted, during 1986 Tanzania tended to decide on the Structural Adjustment Programme [SAP], where by 1989 the programme modified to Economic and Social Action Programme [ESAP] by the support of IMF and the

World Bank. The general goals are to restore the physical infrastructure and ease social impacts, SAP attempt to correct economic imbalances on improving efficiency of developing and transitional economy.

In addition to the ideas and intents of the macro economic reforms, [AGRAWAL: 1993] contributed that an aim of the both Breton Wood Institutions was at macro economic stabilisation and structural reform of the economy. To emphasize that, the role of the structural change of the Government of Tanzania in the Public Service Reform Programme as introduced on early 1999 was to make sure an economy functioning well. The role model of reforms was Thatcherism and Reaganism over Structural Adjustments Programmes<sup>15</sup> and the Public Services to allow the participation of executive agencies, private sector to play part on the functioning of the economy.

A creation of the new structure to the economy the main idea, structuring favourable environments for the FDI to take part as a substitution of the traditional productions system, de-regulations of the legal and financial system to allow a smooth flow of new institutions. [CHANG: 2004] has accounted what exactly the states should do to for the new institutions 'the two roles that state should play in order to facilitate the process of the structural change are identified, namely, entrepreneurship in the sense of providing the 'vision' for the future and building of new institutions'.

On an effects of the existing pace for implementations of macro economic and policy reform in Tanzania, [ESRF: 1998] urged that 'the public sector reform process continued the drive to limit Government functions to their core activities (of maintaining law and order, delivery of public goods and services, and supporting the delivery of basic social services), privatise or re allocated activities of commercial nature to executive agencies and strive to achieve efficiency and results oriented public performance.

The changes of having new role of the Government through the structural reforms has leads to the changes on the employment status and social labour divisions by the workers due to the complexity interdependency created in the world economy under global shift of the capitalist

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<sup>15</sup> Structural reforms carried out by the government have focused on realigning the incentive structure towards efficient use of scarce foreign exchange, liberalizing markets for goods and services, and reducing the involvement of the public sector in the economy.



economy, [CASTREE: 2004] said ‘ we have men and women, adult and children, we have the employed and unemployed, we have those compelled to work intolerable hours for little rewards and those labouring for a good salary in a congenial environment, we have migrants and non migrants, we have unionised and unionised workers’.

### **3.1.2 Investments Performances Trends.**

The balance of investment trends was as follows, [IMF: 1999] reported that, the capital formation shares of the gross domestic product was fell from 26.2 % in the year 1990/91 to 16.1 % in the year 1996/97 owing derived from both public and private sectors, the fall was attributed by lack of local matching funds for foreign financed projects, privatisation of the public enterprises and declined on investment by private sectors.

The [URT: 2010] on the economic survey 2009 report emphasised over the trends balance of payment that, ‘it comprises foreign direct investments and foreign loan registered a surplus of USD 1,553.2 million compared to a surplus of USD 1,745.7 in the year 2008, equivalent to a decrease of 11 %, this was mainly caused by decrease on the investments in the country’.

### **3.1.3 Outcomes of Firms Privatisation in Tanzania.**

Since the mission of the reform as engineered by the western country in Africa especially Tanzania has lead chaotic to the economy rather boosting the economy to better and stable shape to employ many Youth by moment. It is very sad and seemly unthinkable for current results of Privatisation policy which was made under SAP in the year 1993, as current report reveal bad condition to the industrial sector of Tanzania due to the private hands of ownership. The [CITIZEN: 2012]<sup>16</sup> reported, ‘some seventeen erstwhile public firms that were privatised under a plan initiated in 1993 in a bid to revamp production have so far been shut down after failing to deliver’, a report released recently by a technical committee has revealed.

The government had at that time decided to sell the wobbling public companies to private investors who, it was presumed, could revive them following the State’s lack of capacity to run

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<sup>16</sup> <http://www.thecitizen.co.tz/component/content/article/37-tanzania-top-news-story/18947-how-17-industries-were-privatised-only-to-die.html> [Monday, 16 January 2012 22:42]

them. According to the report which has been submitted to the Parliamentary Public Organisations Accounts Committee (POAC), 17 firms out of 74 which were privatised have since stopped operations altogether. The report also discloses that several investors were no longer showing interest in the revival or development of the erstwhile State firms and have instead left machineries and buildings to lie derelict. “Much machinery including the effluent treatment plant (ETP) has been stolen and the remaining machines are in bad shape, most of premises have been converted to a garage and a store for mining machinery owned by Caspian Ltd”.

However, it was established that in other areas the committee failed to get the contract and other documents, which were used during the privatisation of some of the firms. According to the report, the committee has failed to get a contract, which was signed between the government and the Pure Bond Limited during the selling of Morogoro Ceramics Limited in 1993. But the report states that the firm was sold at TSh452 million [Tanzania money] and an investor was allowed to transport the machinery to Nigeria, reported many industries were sold in low price to compare to the value of those factories.

### **3.2. States of Youth Employment in Africa.**

The quest to study on matters for Youth engagement to the employment was has an extra pushes based on the difficulties that exist in most African country by now to which Tanzania is inclusive. GARCIA [2008] presented that ‘By the year 2010 Youth will represent about 28 % of Sub-Saharan Africa’s population, making it the “youngest” region in the world. By 2030 Africa is projected to have as many Youth as East Asia and by 2050 could also exceed the youth population in South Asia’.

Based on the projected data of the Youth labour force and its size in respect to a pace of the investment in many African country you can see is very low to accommodate the needs, simply was regulated by Washington consensus policies, and most investment is depend on political history and geographical environments, the willingness of the firms to invest in these countries followed by the stipulated conditions from these Foreign Private Investors as pillar of reforms of the economy<sup>17</sup>.

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<sup>17</sup> The difficulties Youth encounter in entering the work force and developing the skills needed to ensure gainful and productive employment can have profound effects on countries’ investment climates and

The questions of seeking and grounding a decent employment to the Africa labour force especially the sub Saharan Africa seems very challenging due to the extreme poverty in the societies, combined with the poor and low government capacity to transform socio economic contexts to the region through employment due to the low investment, education and tools to stimulate economy functioning. [ECA: 2007] reported, ‘Africa has the highest incidence of poverty in the world. Consequently, understanding the challenges of unemployment and its effect on hunger, nutrition, and livelihoods are key issues toward Africa’s development’.

[MWAMADZINGO: 2007]<sup>18</sup> accounted on Youth Unemployment trends in Africa, ‘Youth unemployment is a growing and perennial problem in almost all countries. However, the problem is much more serious in developing and transition economies. It is this regard that, as other segments of the society, the labour movement in Africa has also been concerned over the typically higher rates of Youth Unemployment as compared to the national average. Youth employment challenge is bound to the general employment situation and, while it has its own dimensions, it is influenced by a number of general factors which may have positive or negative consequences.

He added to include the following among the causes: the impact of globalisation; the impact of structural reforms in developing countries; the level of, and fluctuation in, aggregate demand; demographic trends; the level of economic activity, public and private investment and sustainable growth; the employment intensity of growth in developing countries; an enabling regulatory environment for both enterprises and the protection of workers’ rights; entrepreneurship and enterprise creation options, including through cooperatives; education and training outcomes; the relationship between education and labour market needs; and work experience and labour market services.

In a comparisons to the East African countries as to what happened in Tanzania on the states of Youth Employment opportunities in general as reported, [Dr SEMBOJA: 2007] said a

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Prospects for growth.

<sup>18</sup> Role of the Trade Unions and Rural Youth Employment in Africa. Paper prepared for the ILO Sub-Regional Seminar, Grand Palm Resort, Gaborone, Botswana, and 24-26 July 2007. .[<http://training.ilo.org> 16/01/2012]

similar behaviour on the Youth employment opportunities happened in East Africa ‘the typical East African labour market characterised by high Youth Unemployment rate which is higher than that of adults’. He went on emphasising, similar patterns of Youth unemployment and under employment can be observed in Tanzania as both situations are also on the increase. An increasing number of Youth is moving to urban centres like city of Dar es Salaam, but are unable to find work, due to lack of skills and work experience, but also demand side being a problem in the urban economy of Tanzania.

### **3.3 Youth Employment Status in Tanzania.**

#### **3.3.1 The right to Employment and Wages.**

URT [1996] marked that, although there was the right to employment guaranteed under the United Republic Tanzania Constitution of 1977 and other municipal laws as amended time to time, many Youths who complete their studies at various levels were not given access to it, especially in the formal sector because of the poor economy. It is also difficult to work in the informal sector due to problems in securing capital, work implements and work premises. In addition, some of the Youths who work in domestic places, and those who are employed by private enterprises e.g. in bars and in restaurants are lowly paid despite the long working hours (more than 8 hours a day) thus denying them the right to earn appropriate wages.

#### **3.3.2. Youth Economic Situation.**

Youth economic activities depend on the geographical place, age, sex and natures of resources available. In general, Youth in Tanzania engage in the following economic activities as URT [1996] noted:

Production activities in the sectors of agriculture, fishing, mining, animal husbandry and small scale industries especially in carpentry, tailoring and black smithery. Petty business like selling second-hand clothes, fruits and various food stuffs. Despite the fact that these youths are self-employed in above mentioned sectors; they face a lot of problems in implementing their activities. Major problems are lack of capital, equipment and technical know how or skills.

Youth Policy of Tanzania still emphasises over an economic situation of the Youth, a small number of Youths (3.4%) are employed in the civil service, in state owned company and in the private sector. This group is only a fraction of the total number of educated and trained Youth in various disciplines. However, under the economic reform policy many educated youths have been re-trenched from work, many of Youths do not expect to be employed in the formal sector; the problem of unemployment affects both boys and girls.

However, the latter have been mostly affected and as a result many of them are engaged in non professional and low income earning activities. Among of the unemployed people in the country majority of about 60 % were Youths. The consequences of this problem, Youth engaged in illegal activities, like thievery, armed robbery, substance and drug abuse, prostitution through unsafe sex etc. Moreover, many youths especially in urban centres have continued to be dependent on their parents.

Dr KOPOKA [1999]<sup>19</sup> analysed the trends based on Tanzania experiences on Youth and Employment opportunities on the era of the changes on an economic model. Argued, the free market economy has pushed African Youths further to the margins of society. The withdrawal of the state in the management of the economy has left Youths in an even more precarious situation of employment. Many African governments were used to provide for the education of the Youth population - at least for basic primary education. Under this level of education to engage in the formal sector employment seen to be difficulties.

Based on the changes happened many of Africa's Youth are at present uneducated and unable to compete in the formal economy. Less is being invested in education and training of Youths as the private sector takes over the running of the economy. In the informal sector Youths do not have or have very limited opportunities to acquire loans to start their own business. Many are engaged in petty trading and are constantly being harassed by the Police as the Government

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<sup>19</sup> Statement prepared for presentation to a colloquium on "understanding Exclusion, Creating Value: African Youth in a Global Age" to be held in Cape Town, South Africa, 30-31, 1999. [ SAP - Project at <http://www.fiuc.org/iaup/sap/> 15 /01/2012]

providing very little assistance, where as Youths in rural areas are in an even worse situation as they are left to cope on their own.

### **3.3.3 Employment Case study in Tanzania.**

The case that we are going to study as presented in [Box: 1] was based on the truly life of the self employed Youth in Tanzania especially those of Urban areas. As mostly regarded working informally under informal sector, the case showed what happened as changes to the aggregate demand caused as in paragraph 3.1.3 over an outcomes of wrongly State owned firms privatisation in Tanzania.

[MCHOME: 2012] noted that, ‘finding a job in Tanzania is not a simple affair’. The Government preached over a decade to change the Youth views over employment to adopt entrepreneurial spirit for self employment, yet still many has to be done to reach the goals, the informal sector is growing in a very rapid pace without hope to the labour. Youth employment opportunities can be started being analyse from the case of the three Youth who used to work in Dar es Salaam, Tanzania big economic city.

Such being a case SIMBA [2012] also reported on the newspaper that Youth in informal sector work every where and any time walking looking for customers ‘they trade in Bars, offices, bus stop, street corners, road intersections and some time even in protected and dangerous areas’. Added that, they are fierce fighting between the City Auxiliary Police and hawkers on the opportunities to work on prohibited areas, as a job defined a means of earning a living they are willing to do any thing for their survival

### Box: 1. Youth Employment Case Study in Tanzania.

**Alicko James**, 31 years old, a small-scale entrepreneur in Dar es Salaam. He sells second hand clothes at Manzese neighborhood, along Morogoro Road, every evening. He started the business three years ago and it helps him put a meal on the table for his wife and two children.

He places his rag just close to the *zebra crossing*, a dangerous place as one can easily get hit by a vehicle. But when life is unpredictable, Alicko says, human beings no longer care about their safety and well being.

“It is not simple doing this,” said Alicko, who lives with his family in Tandale, a poor suburb in Dar es Salaam. “Sometimes, we have to *bribe city council auxiliary police officers* to remain here. We are not wanted here, but we are forcing an issue.”

**Asha Mbaraka** 23 years old. She holds a small green bowl from which she feeds her little girl with porridge as she waits for customers to buy boiled green maize she keeps in a bucket placed before her, also sell ground nuts and sweets on small table.

All this is courtesy of a loan from a financial institution that support small traders and she has to pay TSH 10,000/= equal to [USD 7] weekly. At just 23, Asha would have been in her second year at university or a college if had she been from a well-off family.

But she can only day dream about such things now. “*I used to hawk in the streets selling fruits but after I got this baby last year I could not hawk anymore,*” she said. “I decided to sit here waiting for customers

**Samuel Mwakabinga**, sell children’s toys at Mwenge bus stand [Terminal], he has a table just *few meters beyond the main entrance*. He knows the place designated for buses and commuter but he hunt for customers, when he started the business a year ago, he came only on *afternoon but is now his full time occupation*.

‘I don’t want to think being evicted from this place’ said Mwakabinga ‘My life depends on this life small business and *I have to pay back the money I borrowed to run this business*. It is a lack of proper shop [space of Work] to guarantee a sufficient loan from a Bank but he still too far from meeting the requirements.

#### Adopted from:

[Mchome: 2012] <http://www.thecitizen.co.tz/sunday-citizen/40-sunday-citizen-news/21494-vendors-dilemma-between-survival-and-obeying-the-law>

### **3.3 .1 Forms of Employment Contract in Tanzania.**

The government of Tanzania has made significant repeals of its labour laws by the year 2004 and came into force in the year 2007 after expiration of gazetted interim periods of the three years. Among the factors to repeal the laws was to go with the pace of Globalisation of the World Economy. In these main changes on the part of the labour law was the new forms of the Employment, that changed to allows what they call flexibility in new economic situation. In accordance to URT [2004] the Employment and Labour Relations Act Number 6 under section 14[1(a, b, c)] states ‘A contract with an employee shall be of the following; with types employees. (a) a contract for an unspecified period of time; (b) a contract for a specified period of time for professionals and managerial cadre, (c) a contract for a specific task’.

### **3.4. A Decent Work Goals.**

Decent Work involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men. According to URT [2008] decent work refers to, productive and remunerative employment for men and women in an environments providing respect for labour rights, dialogue and social protection.

The ILO has developed an agenda for the community of work. It provides support through integrated Decent Work Country Programmes developed in coordination with its constituents. Putting the Decent Work Agenda into practice is to be achieved through the implementation of the ILO's four strategic objectives, with gender equality as a crosscutting objective, [ILO: 2012].

1. Creating Jobs - an economy that generates opportunities for investment, entrepreneurship, skills development, job creation and sustainable livelihoods.
2. Guaranteeing rights at Work– to obtain recognition and respect for the rights of workers. All workers, and in particular disadvantaged or poor workers, need representation, participation, and laws that work for their interests.



3. Extending Social Protection – to promote both inclusion and productivity by ensuring that women and men enjoy working conditions that are safe, allow adequate free time and rest, take into account family and social values, provide for adequate compensation in case of lost or reduced income and permit access to adequate healthcare.
4. Extending Social Dialogue - Involving strong and independent workers' and employers' organizations is central to increasing productivity, avoiding disputes at work, and building cohesive societies.

This chapter three reflects what has been already written by others over the subject to meet the objective of this study, on which theoretical literature entails economic trends in terms of policy adopted in Tanzania or in other countries of Africa. It focuses the same issues to the group of Youth under the same status of economy to focus on employment opportunities that were considered.

The situation of the Youth economic activities as well as new forms of employment and employment contracts existing at current economic context, a trend of transformations as created a new pass of flexibility to allow the friendship between economy and employment by adoption to the goals of Decent Work Agenda was taken into consideration to show the necessity on the nature and status of new form of employment in the economic contexts.



## 4. Labour Market Condition and Youth Employment in Tanzania.

### 4.1 The Labour Market Conditions.

This part entails about activities and situations happened in regarding to the Youth labour force quality of working life. Labour market situational has impacted by the changes in the demography and economic environment to which labour forces interacts. The patterns of the employment opportunities to the Youth group was examined in the existed economy, as well as the labour market indicators and a sample of Youth activities profile based on the education level was studied to depict the pictures on the dynamics of the Youth Employment Opportunities.

#### 4.1.1 Evolution of the Working Population.

**Table: 7.**

<b>Evolution of the Total Working Age Population as 15 -64 Years.</b>		
Years	Total Annual	Annual
	Working Population.	Growth Rate
1990/91	11,612,278	
2000/01	16,335,210	3.5
2009	19,838,897	2.2
<b>Source:</b> <a href="http://www.ilo.org/public/english/region/afpro/dar es salaam/download/decent work tz.pdf">http://www.ilo.org/public/english/region/afpro/dar es salaam/download/decent work tz.pdf</a> .		

Evolution of the Working Population refers to accounts of the periodical total changes on the total Working age. According to [Table 7] an evolution from 1990/91 to 2000/01 was 4,722,932 where in the year 2000/01 to 2009 the changes were 3,503,687. In the first ten years the total working age was higher by 1,219,245 to compare with the second period of ten years. The Annual Growth Rates on the Evolution of the Working Age in Tanzania decreased by 1.3 percentage points where as the first decade of 1990/2000 years annually growth rate was high by 3.5 % while the second decade of 2000/09 years were it reads 2.2 %.

### 4.1.2 Economic Active Population.

The Economic Active Population refers to the components of the population that are either employed or actively seeking employment. According to the [NBS: 2006], the country had an estimated 18.8 million Economically Active Population which as increases by 3.3 million or 21.5 % compared to the finding of the 2000/2001 of Integrated Labour Force Survey. According to the [Table: 8] below, in the mid Year 2010 it was estimated an EAP of about 21.998.667 million people with an increased 2.2 million people. According to that data, Youth were estimated 60.8 % of the total EAP [Table: 8].

**Table: 8.**

<b>Tanzania Economic Active Population mid Year 2010</b>			
		Distribution	Distribution
Age	Both	female	EAP
[15-19]	3441,9	50,6	15,6
[20-24]	3803,8	49,8	17,3
[25-29]	3326,7	49,1	15,1
[30-34]	2795,8	48,9	12,7
[35-39]	2165,2	47,9	9,8
[40-44]	1659,1	48,5	7,5
[45-49]	1316,4	50,0	6,0
[50-54]	1079,3	51,9	4,9
[55-59]	873,4	51,4	4,0
[60-64]	673,9	50,1	3,1
65+	869,1	42,8	3,9
Total	22004,7	49,3	100,0
<b>Source:</b> <a href="http://Laborsta.ilo.org/STP">http://Laborsta.ilo.org/STP</a>			

As additional information [Table 9] shows the distribution of the EAP in the mid Years 2006 as reported on the [NBS:2006], estimated 55.6 % of the EAP were Youth while others was about 44.4 %, the distribution showed in the City of Dar es Salaam was having about 60.8 % were Youth out of hundred percents EAP of that City, other cities had estimates of 63 % out of the total EAP lived on those Cities and the rural areas had 54.2 % of the Youth to compare to the total EAP in the rural areas.

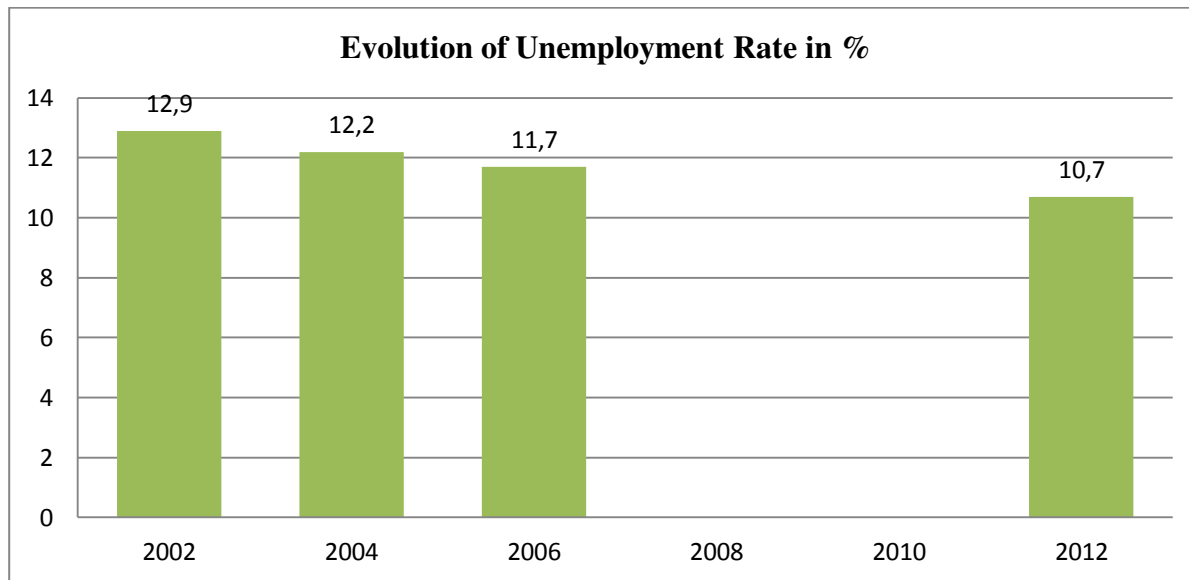
**Table: 9.**

<b>Percentage Distribution of EAP by Age and Areas in the Mid Year 2006.</b>				
Age Distribution	Dar es Salaam	Other Cities	Rural	Total
15 -24	28.4	26.8	28.3	28.1
25 -34	32.4	37.1	25.9	27.5
35-64	36.7	37.2	38.6	38.1
65+	2.5	4.8	7.2	6.3
Total	100	100	100	100
<b>Source:</b>	National Bureau of Statistics 2006.			

#### **4.1 3 Unemployment Rates.**

The Unemployment Rate as defined as percentage of the total labour force that is unemployed but actively seeking employment and willing to work. It is obtained by taking the number of the Unemployed people to the current labour force, it's a very good measures of unemployment prevalence in the country; it shows the proportion of labour force that doesn't have jobs and was actively looking and available for work. The graph in [figure: 9] shows that, Unemployment rate is decreasing from 12.9 % in 2002 to 10.7 % in 2011.

**Figure: 7.**



**Source, Data collected from:** WWW.TRADINGECONOMICS.COM/WORLD BANK and NBS [2006].

#### **4.1.4 Evolution of Youth Unemployment.**

According to the [Table: 10] and graphical presentation on [Figure Ten] the Youth Unemployment Evolution increases from the Years 1991 to the 2006. Where as in 1991 was 7.2 %, in 2001 was 8.9 % and unemployment rate reached 13.4 %. From the year 1991 to 2001 was about 1.7 percentage points increased whereby the year 2001 and 2006 increased by 4.5 percentage points. It can be seen that the pace of the unemployment rate has been bigger in the latest period as in last decade of the 20<sup>th</sup> century. Where as it increased 1.7 percentage points at which the recent period presented an increases of the 4.5 percentage points for just five years.

Additional information was shown to the [Table 10]; about the share of Youth Unemployment to adult's rates in the years 1991 was 4 %, in 2001 was 2.8 % as decreased by 1.2 percentage points, where in the year 2006 was 2.9 % while the ratio of Youth unemployment rates to adults was increased by 0.1 percentage points. The share of Youth Unemployment in the total in the mid year 1991 was 64.6 %, the year 2001 was 57.2 % and by the mid year 2006

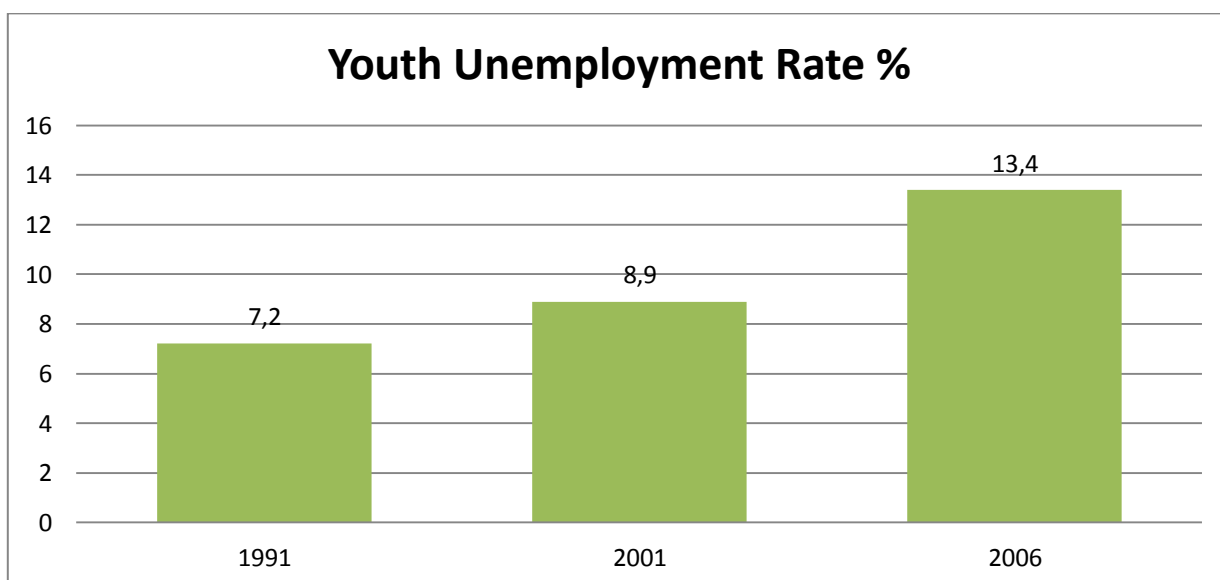
share of Youth unemployment was estimated 53.3 %, yet the share of Youth Unemployed in Youth population seen to be increased by 2.3 percentage points.

**Table: 10**

Share of Youth Unemployment Evolution			
Year	Ratio of Youth Unemployment Rates to Adults	Share of Youth in Total Unemployment %	Share of Youth Unemployed in Youth Population %.
1991	4	64.6	5.5
2001	2.8	57.2	7.2
2006	2.9	53.3	-

**Source:** Key Indicators of Labour Market 7th Edition

**Figure: 8.**



**Source:** Data collected by Writer [KILM 7<sup>th</sup> Edition and NBS: 2006]

#### 4.1.5 Labour Force Participation Rates.

Table: 11.

<b>Labour Force Participation Rates by the Year 2010</b>				
Year	Labour Force[000]	labour Force in Percentage	Population [000]	Labour Participation Rates
15 -24	7185	33,9	8874	81.0 %
25 -34	6217	29,3	6383	97.40%
35 - 64	7791	36,8	8127	95.35%
Total	21193	100,0	23384	
<b>Source</b>	Key Indicators of Labour Market, 7th Edition.			

The Labour Force Participation Rate shows percentages of the working age groups in an economy, whether employed or unemployed but they are looking for jobs. According to the [Table 10], the participation of the labour force in the mid Year 2010 showed Youth aged 15 to 24 years old had 81.0 % of the participation rate, a note should be taken in this group that some are students in the school and university so it had an impacts to their status of being employed or unemployed. A group of Youth aged 25 to 34 years old had participation rate of an about 97.40 % as a leading group, where by people of working age 35 to 64 years old has participation rate of 96.30 % and the age 55 to 64 had about 94 .40 % of the labour force participation rate.



## 4.2 Employment Distribution.

### 4.2.1 Employment by Main Sector.

**Table: 12.**

<b>Employment by Sector Year 2010</b>			
Total	Industry	Services	Agriculture
Employment	%	%	%
12,713.230	4.3	19.2	76.5

**Source:** Key Indicator of Labour Market 7th Edition

According to the [Table 12], the Key Indicators for Labour Market Seventh Edition data showed, agriculture was a main employer by 76.5% that implies those who are working in crop cultivation, livestock keeping, fishing and forestry. Followed by Services that employed 19.2 %, which covers the Trading, financial sectors and hospitality industries, where as Industries interm of processing, manufacturing and constructions employ about 4.3 % out of the total employment of 12,713.230 to the labour force.

### 4.2.2 Youth Employment by Main Sectors.

**Table: 13.**

<b>Youth Employment by Sector 2001</b>						
Sector	Parastatal	Government	Household	Private	Informal	Agriculture.
			Work	Sector	Sector	
Percentage	0.5	2.0	3.2	5.5	8.8	81.0

**Source:** <http://info.worldbank.org/etools/docs/library/135839/Tanzania.pdf>

The distribution of Youth employment by main sectors in Tanzania is shown in [Table 13] as follows, Youth by 81 % was employed of Agricultural sector, 8.8 % employed in informal

sector. Additional informational reported [NBS: 2006], the private sectors that covers selling other people shops was 4.5%, household work sector was employed Youth of about 3.8%, The government both central and local government employed Youth by 2.0 % where as parastatal employed Youth by 0.5 % of the Total Youth labour force.

#### **4.2.2.1 Rural Youth Employment on Agriculture Main Sector.**

Agriculture in general involves crops cultivation, forest and animal keeping activities in the rural areas. For the Youth, wage employed on agriculture was only 1.5 %, where as an 82.5 % was Self employed Youth and estimated about 16 % was engaged on unpaid family work.

**Table: 14.**

<b>Distribution of Rural Youth Workers in Agricultural and Non Agricultural Sectors by Job Status in %. Tanzania, Year 2005</b>		
	Agriculture	Non Agriculture
Wage employed	1.5	19.6
Self Employed	82.5	42.1
Unpaid family Work	16.0	38.3
	100.0	100.0

**Source:** [//siteresources.worldbank.org/INSTSTATINAFR/Resources/ADI-200809-EM.pdf](http://siteresources.worldbank.org/INSTSTATINAFR/Resources/ADI-200809-EM.pdf)

The other column of table 14 shows the distribution for the Non Agriculture activities, Rural Youth Employed on Non Agriculture sector which was estimated about 19.6 % was on Wage employments, whereby 42.1 % in Self employment and about 38.3 % was engaged on an unpaid family Work in the rural areas.

#### 4.2.2.2 Employment in Informal Sector.

The features of this type of sector in the economy can be accounted as entities which are household enterprises or unincorporated enterprises owned by household with no separate legal entity to be independent from an household. May not employed waged labour, activities carried out in small space of work inside or outside the owners residence, the products may be partly or all for sale. [URT: 2008] defined informal sector in a national definition that was a 'non farm, small scale and self employed income generating activities based on the low level of organisation, low capital and low technology.

According to the [Table 15], informal sector was possibly main activity to the Youth of Tanzania and secondary activity to other labour force aged 35 to 64 years old by 46 %. Youth was high employed by 58 % engaged on the informal sector as a main activity while other years aged above 35 was 42 % employed in informal sector as main activities, only 49 % of Youth engaged in informal sector as secondary activities while 51 % of the age above 35 years employed as a secondary activity.

**Table: 15.**

<b>Engagement of Informal Sector by Age Year 2006</b>		
<b>Age</b>	<b>Main Activity</b>	<b>Secondary Activity</b>
15 - 24	18	18
25 - 34	40	31
35 - 64	40	46
65+	2	5
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Source: National Bureau of Statistics, 2006.</b>		

Additional information by, [NBS :2006] reported that in 2006 the Urban Informal Sector employee 66 % of the people for whom informal sector work was the main activity and only 16 % of those for whom it was the secondary activity. In contrast, 34 % of the people for whom

informal sector work was a main activity were in rural areas and 84 % whose informal sectors is a secondary activity. This may be explained by the fact that the main activity in rural areas is agriculture, which is not defined as an informal sector activity.

Where the informal sector activity was the main activity, the Wholesale and Retail trade employs 57.5% of the people. In contrast, where the informal sector activity is the secondary activity, construction engages 48.5% of the people and the wholesale and retail trade only 14 %. For both, the main and secondary activity, the most common occupations are service and shop sales workers (55.2 % and 52.8 %), followed by craft and related workers (22.6 % and 25.1 %) and elementary occupations (15.7 % and 10.3 %).

### **4.3 Distribution of Youth Employment by Status.**

Status in employment can be explained by three categories. Paid employee is a person who perform work in reward of wage or salary in cash or kind for permanently or temporary working life. Self-employed workers are those who perform work for profit or family gain in their own with employee or without employee in a small or large business. Unpaid family workers are those whose work completely without payment in cash or kind in the family enterprises. In an addition, Out of Labour force referees to those economically inactive composed by full time students, sick people, prisoners, retired and those who did not like to work.

#### **4.3.1 Employment Status of Youth against Adults.**

**Table: 16.**

<b>Distrtribution of Yoth and Adults by Job Status in %. Tanzania Year 2005</b>		
	Youth	Adults
Employed	74.4	93.5
Unemployed	4.9	1.9
Out of Labour Force	20.7	4.6
Total	100.0	100.0

**Source:** [siteresources.worldbank.org/INSTSTATINAFR/Resources/ADI-200809-EM.pdf](http://siteresources.worldbank.org/INSTSTATINAFR/Resources/ADI-200809-EM.pdf)

Adults employed by difference of 19, 1 percentage points compared to Youth, adults was leading by being in 93.5 % employed whereas Youth were only 74.4 %. Unemployed Youth was leading by having 4. 9 % whereas adult was 1.9 % difference of 3.0 percentage points. Out of labour force Youth were leading, they had 20.7 % with difference of 16.1 percentage points to adults who had about 4.6 % Out of the labour force [ Table: 16].

#### 4.3.2 Youth Employment Status in an Informal Sector.

Its only 0.7 % paid employee with main activity in the informal sector while those engaged as secondary activities paid employee was 0.4 %, Self employed with employee account of 13.8 % in the informal sector as main activity while those who took it as an Secondary Activity was 5.6 % self employed. About 83.8 % was engaged in the informal sector as a main activity with Self employed without employee while the 92 % engaged informal sector as secondary activities without an employee. Unpaid Family Work was 1.7 % in the informal activity as a main activity while as a secondary activity in the informal sector was 1.9 %.

**Table: 17.**

<b>Engagement in the Informal Sector by Employment Status, 2006</b>		
<b>Employment Status</b>	<b>Main Activity in %</b>	<b>Secondary Activity in %</b>
Paid Employee.	0.7	0.4
Self Employed With Employee.	13.8	5.6
Self Employed Without Employee.	83.8	92
Unpaid Family Work	1.7	1.9
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Source:</b> National Bureau of Statistics, 2006.		

#### 4.4 Rural – Urban Youth Employment Distribution.

**Table: 18.**

<b>Distrtribution of Urban and Rural Youth by Job Status in %. Tanzania Year 2005</b>		
	Urban	Rural
Employed	56.0	82.1
Unemployed	13.4	1.3
Out of Labour Force	30.6	16.6
Total	100.0	100.0

**Source:** [//siteresources.worldbank.org/INSTSTATINAFR/Resources/ADI-200809-EM.pdf](http://siteresources.worldbank.org/INSTSTATINAFR/Resources/ADI-200809-EM.pdf)

According to [Table 18], it was estimated Tanzania having about 56 % Youth employed in urban while 82 % employed Youth in rural areas. Unemployed Youth in Urban accounted by 13.4 % in urban while 1.3 % in rural areas. Out of labour force in urban areas was 30.6 % of Youth compared to 16.6 % in rural areas.

#### 4.5 Youth Employment in Relations to Level of Education.

Since education is a vital tool for human capital to access employment to realise its productive capacity for socio and economic transformation, trends of employment status studied to see the dynamics of Youth Employment Opportunities against education level they hold in an economy of Tanzania.

##### 4.5.1 Ordinary Secondary School Leavers.

This was to study data related to Ordinary Secondary School Education holders from the years 1990 up to the 1995, the trends entails in the labour market showed approximately 53 % in the sample of five hundreds in the years 1990 were employed as a Wage Salary, while in the year 1995 the number fall for 36 % with the deference of 17 percentage points [Table: 19].

As to the sample of five hundred Youth in groups, those who hold ordinary secondary education under the status of Self Employed were 29 % to both 1990 to 1995 years. Those who were looking for Work in the sample of five hundreds was found 5 % in the year 1990 whereby

in 1995 it has 9 percentage points. Household work was 7% through out an interval of the year 1990 to 1995 didn't show any change. Inactive in this group of ordinary secondary school education holders were found 1 % in the interval.

**Table: 19.**

<b>Secondary School Leavers Activity Profile 1990 - 1995 in Tanzania</b>				
<b>Form IV</b>	1990		1995	
	Total		Total	
	No	%	No	%
Wage Salary	133	53	107	36
Self Employed	72	29	87	29
Looking for Work	13	5	41	14
Full time Training	11	4	36	12
House Hold work	17	7	22	7
Inactive	3	1	4	1
<b>Total</b>	<b>249</b>	<b>100</b>	<b>297</b>	<b>100</b>
<b>Form VI</b>				
Wage Salary	92	60	34	20
Self Employed	42	27	16	10
Looking for Work	4	3	19	11
Full time Training	16	10	95	57
House Hold Work	0	0	2	1
Inactive	0	0	0	0
<b>Total</b>	<b>154</b>	<b>100</b>	<b>166</b>	<b>100</b>
University leaver	69		5	
Deceased	11		10	
Abroad	1		3	
Not Traced	16		19	
<b>Total</b>	<b>500</b>		<b>500</b>	
Source: <a href="http://www.eldis.org/vfile/upload/1/document/0708/DOC1503.pdf">http://www.eldis.org/vfile/upload/1/document/0708/DOC1503.pdf</a>				

#### **4.5.2 Advanced Secondary School Leavers.**

Youth with Advanced Secondary School Education engaged on Wage Salary were 60 % in the year 1990 and 20 % in the year 1995 with deferent decreases of 40 percentage points. Self Employed were 27 % in 1990 where in the year 1995 was 10 % with a decreased of 17 percentage points. Youth who were Looking for Work in 1990 was 3 % while by the years 1995

was 11 % an increased trends by 8 percentage points differences in each group of the five hundred Youth, an Household work was zero percent in the year 1990 but in the year 1995 was 1 % increase.

### 4.5.3 University Graduates.

An activities profile for the Youth who had finished University Education at defferent age in distributions, showed dynamics of the Youth Employment opportunities in an economy as follows, in the twenty years from 1980 to 1999 an over all Wage Employment was 89 %, where the trends was increased up while to the year 1999 was specific case as it was decreased to be 81 %.

Total percentages of Youth under the Self Employment status from the years 1980 to 1999 was 6 % where it decreased from 9 % in the year 1980 to the 4 % by the year 1990 with deference of 5 percentage points. But in the year 1980 to 1994 were no Unemployment to the people holding University Education while in the year 1999 was about 5% which was created 2 % of the total sample of the group for five hundreds Youth with University Education.

**Table: 20.**

Activities Profile for University Graduates in Tanzania										
Details	1980		1987		1994		1999		Total	
	No	%	No	%	No	%	No	%	No	%
Wage employment	80	90	76	94	104	94	93	81	353	89
Self employment	8	9	5	6	6	5	5	4	24	6
Unemployed	0	0	0	0	0	0	6	5	6	2
Full Time student	1	1	0	0	1	1	11	10	13	3
Total	89	100	81	100	111	100	115	100	396	100
Deceased	11		10		1		2		24	
Abroad	4		16		4		4		28	
Traced But Not Interviewed	1		1		1		0		3	
Not traced	20		17		8		4		49	
Total Sample.	125		125		125		125		500	
Source: <a href="http://www.eldis.org/vfile/upload/1/document/0708/DOC15037.pdf">http://www.eldis.org/vfile/upload/1/document/0708/DOC15037.pdf</a> [5/2/2012.										



## **5. Discussion.**

### **5.1 Introduction**

Tanzania is a country that has a young population with an estimated 42 million habitants in the year 2010. This mean the Working age population in which Youth are part also changed in time as a population changes. Statistics showed that an evolution of the Working population was significant changes in the past twenty years. In the years 1990 to 2009 working age was increased by 3.503.687 peoples. In addition to that, there was an estimated decrease of the Annual Growth rate by 1.3 percentage points in comparison with the years 2000/2001 from 3.5 % to 2.2 % in the Year 2009.

The changes in an evolution of the working ages may be attributed by death of the infants and under five in the period of twenty years respectively. Mortality trends in the mid years 1995 to 2005 showed some decreased of infants and under five years of age mortality but still had no impacted the life expectancy increases. Life expectancy became significantly decreased to that particular time which mostly due to death that caused by challenges of many diseases as HIV/AIDS, Tuberculosis, Malaria and waterborne diseases like cholera [World Health Ranking: 2012], it should be noted that, in that particular time Tanzania was in the transitions of it's economic structure from public Owned economy to Private owned economy, among of the negative effects of the re-structured economic policy was massive redundancy to the labours to cause an economic hardship in the society.

Inspite of all changes happened in Tanzania working age Population, but still an Economic Active Population was seen to be increased especially the Youth. The [NBS: 2006] reported on an integrated labour force survey of the year 2006 that, it was an estimated of 18.8 million economic active populations, an increased EAP by 3.3 million people to an equal of 21.5 % to compare to the year 2000/2001. Whereby in the year 2010 it was estimated 21,998,667 people with working age capacity, approximately which amount to an increased of 2.2 million people to compare to the year 2006, But population distribution [Table: 1] showed Youth increased in a span of 30 years by 6.0 percentage points, in the 1980 Youth population was about

30.5 % and 36.5 % in the year 2010, this caused by an increased survived people who attained an age of being economically active and able to enter in the labour market.

In the Year 2010 statistics showed that, Tanzania Youth was accounted about 60.8 % of the total Economic Active Population, compared to the year 2006 in which number of Youth was 55.6 % with a difference increased by 5.2 percentage points, as projected in [GARCIA et al: 2008] a projection statement on African Youth population rapid increases, this behaviour also can be seen in Tanzania Youth Labour force. While others in EAP who are not Youth composed by 44.4 %, to this analytical evidence in respects of the Youth size increases to an EAP it was an important stage for an Analysis of Youth Employment Opportunities., because the Youth working population became bigger than other set of population in an economy.

## **5.2 The Dynamics of the Youth Employment Opportunities.**

An area of interest in a recent days to Tanzania was the questions of Youth Employment which has changing and precariousness increased to the labour market, a study intended to contribute on analytical evidences on the dynamics on the Youth Employment Opportunities, here is just a starting justifications to positioning the status of Youth in an existing economy versus labour market features, the following behaviour depicted the trends and conditions happened to the qualities of Youth working life.

### **5.2.1 Youth Unemployment situation.**

A Tanzania general trend of the unemployment to the whole labour force into the labour market seen to be decreased, as from 12.9 % in the year 2002 to the 10.7 percents in the year 2012, while an evolution of the Youth unemployment seen to be inversely as it increased from the 8.9 % in the year 2001 to the 13.4 % in the years 2006, with an increase of about 4.5 percentage points, but it was still reported recently as persisted problem which requires immediately responses to be addressed [ KAYANDA: 2011, The CITIZEN: 2012].

An increased Youth unemployment might be attributed by many causes among which could be unproportional rapid increase of Economically Active Population versus capacity of labour market absorptions for full employment, [ILO: 2010, NBS: 2006.] Statistics showed about 2.2 million people increased in the mid year 2010 to compare to the 18.8 million people in the year 2006; from those particular increases it was estimated 60.8 % were Youth of the total Economically Active Population in the labour market, the rapid demographic increases on the part of Youth was suggested to be fact for unemployment increase.

Other causes was seen as a low an investment level [aggregate demand for labour] on the line of the macro economics context of Tanzania at both private and public [MWAMADZINGO: 2007], the country had experienced low investments level that attract for labour intensive to employ more Youth<sup>20</sup>. Trends of an investments was not sufficient enough to accommodate an increased Youth - EAP, [IMF: 1999, URT: 2010] analytical reports shown in the fell of balance of investment payment as 10.2 percentage points decreased of the GDP from 1990/91 to 1996/97, then 2008/09 decreased by 11 % which indicated a decrease on investments. A situation in turns created unemployment of the Youth in the formal employment as declined formal sectors investments which would formerly employ a sufficient number of Youth.

Additional reasons for an increased Youth unemployment can be accounted from the signs of net migration changes; during the years 2005 to 2010 net migration showed a negative value to signify many people departed the country. It might be true a causes of unemployment if would be connected to the departures of the foreigner investors and their counter parts as a results of the negative changes on investment running, which in turn leads a closure of some firms due to unfavourable investments settings, especially a long term persistence on the shortage of power supply which was caused by low rainfall distribution for power production at Kihansi and Mtera hydroelectric dams, also a economic crises of 2009. If that being a reason it was enough to say, a closure of the business in turn increased Youth unemployment in Tanzania.

An increased Youth unemployment could be also associated with behaviour of the Youth in employment opportunities, since economic theories gives three types of unemployment, which

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<sup>20</sup> Aggregate demand of labour.

are voluntary<sup>21</sup>, involuntary<sup>22</sup> and frictional unemployment. Youth are more selective to the jobs and some Geographical location where they like to work, many Youth they don't like to work on rural areas, they don't like jobs which associated with low income and harsh conditions. This behaviour of being selective caused by creative value or demand of a Youth, sound aggregate demand and better family economic background from which parents or guardians can take care for them to some while for the basic needs as food, clothes and shelter, so they feel no need to work and then can stay without work for a period.

Rural - urban migration tendencies of the Youth for the reasons of looking better jobs makes high urban possibilities on Youth unemployment increases. It was reported in Tanzania that, Rural – Urban migration was increased in the year 2001 to 2006 by 19.2 % to 25 % respectively all this changes contributed factor push of poor jobs in rural to look for better jobs and living standard in urban [MUZZIN: 2008, ILFS: 2006]. A migration for the sake of jobs especially those of high packages, good working conditions, and modern working space in the cities created voluntary unemployment as well as frictional unemployment. Involuntary unemployment is not so much but happened in the cities for Youth who were looking for jobs without skills, capital and qualifications, so to speak environmental natural resources of Tanzania allow and attract more employment as [URT: 2008] defined in its national employment policy.

### **5.2.2 Low Motivational Job for the Youth.**

Youth of Tanzania was seen to work on a very lower motivational works, motivation in terms of payment, prosperity and working spaces, as to analyse on low and unstable income generating jobs. It was estimated about 76 % of labour force employed on agriculture on which about 81 percents were Youth [KILM: 2011, WB: 2000], but only 1.5 % were wage employed Youth, while 82 percents was self employed without employer and 16 percent engaged on unpaid family work. To compare to the total growth of annual GDP, agriculture sector by the

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<sup>21</sup> Is due to the refusal or inability of the unit labour, as a result of the legislation, or social practices or combination of collective bargaining or slow response to change or **of mere human obstinacy**, to accept reward corresponding to the value of the product attributable to its marginal productivity.

<sup>22</sup> Occurs when people are without jobs and they have activity sought within the past four weeks.

year 2010 contributed about 30 %, while in the year 2012 economy grew for about 7 % whereas agriculture grew for 1 % [KISUMUNI: 2012], this imply what? Youth work force works for no convinced results to an individual and nation level, also as the privatised farms and ranches failed to show expected impacts on employment in reflection to Youth waged employed by 1.5 % which is still very low to compared to self employed of about 82.5 % of the rural Youth.

In additional focus was on Non Agriculture Sectors performance to the Youth of the rural areas; it shows that Youth who engaged on self employed in those sectors were about 42.1 % which was close to an half of those who engaged on agriculture 82.5 %. An existence of non agriculture sectors to Youth of rural, it's a picture of discouraged Youth labour force on agriculture due to the poor returns, as they look for an alternatives to substitute agriculture from being a main employer. Unpaid family work was 38.3 % as a second alternative, mostly work on non agriculture, it depicts rural Youth were ready for unpaid family work in non agriculture activities, this changes could be connected low motivation on working conditions and income.

### **5.2. 3 Informal Character of Employment.**

Majorities of Youth employment opportunities in Tanzania was characterised by informal sector with an informal employment in an economy, as we exclude agriculture and government's Youth employment being not an informal sector, with an inclusion of increased non agricultural sector in rural areas, as it was seen that Youth employment based on informal sector as a main activity with different employment status on it. It could be realised by examining the following characteristics of the activity or participation of Youth labour force in an informal sector economy as follows.

In the Year 2010 it was approximated the distribution of labour force participation rates of about 63.2 % in Tanzania was composed by Youth, from which about 33.9 % ranged from an ages of 15 to 24 years old with a participation rates of 81 % [KILM 7<sup>th</sup> Edition]. While a 29.3 % of the labour force composed by an ages of 25 to 34 years old with a participation rates of 97.40 % whereas other who were not Youth was about 36.8 % in the total labour force, as to reflect the

matters, it was estimated about 58 % of Youth were engaged in an informal sectors as a main activities and 49 % were engaged informal sector as a secondary activity [NBS: 2006].

Based on the fact an implications to the economy was, Youth labour force was higher than other group, it is very common case in many countries but the question of the 58 % of Youth in 2006 being engaged in informal sector as a main activity it showed formal sector with formal employment were very few and hard to be obtained for this group. This might be contributed with low educational qualifications by the Youth, or informal sector seen an only alternative of many Youth to engage as being an only working space with cheap return interms of income for majority of Youth as engaged on retail trade informally which employ an estimated number of 57.5 % as their main activity.

In urban informal sector was estimated to employ about 66 % of the labour force for which informal sector as a main activity and 16 % informal sector as secondary activity, this means the main employer in urban areas was informal sector especially those who took the sector as main activity of the economic life. Data showed in Tanzania majority of the economically active population was Youth people in most urban areas, Dar es salaam the major economic city its EAP was mainly composed by 60.8 percent of Youth in its EAP, while other Cities composed by 63.9 percents of Youth EAP [NBS: 2006], this means that Youth employment opportunities based on an informal sector as only sector to employ many in urban areas to which Youth are available in majority of the EAP.

Looking for better jobs in the cities by the Youth found themselves in miserable sites, no formal jobs for many Youth rather than doing informal jobs under informal sectors [ECA: 2007]. It can be noted by showing the performance of the employment status in informal sector which employ many Youth, where a paid employee in the informal sector was 0.7 % for those who engaged informal sector as main activity and 0.4 % for those labour force took informal sector as a secondary activity. Self employed with an employee was 13.8 % for those who engaged informal sector as a main activity and about 83.8 % of Youth were self employed without an employee as well as 1.7 % was engaged as unpaid family work [NBS: 2006].

#### **5.2.4 Poor an Economic Return on Youth Employment Opportunities.**

Based on the facts existed, Youth employment opportunities seen to be characterised by poor income generating job, more rural Youth employment were based on agriculture or agriculture connected activities as selling and buying of the agricultural produced, where by 82.5 percents was Self employed with no employer at all with no salary and allowance of any kind, as to compare with urban self employed of 56 percent with the same character [World Bank: 2005]. Youth employment opportunities impacted by low salary or with no salary at all as a wage employment in Tanzania, as we focus on agriculture the main employer was only 1.5 % of the distribution engaged on employed jobs with employers, even to the non agriculture sector was only 19.6 %. Since the self employment was only sector that showed hope for the Youth to be more employed but faced with a lot of challenges among which finance, tools, skills and reliable market for their produces[URT: 1996, MCHOME,2012].

Youth engagement on self employment to large extents it shows self employment with low multiplication effects was growing in Tanzania, especially on agriculture and non agriculture sectors, more required tools and funds to run self organised projects. The question on how they can advanced and transform social economic well being was very challenge because of low returns on their efforts, mostly works on informal sectors as a retail traders by 57.5 % followed by relative or family owned shop sales workers by 55.2 %. As we do considered a paid employee in informal sector had a very low number of people, about 0.7 % were paid employee in an informal sector as a main activity while 0.4 % with secondary activity [NBS: 2006].

Unpaid family works was noted that a second chance for Youth employment opportunities from informal sector, working to support family to meet social and economic needs but not Youth economic transformation. Agriculture sector that employ many Youth in rural areas the return in generally was not convincing simply the total GDP of 30 % to comply to the size of labour force employed in it, didn't reach even an half of the total GDP, this connoted there were no strategic multiplications effects or economic pay back to the sector not only to the national standards but also to those Youth who were engaged there on, precariousness of income on agriculture in rural and urban informal sector certify low economic returns.

Exploitative jobs as lower payments and high interest payback when they borrowed some money as a capital to run small business. The case is for both rural and urban Youth whether employed or self employed the pay back of the job is likely to be exploitative rather making a better livelihood to the Youth, Youth are work more than nine hours a day especially in bars and in household servants where the payments in turn are very low even to the government minimum wage order. Some they borrowed money from micro finance institutions to which a return as an interest is very high to compare to what he or she get from the business he does [URT: 1996, KOPOKA: 1999, MCHOME: 2012].

### **5.2. 5 Youth Participations on the Employment.**

Participation of Youth was multifaceted to be compared to other group of the labour force who were not Youth, the nature of the employment status to which majority of Youth participated was the main concerned for the understanding. The Self employed and Unpaid family work were characteristics that seen dominant to the Youth employment opportunities in Tanzania labour market as to be frank, it showed more Youth employed and engaged on the economic production although the needs of employment differs within Youth ages groups distributions. In addition, the specific pictures showed the participation trends differed between rural and urban Youth to the employment opportunities.

Rural- urban distribution of the Youth participation showed more rural Youth were actively participated than in urban, [WORD BANK: 2005] reported rural employed Youth were about 82.1 % while urban Youth was about 56 % in the distribution by the year 2005. This implied that, in rural areas they had more space of work to be engaged compared to urban, the use of cheap tools especially hand hoe and family portions of land provided more chance for Youth to participate on the so called employment. Where in urban areas was very hard to get tools, space of work and money as a capital to facilitate an employment as represented in the case study [Box: 1], also the rate of competitions for employment opportunities and market was very stiff not only to compete themselves but with other groups who had experience and knowledge of many years.



Out of labour force Youth in urban were so many by 20.7 % to compared with those who are not Youth who had 4.6 %, this was very common to have a certain number of Youth who attend education activity to be out of labour force. Yet rural areas had an about 16.6 % out of labour force Youth while urban was 30.6 % [WORLD BANK: 2005], out of the labour force mean being out of the production activities, this may be caused by many factors among which, being a sick person or continued on academic matters and in addition they might be imprisoned because the participation on the self activities as an informal sector to unauthorised areas or precariousness of the jobs discouraged their efforts that make some Youth to engaged on criminal such as theft and violence in turns they found themselves imprisoned [KISUMUNI:2012, MCHOME:2012].

#### **5.2.6 The questions of the Entrance to the Employment.**

Since education being a vital tool for one to acquire better employment for better performance results in the economy, in Tanzania economy the level of education also used determine a certain type of employment a person can efficiently engaged, but for the Youth of Tanzania as data's showed that, having an education was not guaranteed to hold an employment opportunities on formal establishment. [NBS: 2006] Youth who didn't completed primary school education by 84.80 % were engaged on agriculture as well as those who completed primary education were employed by 90 % in that sector, so here we learnt that agriculture sector was only sector with easy and free entry for the Youth of this level of education, other reasons could be lack of capacity to compete on other sectors due to their level of education being a barrier of entrance [Dr KOPOKA: 1999].

Since an informal sector had been increased to employ Youth by 8.8 % as a part of the services in 2001, the general trends of the services activities employed about 19.2 percents in the Year 2010 [KILM 7<sup>th</sup> Edition. WORD BANK: 2001]. About 58 % of Youth who engaged informal sector as a main activity which mostly engaged on the retail trade by 57.5 percents, shop sales by 55.2 % This kind of activities mostly attract skilled and unskilled Youth because it involved selling other peoples shops, also cheap and simple staffs like air time voucher for cell

phone, music cd's, fruits, toys and belts along the road sides or bus stops. An entrance attract more Youth for the payment mostly based on kinds and only few paid in monetary manner as a commission in respects on quantity of sales per day, as to why wage employee in informal sector account for about 0.7 % [NBS: 2006].

There were an average of Secondary Education holder under wage employed status by 36 %, the distributional decreased from 56 % in the year 1990 to 36 % in the years 1995, this meant that labour market for this level of education were seen to loose creative value in the labour market and this can be attributed to the low investment level in the country as an aggregate demand or quality of performance in education to the aggregate supply for labour [MKYANUZI: 2003]. Evident showed that, during an interval of the five years the distribution of the 29 % of the Youth with this education level were started self employment without employer, to be referred as a sign of the low entrance opportunities to the formal employment at the formal sectors. The decreased number of Youth on wage salary to this level of education was impacted those who emerged looking for the jobs, and household work or unpaid family work by 7 %, those who were looking for jobs changes with tremendous increases in the interval of five years from 5 % to 14 %.

To the Youth group of an Advanced Secondary School Education, the trends on the decreased by 40 percentage points of the wage salary, self employed also decreased by 17 percentage points sand those who were looking for jobs increased by 8 percentage points as well as household work was only average of 1 percentage point. This means the entrance to employment opportunities was good around 1990s but it changes to lose its creative vale to the labour market. Also it signify at status of being a self employed was very rare but might be attributed by the Youth culture of selection to the type of jobs by having high secondary school education they preferred for formal jobs at formal establishments mainly government and industry by itself employed about 4.3 %, and it require more qualifications to work on it, so I can conclude to this group opportunity to employment was very strict at wage and self employed due to cultural, behavioural and economically factors.

In the span of twenty years since the changes of an economy model in Tanzania, in early years from 1980 up to the year 1994, sampled data showed there were no graduates looking for Work only wage employed Youth by average of 89 percentage points, but in the twenty years self employed was about 6 %, and the characteristics of Unemployed was started to the graduate by having total of the 2 % started in the Years 1999. An entrance to the formal employment was changed as changes of the Years this might's be attributed by the economic policy changes especially the destruction of existed foundation of state owned company and other government established factories as well as impacts of reforms especially Civil Services Reforms that caused downsize of the Government structure, lead the stoppage of the Youth employment opportunities to the extents and an increased demography on the part of Youth Besides that, number and percentage of wage employment was looked so fluctuated simply employment based market trends as an aggregate demand not conform to aggregate supply for labour.

#### **5.2. 7. Non Unionised Youth Employment Opportunities.**

Since more Youth in Rural and urban worked on Self employed without employer or unpaid family work as second alternative and informal sector to the extents in urban areas, in Tanzania no specific data that showed the rate of unionised or unionised Youth in the economy. Youth work without special work places and address especially in urban areas as many used to move here and there to find customers and better jobs. MCHOME [2012] working on illegal premises to account as a taking risk is a part of life, so they work every where at any time to high risks as high tension electrical poles, bus terminals entrances, high ways, and zebra cross to finds where customers are, the situation that make them so hard to be organised to the Trade unions movement. For that case we can say, Youth employment opportunities had no common voices to dialogue and the representations as a strategy to forward their agendas to the next level for immediate action as a part in the labour force [ILO: 2012, URT: 2008].

The question of self employed for the rural areas Youth were 82.5 percent as worked on traditional agriculture and 42.5 percents for non agriculture without employers. And an unpaid family work as a second alternative for the Youth in rural areas agriculture was 16.0 percents while non agriculture was 38.3 percents, with only 1.5 wage employee. It was very hard to

unionised a family workers or a self employed without employer as an individual with own activity in a small peace of land. In urban areas about 56 percents of Youth employed[ WORLD BANK: 2005], among which 66 percents employed on informal sectors to which retails activities composed by 57.5 percents, while 83.8 percents engaged informal sector without employers [NBS: 2006]. As retailers being a high number in an economy, and if we consider the nature of their tasks restrained being unionised as they move here and there with no specific address looking for customers of their articles as they nick named as a ‘Marching Guys’ in Tanzania.

#### **5.2. 8. Unprotected Jobs.**

To some extents I noticed that, employment insurances features has not seen to happen and applied in Youth employment opportunities, significantly based on the types of the jobs and its characteristics in which Youth engaged. In Tanzania we didn’t reach a policy enforcement stages to cover jobs of the Youth which run informally. Most of Insurances such as Health and accidents at works covers those who enjoyed Employers - employee’s relationship than a self employed in informal sector or agriculture, unpaid family work or unemployed labour. Although there were some legal provisions for personal covers but Youth precarious income being a barrier to access such services as many are expensive that many Youth could not be able to pay.

Safety and Health Administration, besides of an existence of the legal documents on safety issues an enforcements was very hard as many informal Youth works were conducted in residential premises, or unknown sites which are hardly to administer inspection and enforcements to an adherence on the use of protective gears as well as safety maintenances at work. Youth being engaged more on Informal sector as main activity they found themselves on petty business in majority, which mostly conducted their business on junctions of main roads and buses stops to which are exposed on high risk as presented on case study [MCHOME: 2012]. Their employment had no any type of legal stipulated leave and specific time for rest as compared to formal jobs, mainly noted that resting may reduce income and sustainability of their projects.

### **5.3 Conclusion.**

Besides of the facts that we have seen Youth employment was on the following characteristics, unprotected jobs for the Youth, non unionised jobs, difficulties on the question of employment entrance, fast increased unemployment situation, lower motivational jobs, informal employment as well as poor economic returns to all kind of employment. While the states of Youth participation in employment opportunities in Tanzania economy is seen to be high as to be occupied being a vital feature to employment. Changes of an economy especially the lower investment level by Private sectors and withdrawal of the Government on investment creation that could support Youth employment has been taken as a causative reference to characteristics of Youth employments or unemployment to the both Youth of urban and rural areas.

Youth Participation of employment that characterised with shock because of the precariousness of the job existed, where self employed without employees was highest behaviour of the employment to both rural and urban, while for the rural Youth unpaid family work was normal thing as a second alternative to self employment and in urban areas only alternative was informal sector. The questions of the entrance to the employment by the use of education as a variable was a concerned, we have seen the trends being educated not a guaranteed for formal employment and those who did not and completed primary school education being a key player on the traditional agriculture.

On top of the fact that mentioned above, capital was discovered to be among of the shortfall's toward Youth employment opportunities, which identified to be interms of working tools which seen to be a big challenge to the Youth of urban and rural areas, self employed Youth who dominated agriculture with low out put was the results of the use of the poor tool includes the hand hoe. Informal sector was growing so much but opportunities for the Youth to engage seen to be difficulties due to absence of working space, modern tools and sufficient money as capital for expansion MCHOME [2012]. Skill especially human capital necessary on the uses of tools particularly simple tools and applications of scientific methods was identified as a challenge simply more Youth who completed and not completed standard seven were the participants on agriculture so they lack scientific skills on it and entrepreneurial spirit.

In respect to the goals of decent work to the Youth Employment opportunities in Tanzania, I can say that, Youth employments opportunities are very far back from to decent work agenda .since self employed without employer and the use of poor tools, unpaid family work and very few being in wage employment many Youth found poor jobs conditions. Also being an wage employed Youth in Tanzania contexts doesn't guaranteed to confirmation on the conditions of decents works such as a social protections, fair income as per legal requirements, security in the place of work and for family this can be seen on the household work as well as unpaid family work, but also on the self employed with no employer were no social dialogue and adherence of labour rights can happened, only persisted situation was a high degree of precariousness on the Youth Employment opportunities Tanzania due to the existence of self employed Youth and informality of sector.

De - regulations of the job as another feature which prevailed on Youth employment opportunities in Tanzania, shifted from sustainable job to unsustainable ones, from protected to unprotected jobs, unionised to Ununionised, formal to informal employment. This can be realised by high rate of self employed Youth, informal sector participations of the Youth, fluctuations of the unemployment from time to time as changes on aggregate supply of labour versus aggregate demand for labour. The de-regulation has increases unsecured jobs due to high temporality based on Unemployment trends, but this was accepted even by the Government by allowing changes on the types of the employment contract which support temporary jobs in the country [URT:2004].

Increases on the Youth employment opportunities shocks, seen to be another characteristics of been a de - regulated job in all over geographical distribution in Tanzania, in urban Youth were faced by informal sector as priority rather than formal and Self employed in rural areas with a substitution of unpaid family work. Unsure of working space, market segment being not known, and capital availability based status of business on being a sign of de-regulated jobs. Self initiative employment in rural areas has no cooperatives and national farming corporations to stimulate agriculture sector.

Legal and policy changed to faster the de- regulated process in Tanzania, among of the things was based on the definition of employment on the Tanzania National Employment Policy

of the year 2008, partly quoted to define employment in this work at the definition of the concepts, the legal kind of the contract that dismantle the nature of employment as a enactment of the new labour law in the years 2004, where law number seven keep so clear the three type of the contract when engaged to the employment with workers. But this de - regulated employment which was now existed in Tanzania employment seen to be supported by the legal and policy of the country especially the new definition under National Employment Policy of 2008 in the views of the Trade Unions Movement none of decent work goals can be attained through that definition.

This study shows the position of Youth existing economy of Tanzania, Youth employment opportunities at current economy as a lot of interplay according to the data and its discussion, the position of Youth employment I can say characterised by precariousness as opposed to job qualities and decent works, it was my believe that, Youth employment opportunities was not a question of quantities of the job but the qualities which meet the role of the jobs in socio economic life of the labour who participated there on, [ILO: 2012] work is a source of personal dignity, family stability, peace in the community, democracies that deliver for people, and economic growth that expands opportunities for productive jobs and enterprise development.

#### **5.4 Recommendations.**

Financial economy that Tanzania participates by now is a not a solution for the future of the economy and social stability as it doesn't create more employment to the population specifically Youth, it is very simple 'when money lost expectation varied the results would be fluctuations in the level of employment'. So we should turn to the production economy which employs more Youth for future socio economic sustainability of the country.

Dependency on Foreign Direct Investment parse is not a solutions to the economic problems in Tanzania, it will take a long time to reach solutions over Youth employments opportunities as private investment decision were heavily depend upon expectation of their future profitability and failure on that lead to the Unemployment. KEYNESS [1936] on

expectation as determine out put and employment, so changes in expectation will only produce its full effects on employment. There should be a willingness of the Government to create investment for employment creation even in partnership with private capitalist or cooperatives.

Government spending should focus on the employment creation, Tanzania should consider to invest on the other sector that most private investor were not showing interest but can employ more Youth, especially agriculture the died scheme should be revamped and new one to be created, transportation especially the railway should be handled by the government to give employment guaranteed. This can be done as priorities where Government can borrow money from other sources local and international to make rapid facilitation of the investment to employ more number of Youth in formal sectors, through formal employment.

Entrepreneurial skills to be enhanced, loans should be directed to the Youth investments programmes, more cooperatives to be established and supported in terms of finance and tools of work, development of other areas as sports where a talented Youth could participate for their future.

Improving technical support services in agriculture for the production of rural Youth to grow, especially provision modern tools and scientific methods, informal sector to be supported to transform into small scale firms which in future can turn to medium companies to give more employment.

Allow free agricultural products market segment, Government should not impose conditions on the price of the farmers products especially crops, and it should consider its self as a customer on purchasing of those products, this can help to boost agriculture GDP which is very low as well as increases labour force income to many rural Youth. Foreign markets should be establish on agriculture products for many Youth to participate especially those country which are neighbour to Tanzania as Kenya, DRC and Comoro from which they demands more food staff from Tanzania.

Formalisation of the informal sectors, although the Government of Tanzania was started to construct more market centres for the Youth informal sector business, but the distribution of



the offices on those market should focus Youth not other political figures and their counter parts. Financial institution should take an opportunities on the Youth programme especially projects that intend to creates more employments, as a financial capital seen as a challenges of many Youth to engage in a small formal business that can turn as medium business in future.



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**Annex:**

**Picture of Youth Economic Activities in Tanzania.**



**Rural Youth:**

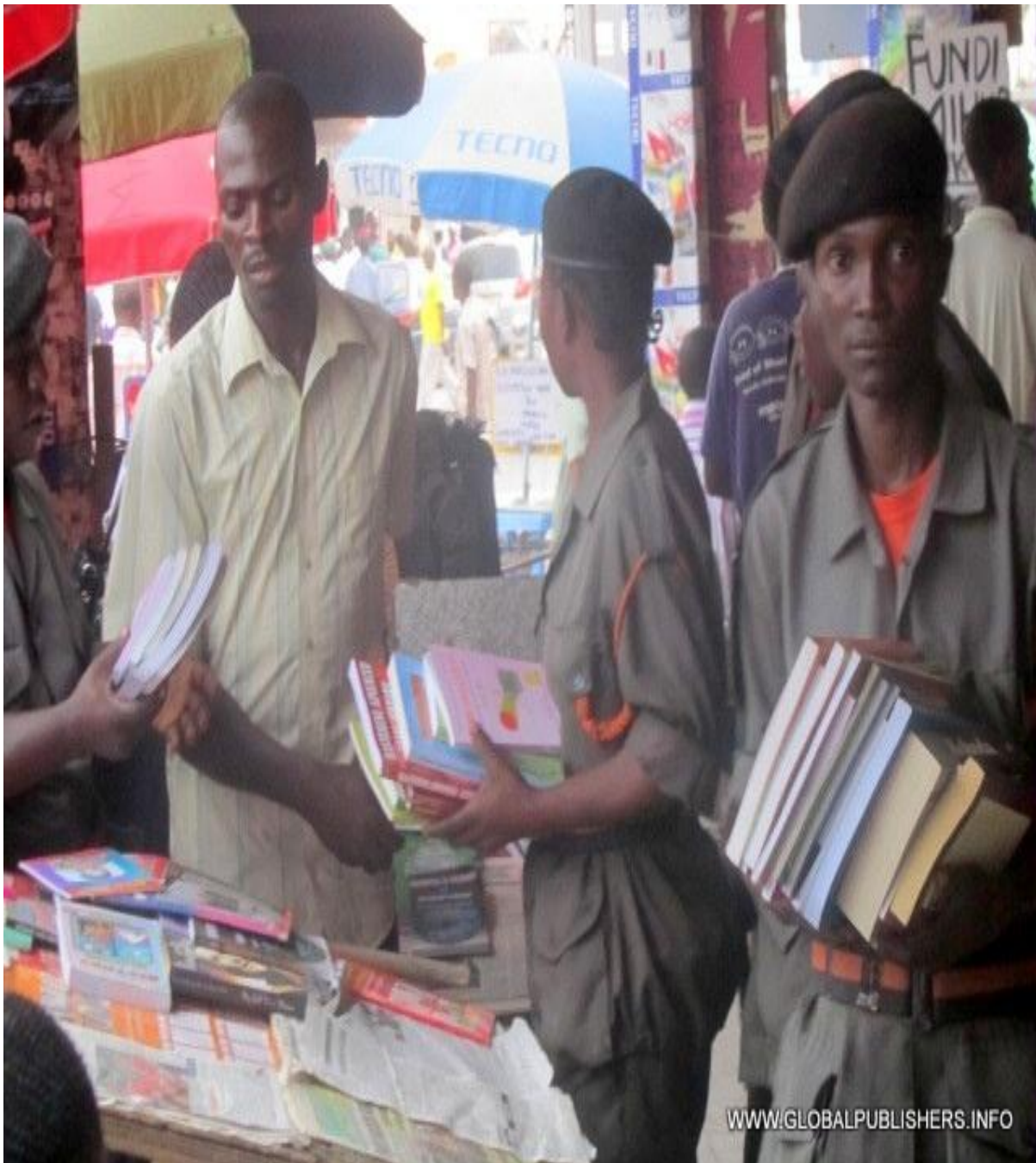
Self employed on the use of hand hoe to which its return seems to be negative in the economy and employment as well due to poor results.

## Youth in Urban Areas,

**Petty Trading** locally known as ‘**Marching Guys**’: Youth in towns selling their products at bus stops, some hardship to engage in formal and informal employment. Youth finds it’s very hard even to perform well in informal sector’s as tools, space and administrative arrangements still challenges for them.







City Auxiliary POLICE take the Product from the Petty trader [books vender] as many of them working to the unauthorised areas.