



THE LABOUR MARKET FOR THE UNITED REPUBLIC OF TANZANIA INTEGRATED LABOUR FORCE SURVEY, 2024

KEY FINDINGS REPORT



JUNE, 2025



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National Bureau of Statistics
Ministry of Finance
Dodoma



Office of the Chief Government Statistician
Presidents' Office Finance and Planning
Zanzibar

JUNE, 2025

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ACKNOWLEDGEMENT

On behalf of the National Bureau of Statistics (NBS) and the Office of the Chief Government Statistician (OCGS), we wish to extend our sincere gratitude to all stakeholders whose invaluable contributions made it possible to successfully complete the 2024 Integrated Labour Force Survey (ILFS) and produce this important report. This achievement is a result of collective efforts and commitment from a wide range of partners.

We are particularly grateful to the Governments of the United Republic of Tanzania (URT) and Zanzibar for their unwavering political will and steadfast commitment to the production and dissemination of Labour Market Information (LMI) in the country. Their support provided the enabling environment necessary for the effective planning and execution of the survey.

We also wish to express our deep appreciation to the international development partners—especially the World Bank (WB) and the International Labour Organization (ILO)—for their generous technical and financial support. Their collaboration was instrumental in ensuring the successful implementation of the survey and the compilation of high-quality, internationally comparable labour statistics.

Special thanks go to the 2024 ILFS Technical Committees, both on Mainland Tanzania and in Zanzibar, for their professionalism, dedication, and tireless efforts throughout all phases of the survey—from design and data collection to analysis and report writing. Their work has been critical in maintaining the integrity and accuracy of the data presented in this report.

Last but certainly not least, we extend our heartfelt thanks to all the respondents who participated in the survey. We are deeply appreciative of the time they took to engage with our interviewers and for their willingness to share honest and valuable information. Their cooperation was vital in enabling NBS and OCGS to gather the comprehensive data required to provide insights into Tanzania's labour market dynamics.

Once again, we thank all parties involved for their support and contributions, without which this important work would not have been possible.

FOREWORD

Labour Market Information has long been a critical component of the National Statistical Systems in both Mainland Tanzania and Zanzibar. High-quality and reliable Labour Market Information (LMI) is vital for analysing employment trends, workforce dynamics, and informing policies aimed at promoting decent employment opportunities. The 2024 Integrated Labour Force Survey, conducted, across Mainland Tanzania and Zanzibar, from January to December 2024, represent a major step forward in strengthening the quality, comparability, and coherence of labour statistics in the United Republic of Tanzania (URT).

This survey builds upon the foundation of the 2020/21 ILFS and reflects a consolidated effort to harmonise definitions, sampling strategies, and data collection tools across the two parts of the Union. For the first time, Tanzania has produced fully integrated and nationally representative labour statistics that are consistent with international standards, particularly those set by the 19th and 20th International Conferences of Labour Statisticians (ICLS).

The findings of the 2024 ILFS provide timely insights into employment patterns, workforce skills, and emerging labour market challenges. These insights are indispensable for tracking progress towards the Tanzania Development Vision 2050, Zanzibar Development Vision 2050, and the National Five-Year Development Plans, as well as international commitments such as the African Union's Agenda 2063 and the United Nations Sustainable Development Goals (SDGs).

The successful implementation of this survey was made possible through the collaboration of the National Bureau of Statistics (NBS), the Office of the Chief Government Statistician (OCGS), relevant government ministries, and development partners, with support from the Prime Minister's Office – Labour, Youth, Employment and Persons with Disability (Mainland Tanzania) and the President's Office – Labour, Economic Affairs and Investment (Zanzibar). Funding was provided by the Tanzania Statistical Master Plan II (TSMP II), which emphasizes enhancing labour statistics among its key goals. Special appreciations are extended to all stakeholders, including the field teams and households who participated in the survey, for their contribution to the generation of high-quality labour market information in both Mainland Tanzania and Zanzibar.

This harmonised 2024 ILFS strengthens Tanzania's capacity for evidence-based planning and effective governance. The availability of robust, unified LMI allows for better policy design, improved program monitoring, and a more inclusive, adaptive, and sustainable labour market responsive to socio-economic changes.



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EXECUTIVE SUMMARY

The 2024 Integrated Labour Force Survey (ILFS) provides a comprehensive overview of employment, unemployment, and labour market dynamics in the United Republic of Tanzania (URT). Conducted across both Mainland Tanzania and Zanzibar, the survey represents a major milestone in the production of harmonised, nationally representative labour statistics. It builds on the 2020/21 ILFS, applying internationally recognised concepts and definitions to ensure comparability with global standards and alignment with Tanzania's national development priorities.

The survey was carried out between January and December 2024, using a stratified two-stage sampling design based on the 2022 Population and Housing Census. A total of 14,232 households were selected, 10,584 in Mainland Tanzania and 3,648 in Zanzibar. Data were collected quarterly to capture seasonal variations in employment, using Computer-Assisted Personal Interviewing (CAPI) to improve accuracy and timeliness. Three core modules were included: Labour Force, Informal Sector, and Working Children, ensuring coverage of both formal and informal employment as well as child labour issues. The overall response rate was 98.6%, yielding information on over 61,500 individuals, making the results highly reliable and nationally representative.

The results reveal both progress and challenges:

1. Labour Force Participation

- Labour Force Participation Rate increased slightly from 72.1% in 2020/21 to 73.2% in 2024.
- Gender disparities remain wide: 79.6% of men participate compared to 67.4% of women.

2. Employment Trends

- Employment-to-Population Ratio rose from 65.8% to 68.7%, reflecting improved job absorption.
- Agriculture remains the dominant employer but declined from 60.4% to 54.2%. Employment in services increased to 35.5% and industry to 10.3%, indicating gradual structural transformation.
- The majority of workers are dependent contractors (74.8%), while only 7.7% hold paid employment.

3. Informality and Working Conditions

- Informal employment rose from 92.5% to 94.6%, with slightly higher rates among women.
- Average working hours increased nationally from 38 to 39 hours per week.

4. Education and Skills

- Illiteracy fell from 17.8% in 2020/21 to 11.5% in 2024, reflecting expanded education access.
- Gender disparities persist, with women recording higher illiteracy rates than men.

5. Wages and Incomes

- Average monthly wages increased from TZS 393,861 to TZS 477,241.
- A persistent gender wage gap remains, with men earning more than women across all education and location categories.

6. Unemployment and Underutilisation

Overall, the 2024 ILFS highlights significant gains in participation, literacy, and wage growth, but also shows that high informality, gender disparities, and youth unemployment remain critical barriers. Addressing these challenges will be vital to realise Tanzania Development Vision 2050, Zanzibar Development Vision 2050, and international commitments under the SDGs and Agenda 2063.

Key policy actions recommended include:

- i). Invest in skills development and retraining, especially for women, youth, and persons with disabilities.
- ii). Reduce informality by supporting enterprise formalisation, expanding access to finance, and strengthening social protection.
- iii). Promote gender equity through targeted training, mentorship, and measures to close the wage gap.
- iv). Diversify employment by investing in high-potential sectors such as services, industry, technology, and the blue economy.

CHAPTER ONE

BACKGROUND

The 2024 Integrated Labour Force Survey (ILFS) was designed to generate reliable, up-to-date, and nationally comparable statistics on the size, structure, and characteristics of the labour force in the United Republic of Tanzania. Conducted between January and December 2024, the survey aimed to capture employment dynamics, measure unemployment and underemployment, and provide a deeper understanding of the informal sector and child labour.

The objectives of the survey were fourfold:

1. To assess labour force participation, employment-to-population ratios, and status in employment.
2. To analyse employment distribution by sector, occupation, hours of work, wages, and educational attainment.
3. To examine the extent of unemployment, youth unemployment, long-term unemployment, and time-related underemployment.
4. To provide evidence on informal sector activities and the participation of children in economic and non-economic work, consistent with international standards on labour statistics and child labour.

The 2024 ILFS builds on the experiences of the 2020/21 ILFS, while introducing refinements in sampling, field operations, and survey instruments. Importantly, it integrates data from both Mainland Tanzania and Zanzibar, ensuring harmonisation and comparability. The survey employed internationally recognised definitions and concepts, enabling the results to be benchmarked against global labour statistics.

The findings are intended to serve a wide range of users. Policymakers will use the data to design and monitor employment and social protection strategies. Development planners will rely on the statistics to align national priorities with long-term visions such as TDV 2050 and ZDV 2050. Researchers, private sector actors, and development partners will also find the data critical for evidence-based analysis and programming.

This report is organised into four main chapters. Chapter One introduces the report. Chapter Two describes the survey methodology. Chapter Three presents the structure of employment and the labour market, covering participation rates, employment characteristics, and wages. Chapter Four focuses on labour underutilisation, including unemployment and underemployment dynamics. The report is complemented by annexes that summarise key findings, provide policy recommendations, and detail survey quality measurements.

CHAPTER TWO

SURVEY METHODOLOGY

2.1 INTRODUCTION

This section outlines the methodology and procedures used in the 2024 ILFS. It provides a brief overview of key methodological components, including: the organization of the survey; the design and content of the survey instruments; the implementation of pre-test; the sample design; the recruitment and training of enumerators; data collection, processing, and analysis; sample weighting; and the dissemination of survey results. These methodological elements form the foundation for interpreting the findings presented in the thematic sections, and ensures that results are replicable, and scientifically valid.

2.2 PLANNING AND ORGANIZATION OF THE SURVEY

The implementation of the survey was organized into two main phases. The first phase focused on preparatory activities, which included: developing the survey instruments; pre-testing; designing the sample; developing the data capture system—Computer-Assisted Personal Interviewing (CAPI); recruiting and training of trainers and enumerators; and listing households. The second phase involved the actual data collection. This included field data collection, electronic transmission of data from the field, supervision of data collection activities, data validation and analysis, report writing, and dissemination of results.

2.3 SURVEY INSTRUMENTS

The survey instruments for the 2024 ILFS consisted of questionnaires, listing forms, instruction manuals for enumerators and supervisors, and quality assurance guidelines. All instruments were developed by the survey's Technical Committee through a series of working sessions held prior to the main survey.

The questionnaires were prepared in both English and Kiswahili following extensive consultations with stakeholders and data users. These consultations were conducted through stakeholder meetings that facilitated discussions between the data producer namely, the National Bureau of Statistics (NBS) and a broad community of data users. Feedback from these sessions, including suggestions for improving the instruments, was used to refine the questionnaires further. Additional consultations were held with the International Labour Organization (ILO) and the World Bank, both provided key technical advice and guidance. The 2024 ILFS questionnaire included three modules: Labour Force (LF), Informal Sector (IS), and Working Children (WC).

2.3.1 LABOUR FORCE MODULE

The Labour Force Module consisted of two forms: the Roster Form, and the Labour Force Survey Form. The Roster Form was administered to all individuals in the selected households and was designed to collect information on household members' profiles, including disability status, migration, educational attainment, and literacy.

The Labour Force Survey Form, was the cornerstone of the 2024 ILFS. It was an individual questionnaire administered to all usual household members aged 5 years and above. This form collected detailed information on both economically active and inactive individuals. For economically active persons, the Labour Force Survey Form captured data on current employment status, unemployment, main and secondary economic activities, hours worked, and income from employment.

2.3.2 INFORMAL SECTOR MODULE

As part of the 2024 ILFS, a dedicated module on the Informal Sector (IS) was included to gather comprehensive information on the nature and dynamics of informal sector enterprises across Mainland Tanzania and Zanzibar. The informal sector represents a significant portion of the Tanzanian economy, particularly in terms of employment and income generation, and understanding its characteristics is essential for informed policy formulation and support strategies.

The IS module collected data on a range of aspects, beginning with enterprise ownership. This included information on the type of ownership (individual, household, or partnership), gender and age of owners, and whether the business was registered or unregistered. Additionally, the module explored respondents' motivations for engaging in informal sector activities, such as lack of formal employment opportunities, the need for supplementary income, or the desire for flexible working arrangements. In addition, it captured the physical location of enterprises whether operated from home, roadside, market areas, or other informal settings and examined whether the businesses had fixed premises or were mobile in nature.

To gain insight into the operational environment of informal sector enterprises, the module similarly investigated key challenges faced by business owners. These included limited access to capital, lack of market access, regulatory constraints, and competition from formal enterprises. Furthermore, respondents were asked to indicate whether they had ever applied for a loan or credit, the source of any credit received (such as banks, microfinance institutions, or informal lenders), and the purposes for which the credit was used. By capturing this data, the IS module provided valuable information to support efforts aimed at improving the business environment, facilitating access to finance, and enhancing the productivity and sustainability of informal sector enterprises.

2.3.3 WORKING CHILDREN MODULE

The Working Children (WC) module was a key component of the 2024 ILFS, designed to capture vital information on the involvement of children aged 5 to 17 years in various forms of work. This module was administered directly to children within this age group, aiming at generating a deeper understanding of both economic and non-economic activities in which children are engaged.

The WC module collected detailed information on several aspects of children's lives, including their school attendance, type of work performed, the number of hours worked per week, and the working conditions focusing on health and safety risks, exposure to hazardous environments, and the physical or psychological demands of their work. This holistic approach ensured a clear distinction between acceptable forms of child work such as light household chores that do not interfere with education and child labour, which may be exploitative, hazardous, or detrimental to a child's development and well-being.

The primary objective of the WC module was to produce accurate, disaggregated data to support the compilation of statistics on children's work status across different regions and socio-economic groups. Particular attention was given to identifying and quantifying instances of child labour, which is defined by international standards as work that deprives children of their childhood, potential, and dignity. The data generated through this module is intended to inform national policies and programs aimed at eliminating child labour, improving educational access, and strengthening child protection systems. Ultimately, the findings contribute to Tanzania's commitments under the Sustainable Development Goals (SDGs), particularly Goal 8.7, which calls for the eradication of child labour in all its forms.

2.4 PRE-TESTING OF QUESTIONNAIRES AND PILOT TEST

Pre-testing of the questionnaire was conducted in selected rural and urban areas of the Dodoma Region and Zanzibar in December 2023. Draft questionnaires in Kiswahili were tested in the field to assess the logical flow and relevance of the questions as well as to evaluate the data collection program (CAPI), which had been developed alongside the questionnaires. Based on observations and findings from the pre-test, both the Kiswahili and English versions of the questionnaires, as well as the data collection program, were revised accordingly.

A pilot survey was not conducted for the 2024 ILFS, as there was sufficient experience from a similar survey the 2020/21 ILFS which provided insights on the average time required to conduct interviews per household and the overall organization of the survey. These insights contributed significantly to the planning and implementation of the 2024 ILFS.

2.5 SAMPLING DESIGN

The sampling frame for the 2024 ILFS was derived from the inventory of Enumeration Areas (EAs) compiled during the 2022 Population and Housing Census (PHC). The sample was designed to provide representative estimates with a 95 percent confidence interval across three domains in Mainland Tanzania: rural areas, other urban areas, and Dar es Salaam; and 7 domains for Zanzibar, namely: rural, urban, Kaskazini Pemba, Kaskazini Unguja, Kusini Pemba, Kusini Unguja and, Mjini Magharibi.

The sampling design followed a stratified two-stage approach. In the first stage, EAs were selected within each stratum using Probability Proportional to Size (PPS). In the second stage, households were systematically selected from each of the previously chosen EAs. A total of 441 EAs were selected at the first stage in Mainland Tanzania and 152 in Zanzibar. At the second stage, 24 households were selected from each sampled EA, resulting in 10,584 households in Mainland Tanzania, 3,648 in Zanzibar, and a total of 14,232 households for the entire United Republic of Tanzania (URT). Further details are provided in Table 2.1.

Table 2.1: Distribution of Sampled Enumeration Areas and Selected Households, ILFS 2024

Main Domains	Sub Domains	Number of Enumeration Areas Selected				Number of Households Selected			
		Rural	Other Urban Areas	DSM	TOTAL	Rural	Other Urban Areas	DSM	TOTAL
URT	-	302	183	108	593	7,248	4,392	2,592	14,232
TZM	-	200	133	108	441	4,800	3,192	2,592	10,584
ZNZ	Sub total	102	50	-	152	2,448	1,200	-	3,648
	Kaskazini Pemba	27	7	-	34	648	168	-	816
	Kaskazini Unguja	35	5	-	40	840	120	-	960
	Kusini Pemba	21	8	-	29	504	192	-	696
	Kusini Unguja	12	3	-	15	288	72	-	360
	Mjini Magharibi	7	27	-	34	168	648	-	816

2.6 RECRUITMENT

Given the technical complexity and methodological accuracy required for labour force surveys, the recruitment of qualified and experienced enumerators was a critical component of the 2024 Integrated Labour Force Survey (ILFS). Enumerators play a pivotal role in ensuring the accuracy and reliability of data collected at the household level, which in turn informs national policy-making and planning in the areas of employment, unemployment, and labour market dynamics.

For the 2024 ILFS, formal education and prior field experience were significant considerations during the recruitment process. The majority of the enumerators had previously participated in household-based surveys, which meant they were already familiar with the challenges and best practices associated with fieldwork. Their experience was particularly valuable in navigating household dynamics, ensuring respondent cooperation, and adhering to data collection protocols. A total of 176 enumerators were recruited to carry out the 2024 ILFS field activities across the country. Of these, 135 were assigned to Mainland Tanzania, reflecting its larger geographical and population size, while 41 were deployed in Zanzibar.

This distribution ensured adequate coverage and logistical efficiency, aligning with the survey's national scope. The careful selection and deployment of these enumerators laid a strong foundation for high-quality data collection, reinforcing the overall success of the 2024 ILFS.

2.7 TRAINING OF TRAINERS AND ENUMERATORS

The training program for the 2024 ILFS was conducted in two key phases: the Training of Trainers (ToT) and the Training of Enumerators (ToE). This structured approach was designed to ensure the effective dissemination of knowledge and the consistent implementation of survey methodologies across all regions. The trainings were conducted concurrently in Zanzibar and Mainland Tanzania in December 2024. The first training phase, involved Training of Trainers (ToT) that brought together Regional Statistical Managers (RSMs). The primary objective of this phase was to equip the RSMs with a comprehensive understanding of the ILFS instruments, data collection protocols, and supervisory procedures. As the RSMs were expected to oversee and support the enumerators during the actual data collection, it was crucial that they mastered both the content and the operational aspects of the survey. The ToT served not only as a capacity-building exercise but also as a foundation for maintaining high standards and consistency in the field.

The second training phase, involved the Training of Enumerators (ToE), which was held in January 2024 and was designed to prepare field staff for their roles in data collection. This phase of the training was intensive and focused on ensuring that all enumerators received uniform instruction and practical experience. The training methodologies used in the ToE included a combination of classroom lectures, written assessments, mock interviews, and hands-on field practice. These varied approaches were intended to reinforce enumerators' understanding of the survey tools, improve their interviewing techniques, and ensure their readiness to conduct fieldwork effectively. The two phases of training played a critical role in the successful preparation for the 2024 ILFS, promoting a high level of data quality and operational efficiency throughout the survey process.

2.8 FIELDWORK AND DATA COLLECTION

Data collection for the 2024 ILFS was carried out on a quarterly basis, with each round conducted at three-month intervals. This approach was specifically designed to capture seasonal variations in economic activities, which are critical for producing a comprehensive picture of the labour market characteristics throughout the year.

The survey targeted a total sample size of 14,232 households, which were evenly spread across the four quarters-Quarter I (Q1), Quarter II (Q2), Quarter III (Q3), and Quarter IV (Q4). This allocation resulted in 3,558 households being surveyed in each quarter. At the conclusion of the fieldwork, the overall response rate was exceptionally high at 98.6 percent. Both Mainland Tanzania and Zanzibar achieved near-perfect response rates of 98.8 percent and 98.2 percent, respectively. In total, 61,588 individuals were successfully enumerated of which 42,498 were from Mainland Tanzania and 19,090 from Zanzibar providing a robust dataset for analysis.

To maintain data quality and ensure adherence to survey protocols, regular field supervision was conducted throughout the data collection period. Both national and regional supervisors made systematic visits to the field to oversee enumerator performance and address any challenges encountered during data collection. These quality assurance measures were instrumental in minimizing non-sampling errors, such as incorrect recording of responses, inconsistent questionnaire administration, or procedural deviations by enumerators.

2.9 DATA PROCESSING AND ANALYSIS

The data processing phase of the 2024 ILFS involved a series of systematic and interrelated activities designed to ensure the accuracy, consistency, and completeness of the collected data. One of the key advantages of the survey was the use of Computer-Assisted Personal Interviewing (CAPI), which allowed data to be transmitted electronically to central servers which were stationed at NBS and OCGS offices immediately after initial review and validation by field supervisors. This real-time transmission significantly reduced delays and enhanced the efficiency of the data flow from the field to the central offices. Once received, the data underwent further computer-based editing using built-in logic checks and validation rules integrated into the CAPI system. These automated checks helped identify and correct inconsistencies, outliers, and logical errors within the datasets. Following this step, additional manual and statistical reviews were carried out to ensure high data quality before proceeding to the analysis phase.

Data analysis and tabulation were performed using the Statistical Package for Social Sciences (SPSS) and STATA. After each quarter's dataset was processed and edited, after which detailed editing reports were generated and shared with regional supervisors. These reports served as important feedback tools, helping to improve the quality of supervision and data collection in subsequent rounds.

Upon completion of data collection across all four quarters, the individual quarterly datasets were merged into a single, comprehensive microdata file. During this process, special care was taken to preserve the unique identification codes assigned to households within each selected EA. This ensured consistency across the dataset and maintained the integrity of household-level data for longitudinal and comparative analysis.

2.10 WEIGHTING PROCEDURES

Sampling weights also known as expansion factors were applied in the survey data in order to ensure that results of the 2024 ILFS were representative of the national population. Sampling weights adjust for the fact that only a portion of the total population is surveyed, allowing the results to be generalized to the entire population. Each individual or household's response in the dataset was multiplied by a specific weight to reflect its proportion in the population, thereby correcting for the design and structure of the sample.

Essentially, the basic weight for each sampled household was calculated as the inverse of its overall probability of selection. This probability was determined through a multi-stage sampling process, where the chance of selecting a household was the product of the probabilities at each stage starting from the selection of the EAs, down to the selection of households within each EA. By taking the inverse of this cumulative probability, the resulting weight ensured that each household's data contribution was appropriately scaled relative to its representation in the population.

Detailed records were maintained in a structured Excel spreadsheet to accurately manage and compute these probabilities. This spreadsheet contained essential information from the sampling frame for each selected EA, including the number of households, sampling intervals, and selection probabilities. By tracking these elements at each stage of selection, the overall selection probability and corresponding sampling weight for each household could be systematically derived. These weights were then applied during data analysis to produce nationally representative estimates of labour force characteristics and trends. The basic sampling weight, or expansion factor, was calculated and expressed as follows: -

$$W_{hi} = \frac{M_h \times M'_{hi}}{n \times M_{hi} \times m_{hia} \times m_{hi}}$$

Where:

- W_{hi} = basic weight for the sampled households in the i-th sample EA in stratum h
 M_h = total number of households in the sampling frame of EAs for stratum h M'_{hi} = total number of households listed in the i-th sample EA in stratum h
 n_h = number of samples EAs selected in stratum h
 M_{hi} = total number of households in the frame for the i-th sample EA in stratum h
 m_{hi} = number of sample households selected in the i-th sample EA in stratum h

If m_{hi} is constant for each stratum (24, for example), the sample will be approximately self-weighting within each stratum. These weights will actually vary slightly based on the difference between the number of households listed in each sample EA and the corresponding number from the sampling frame.

2.11 REPORT WRITING

The preparation of the survey report for the 2024 ILFS was undertaken by members of the survey's Technical Committee (TC). This committee comprised experts from the NBS, OCGS, and representatives from ministries responsible for employment in both Mainland Tanzania and Zanzibar. The collaborative composition of the TC ensured that the report reflected a comprehensive understanding of national labour market dynamics and policy priorities.

Before the commencement of data analysis and report writing, members of the Technical Committee participated in a series of specialized capacity-building sessions. These training sessions were designed to enhance the team's analytical skills and ensure alignment with international labour statistics standards. The training focused primarily on methodologies and definitions outlined in the resolutions of the 19th and 20th International Conference of Labour Statisticians (ICLS). By equipping the TC with updated technical knowledge and analytical tools, the trainings helped to ensure that the final 2024 ILFS report was both methodologically sound and internationally comparable.

2.12 DISSEMINATION

This report for the 2024 ILFS is available for public access on the National Bureau of Statistics (NBS) website (www.nbs.go.tz) and the Office of the Chief Government Statistician (OCGS) website (www.ocgs.go.tz). Additionally, a limited number of hard copies can be found at the NBS and OCGS libraries for in-person reference.

2.13 CHAPTER TWO SUMMARY

The chapter describes the methodology of the 2024 ILFS. The survey was conducted in two phases: preparatory work, including instrument design, pre-testing, sampling, and training; and field

implementation with quarterly data collection to capture seasonal variations. A stratified two-stage sampling design, based on the 2022 Population and Housing Census, ensured surveys' representativeness across Mainland Tanzania and Zanzibar. Data collection employed trained enumerators and supervisors using Computer-Assisted Personal Interviewing (CAPI) to enhance quality and timeliness. Rigorous data processing, weighting, and validation procedures produced nationally reliable estimates.

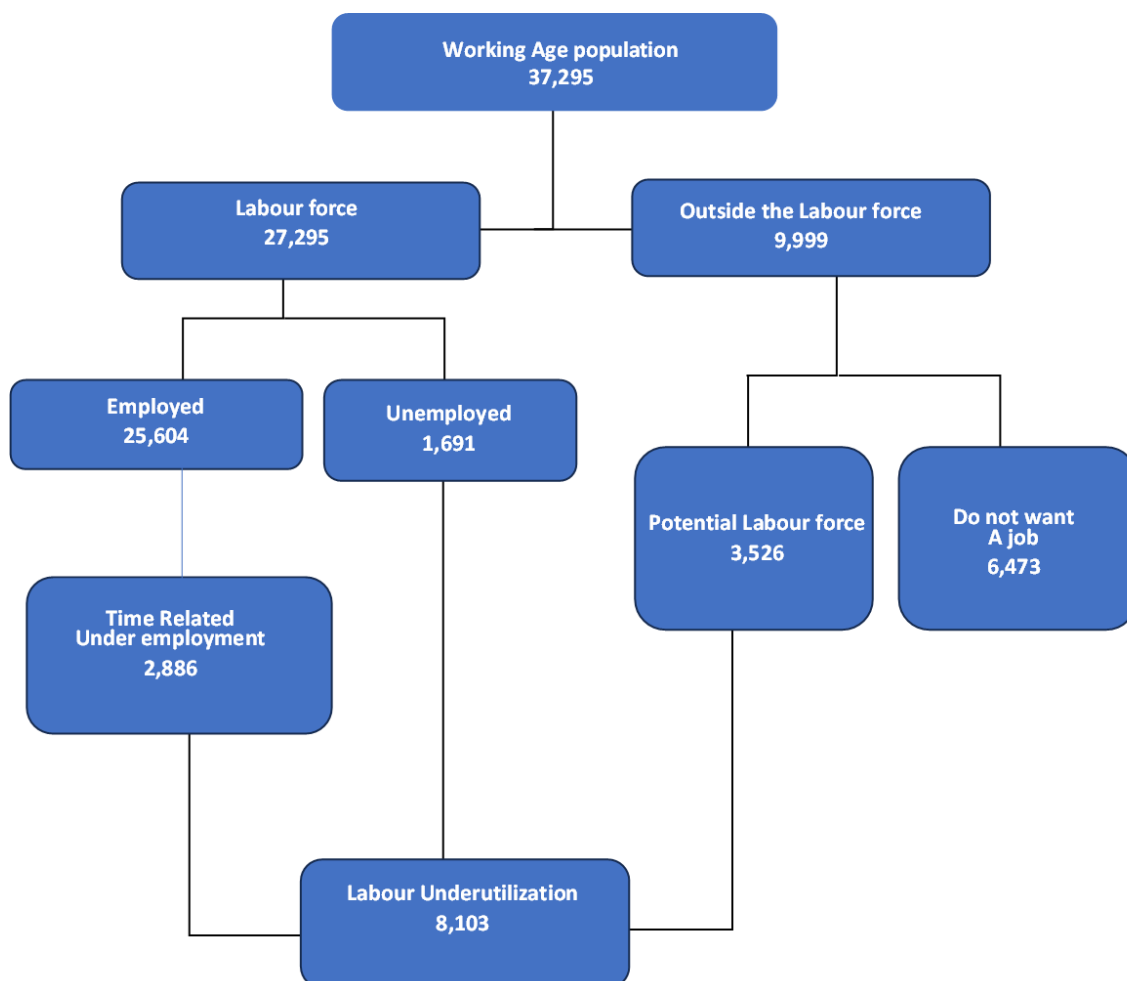
CHAPTER THREE

EMPLOYMENT AND STRUCTURE OF THE LABOUR MARKET

3.1: INTRODUCTION

This section highlights the structure and employment characteristics of the United Republic of Tanzania (URT) of the labour market, covering a wide range of employment- related variables, including:- Labour Force Participation Rate; Employment-to-population ratio; Status in employment; Employment by Sector; Occupation, Hours of work, Informal employment, Education attainment and literacy; and Wages and compensation costs. Generally, these indicators provide a robust foundation for assessing and addressing key issues related to productive employment and decent work.

Figure 3.1: Labour Force Flow Chart of the United Republic of Tanzania (000) ILFS 2024



3.2: LABOUR FORCE PARTICIPATION RATE

The Labour Force Participation Rate (LFPR) presents the percentage of the working age population typically individuals aged 15 and above who are actively involved in the labour market, either by being employed or by actively seeking and being available for work. This key economic indicator provides valuable insight into the proportion of the population that is contributing to, or is ready to contribute to, the production of goods and services within a country. By measuring both those who are working and those who are unemployed but willing and able to work, the LFPR reflects the available supply of labour and helps policymakers assess the economy's capacity for growth, identify potential workforce gaps, and make informed decisions regarding employment and social welfare policies.

Table 3.1: Labour Force Participation Rates by Geographical Areas, Disability Status, Age and Sex

Categories	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Rural	78.5	67.2	72.7	81.4	56.5	68.7	78.5	67	72.6	77.4	65.8	71.4	76.9	58.4	67.6	77.4	65.6	71.3
Urban	79.2	67.1	72.6	73.6	51	61.9	78.8	66	71.8	83.4	71.1	76.8	72.6	54.2	63.0	82.8	70.2	76.1
DSM	75.9	62.5	68.8	-	-	-	75.9	62.5	68.8	85.6	70.6	77.6	-	-	-	85.6	70.6	77.6
Total	78.3	66.7	72.3	77.6	53.8	65.4	78.3	66.3	72.1	79.7	67.7	73.4	75.0	56.4	65.5	79.6	67.4	73.2
Persons without disability	80.1	68.7	74.2	79.2	54.8	66.7	80	68.2	74	81.8	69.9	75.6	76.9	57.8	67.1	81.7	69.5	75.4
Persons with disability	61.5	52	56	51.9	39.4	44.9	61.3	51.7	55.8	59.8	50.8	54.7	45.2	38.7	41.6	59.5	50.6	54.4
Total	78.3	66.7	72.3	77.6	53.8	65.4	78.3	66.3	72.1	79.7	67.7	73.4	75.0	56.4	65.5	79.6	67.4	73.2
15-24	61.1	54.4	57.7	55.2	32.6	43.5	60.9	53.7	57.2	65.7	56.4	61.0	47.0	36.9	41.8	65.0	55.8	60.3
15-35	74.2	64.4	69	70	44.8	57	74.1	63.8	68.7	77.1	65.6	71.1	66.0	50.1	57.8	76.8	65.1	70.6
36+	83.8	69.8	76.5	88.1	66.3	76.9	83.9	69.7	76.5	82.9	70.4	76.4	87.6	65.4	76.2	83.0	70.3	76.4

Source: ILFS 2020/21 and 2024

Key Message: Data in Table 2.1 indicates that the overall Labour Force Participation Rate (LFPR) increased modestly from 72.1% in 2020/21 to 73.2% in 2024, signaling stronger engagement of the working-age population in economic activity. However, gender disparities remain pronounced: in 2024, male participation reached 79.6% compared to 67.4% for females, reflecting a persistent 12-point gap. Rural participation stood at 71.3%, slightly lower than urban areas (76.1%), with Dar es Salaam recording the highest LFPR at 77.6%. Participation is also stratified by age: youth (15–24) recorded a relatively low LFPR of 60.3%, compared to 70.6% among those aged 15–35, and 76.4% among adults aged 36+, underscoring higher labour force attachment with age. Persons with disabilities remain significantly disadvantaged, with only 54.4% participating compared to 75.4% of those without disabilities.

3.3: EMPLOYMENT TO POPULATION RATIO

The employment-to-population ratio measures the proportion of a country's working-age population typically individuals aged 15 and above that is currently employed. This indicator serves as a crucial measure of an economy's ability to create sufficient employment opportunities for its population and reflects the extent to which the available labour force is being utilized in productive activities. A higher employment-to-population ratio generally signals a healthy labour market and robust economic performance, while a lower ratio may indicate underutilization of the workforce, potential structural issues in the economy, or barriers preventing individuals from accessing employment.

Table 3.2: Employment to Population Ratio by Geographical Areas, Disability Status, Age and Sex

Categories	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Rural	72.4	60.7	66.4	79.1	52.5	65.5	72.5	60.5	66.3	73.1	61.7	67.2	73.7	51.1	62.3	73.1	61.4	67.1
Urban	75.7	60.8	67.6	67.1	43.7	55.0	75.1	59.6	66.7	80.1	65.5	72.3	65.9	42.2	53.5	79.3	64.3	71.3
DSM	69.4	52.5	60.4				69.4	52.5	60.4	82.2	62.7	71.8				82.2	62.7	71.8
Total	72.7	59.8	66.0	73.3	48.2	60.4	72.7	59.5	65.8	75.8	62.8	69.0	70.2	47.0	58.3	75.6	62.3	68.7
Persons without disability	74.2	61.3	67.5	74.7	48.9	61.5	74.2	60.9	67.3	77.8	64.7	71.0	72.1	47.9	59.7	77.6	64.2	70.6
Persons with disability	58.5	49.0	53.0	48.6	37.3	42.3	58.4	48.8	52.8	57.0	47.8	51.8	41.6	35.6	38.3	56.7	47.5	51.5
Total	72.7	59.8	66.0	73.3	48.2	60.4	72.7	59.5	65.8	75.8	62.8	69.0	70.2	47.0	58.3	75.6	62.3	68.7
15-24	55.9	48.3	52.0	50.0	27.0	38.2	55.7	47.6	51.5	60.5	49.9	55.1	38.6	24.4	31.3	59.8	49.0	54.3
15-35	68.7	56.7	62.4	64.5	37.7	50.7	68.5	56.1	62.0	72.5	58.9	65.3	59.2	36.7	47.6	72.0	58.2	64.7
36+	78.1	64.0	70.7	85.3	62.7	73.7	78.3	64.0	70.8	79.9	67.6	73.5	85.7	61.6	73.4	80.1	67.4	73.5

Source: ILFS 2020/21 and 2024

Key Message: The results presented in Table 2.2 indicate that, the Employment-to-Population Ratio (EPR) in Tanzania improved from 65.8% in 2020/21 to 68.7% in 2024. However, persistent gender gaps remain. In 2024, for example, male EPR stood at 75.6%, compared to 62.3% for females. The disparity is particularly stark in Zanzibar, where female EPR was only 47.0%, compared to 70.2% for men, highlighting regional inequalities in women’s access to employment. Age-based analysis shows encouraging progress among youth, with EPR for those aged 15–24 rising from 51.5% to 54.3%, and for the 15–35 group from 62.0% to 64.7%, though still lower than the adult (36+) population, which reached 73.5%. Persons with disabilities continue to face the greatest disadvantage, with an EPR of 51.5% in 2024, well below the national average

3.4: EMPLOYMENT STATUS

The indicator of status in employment classifies total employment into six distinct categories: employers, independent contractors, dependent contractors, wage and salaried workers (also referred to as employees), contributing family workers, and workers not classifiable by status. This classification helps to illustrate the structure of the labour market by identifying the different roles individuals occupy based on the nature of their employment relationship. By distinguishing between these categories, the indicator provides valuable insights into how employment is distributed across various forms of work arrangements, highlighting patterns of labour dynamics, economic dependence, and the degree of autonomy individuals have within their jobs.

Table 3.3: Percentage Distribution of Employed Persons by Employment Status and Sex

Status in Employment	TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T
Independent workers in household market enterprises	0.1	0	0	0.1	0	0	0.1	0	0.0
Dependent contractors	79.7	69.5	74.8	74.7	71.5	73.4	79.5	70	74.8
Contributing family workers	11.5	23.7	17.3	1.4	3.1	2.1	11.2	23	16.9
Owner-operators of corporations	0.4	0.1	0.3	1.2	0.5	0.9	0.4	0.1	0.3
Employees	7.9	6.6	7.3	22.6	24.9	23.5	8.4	7	7.7
Workers not classifiable by status	0.4	0.1	0.2	0	0	0	0.4	0.1	0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

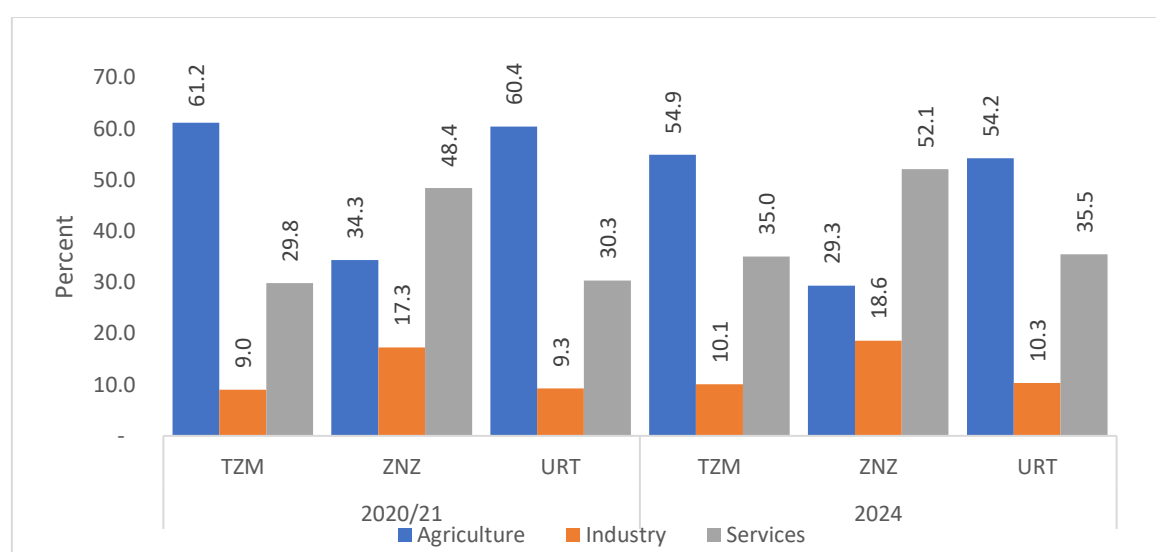
Source: ILFS 2024

Key Message: Table 2.3 indicates that the Tanzanian labour market is dominated by dependent contractors (74.8%), highlighting the predominance of informal and vulnerable work arrangements. Contributing family workers accounted for 16.9%, with women disproportionately represented (23.0% compared to 11.2% for men), underscoring gendered patterns of unpaid or low-paid family labour. By contrast, only 7.7% of workers were in paid employment, with a higher share in Zanzibar (23.5%) than in Mainland Tanzania (7.3%), reflecting structural differences in labour market opportunities between the two regions. Other forms of employment, such as owner-operators (0.3%) and those not classifiable by status (0.2%), remain negligible. This structure points to a labour market still heavily reliant on informal, insecure, and non-salaried work, with limited absorption into formal wage employment. It underscores the urgent need for policies that expand decent, stable, and well-regulated jobs, while also addressing the gender imbalance in family-based work.

3.5: EMPLOYMENT BY SECTOR

The analysis of the distribution of employment by industry across the agriculture, industry, and services sectors provides a comprehensive view of how labour is allocated within an economy. This distribution reflects the stage of economic development, structural transformation, and sectoral priorities of a country. Typically, economies shift from a heavy reliance on agriculture to increased industrialization and eventually to a service-oriented structure as they develop. Analysis of distribution of employment across these three broad sectors, provides valuable insights into productivity trends, economic diversification, and potential areas for policy interventions.

Figure 3.2: Percentage Distribution of Employed Persons by Sector and Geographical Areas



Source: ILFS 2024

Key Message: The data presented in Figure 2.2 highlights trends of employment distribution across different sectors in Tanzania. In 2024, the agricultural sector remains the dominant source of employment, although its share has declined slightly to 54.2 percent from 60.4 percent in 2020/21. Despite this decrease, agriculture continues to employ the largest proportion of the workforce. The service sector ranks second, showing notable growth as its share of total employment increased from 30.3 percent in 2020/21 to 35.5 percent in 2024. Meanwhile, the industry sector, although still employing the smallest share of the workforce, has experienced a modest increase from 9.3 percent in 2020/21 to 10.3 percent in 2024. These shifts suggest a gradual transition in Tanzania's labour market, with employment slowly diversifying away from agriculture toward services and industry.

3.6: EMPLOYMENT BY OCCUPATION

Employment by occupation is a key labour market indicator that categorizes individuals based on their job roles, as defined by the Tanzania Standard Classification of Occupations (TASCO), which is domesticated from ISCO-08. It analyses changes in the distribution of employment across different occupations which helps to identify and assess stages of economic development and productivity. Additionally, this indicator offers insights into the workforce structure, highlighting the contributions of various occupational groups to total employment.

Table 3.4: Percentage Distribution of Employed Persons by Occupation and Sex

Occupation	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Legislators, administrators and managers	0.6	0.2	0.4	0.5	0.2	0.4	0.6	0.2	0.4	0.7	0.3	0.5	0.6	0.3	0.5	0.7	0.3	0.5
Professionals	1.2	0.6	0.9	2.6	2.8	2.7	1.3	0.7	1.0	2.3	1.5	1.9	2.2	3.5	2.7	2.3	1.5	1.9
Technicians and associate professionals	3.0	1.3	2.2	4.9	7.8	6.1	3.0	1.5	2.3	2.2	1.9	2.1	3.8	8.5	5.7	2.3	2.1	2.2
Clerks	0.7	0.6	0.6	1.1	1.9	1.4	0.7	0.6	0.7	0.4	0.7	0.5	0.8	1.0	0.9	0.4	0.7	0.5
Service workers and shop sales workers	8.9	17.5	13.0	17.5	24.2	20.3	9.2	17.6	13.2	12.5	17.9	15.1	21.9	29.0	24.9	12.8	18.2	15.3
Skilled agricultural and fishery workers	55.0	58.3	56.5	22.7	21.4	22.2	54.0	57.4	55.6	52.7	55.4	54.0	17.4	11.1	14.8	51.6	54.4	52.9
Craft and related workers	11.6	5.9	8.9	16.7	16.5	16.6	11.7	6.1	9.1	11.8	4.6	8.4	19.1	16.0	17.8	12.0	4.9	8.6
Plant and machine operators and assemblers	5.0	0.8	3.0	3.4	0.0	2.0	4.9	0.7	3.0	5.9	0.5	3.3	8.8	0.1	5.2	5.9	0.5	3.3
Elementary occupations	14.1	14.8	14.4	30.5	25.1	28.3	14.6	15.1	14.8	11.5	17.2	14.2	25.4	30.7	27.6	11.9	17.5	14.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: ILFS 2020/21 and 2024

Key Message: Table 2.4 shows that the proportion of individuals employed in agriculture and fisheries declined from 55.6 percent in 2020/21 to 52.9 percent in 2024. The proportions across other occupational groups remained largely stable, with only minor shifts observed between 2020/21 and 2024. The decline in the proportion of individuals working in agriculture and fisheries suggests that there is a shift away from traditional agriculture which is characterized by low productivity towards more industrialized or service activities, which is a structural change in the economy.

3.7: HOURS OF WORK

Working time measurements provide an overview of the duration that employed individuals spend producing goods and services, measured in actual hours worked during the reference period. "Actual hours worked" refers to the number of hours devoted to work activities during the reference week. Analysing working time indicators offers valuable insights into labour force participation, work-life balance, and the overall functioning of the labour market.

Table 3.5: Average Current Working Hours per Week by Age Groups

Age Groups	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
15-24	37	32	35	35	28	32	37	32	35	35	30	32	46	38	43	35	30	33
25-35	43	37	40	43	31	38	43	37	40	48	37	43	57	41	51	48	38	43
36+	42	37	40	42	33	38	42	37	39	44	36	40	54	40	48	44	36	40
Total	41	36	39	40	32	37	41	36	38	43	35	39	53	40	48	43	35	39

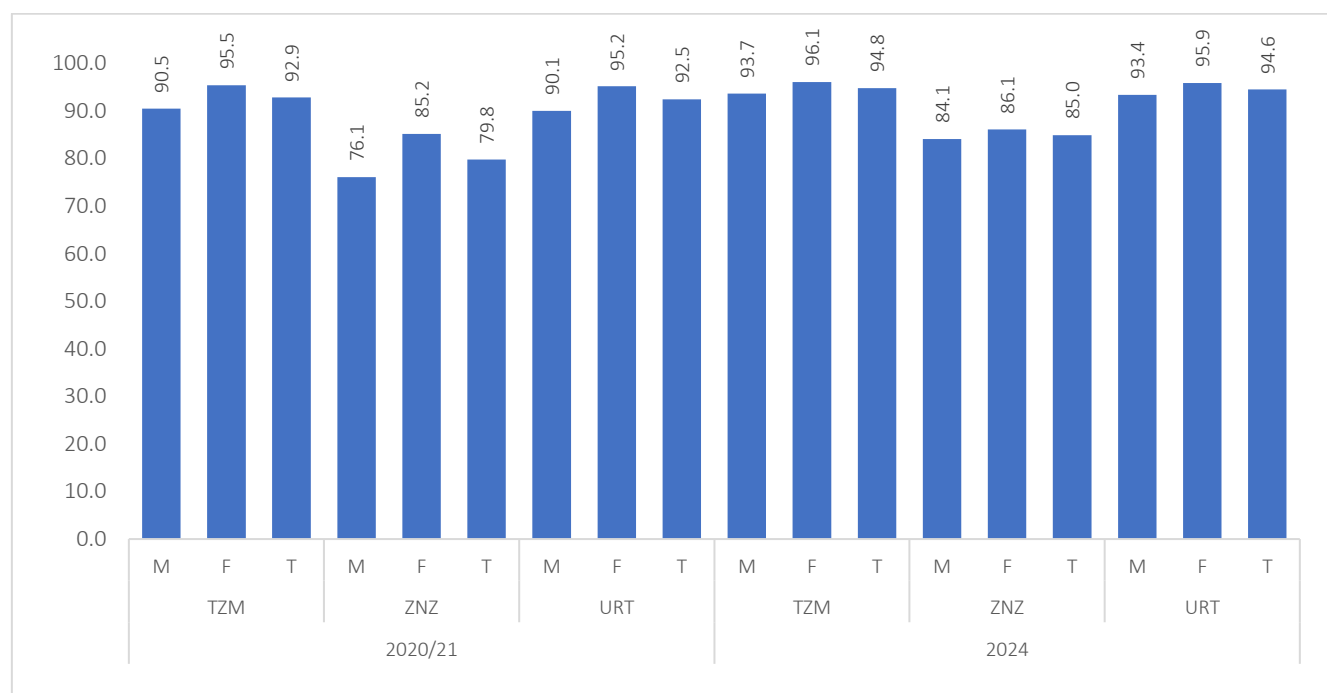
Source: ILFS 2020/21 and 2024

Key message: The findings presented in Tables 2.5 indicate that, there isn't much change, in the average number of hours worked per week by employed individuals in the URT between 2020/21 to and 2024 (38 hours vis-a- vis 39 hours). However, it is indicated that, male employees tend to work more hours than female employees, this is indicated for both years, 2020/21 and 2024.

3.8: EMPLOYMENT IN THE INFORMAL ECONOMY

Employment in the informal economy focuses on measuring the share and characteristics of workers who are employed outside the formal labour market, that is, workers who do not have formal contract arrangements, or may not be covered by social protection schemes or labour laws. Normally these workers often work in unregistered or small-scale enterprises. Employment in the informal economy make up a significant portion of employment in many developing countries including Tanzania. Thus, this analysis helps policymakers understand job quality, vulnerability, and income insecurity, and also helps address goals like decent work for all and inclusive economic growth.

Figure 3.3: Percentage of Employment in the Informal Economy



Source: ILFS 2024

Key message: Figure 2.3 indicates an increase in informal employment, rising from 92.5 percent in 2020/21 to 94.6 percent in 2024. In both years, informality rates remain slightly higher among females compared to males, suggesting ongoing gender-based differences in access to formal employment opportunities. This trend is consistently observed across both Mainland Tanzania and Zanzibar, reflecting a broader national pattern. These findings point to the importance of continued efforts to develop targeted policies that address informality and promote more inclusive access to secure and regulated employment, with particular attention to gender equity.

3.9: EDUCATION ATTAINMENT AND ILLITERACY

This indicator reflects both the level and distribution of knowledge and skills within the labour force, serving as a measure of human capital formation, which is a critical component of overall socio-economic development. A well-educated and skilled workforce contributes significantly to productivity, innovation, and economic growth. Conversely, high levels of illiteracy can severely limit employment opportunities, leading to lower incomes and poor working conditions for workers. This not only hampers individual well-being but also poses a broader challenge to national development by reducing the efficiency and competitiveness of the labour market.

Table 3.6: Percentage of Illiterate Persons in the Population by Geographical Areas, Disability Status, Age and Sex

Area	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Rural	18.2	28.1	23.3	12.2	21.7	17.0	18.0	28.0	23.1	10.8	20.3	15.7	7.8	13.9	10.9	10.7	20.1	15.6
Urban	4.2	10.7	7.7	1.7	5.8	3.8	4.0	10.3	7.4	3.1	7.9	5.6	1.7	3.8	2.8	3.0	7.7	5.5
DSM	1.4	2.7	2.1	-	-	-	1.4	2.7	2.1	0.9	2.8	1.9	-	-	-	0.9	2.8	1.9
Total	13.8	21.9	18.0	7.1	13.9	10.6	13.6	21.6	17.8	7.8	15.2	11.7	5.1	9.2	7.2	7.7	15.0	11.5
Persons without disability	12.5	19.5	16.1	6.3	12.7	9.6	12.3	19.3	15.9	6.7	13.0	10.0	4.2	7.9	6.1	6.6	12.8	9.8
Persons with disability	26.7	39.7	34.2	19.8	30.4	25.7	26.5	39.5	34.1	18.4	31.9	26.1	18.9	26.8	23.2	18.4	31.9	26.0
Total	13.8	21.9	18.0	7.1	13.9	10.6	13.6	21.6	17.8	7.8	15.2	11.7	5.1	9.2	7.2	7.7	15.0	11.5
15-24	13.4	12.2	12.8	2.9	3.0	3.0	13.0	11.9	12.4	6.2	7.7	6.9	2.8	1.6	2.2	6.1	7.5	6.8
25-35	12.2	14.0	13.1	3.2	5.2	4.2	11.9	13.7	12.9	5.9	8.5	7.3	2.8	2.5	2.7	5.8	8.3	7.1
36+	16.0	32.4	24.5	12.4	25.9	19.3	15.9	32.2	24.4	10.2	23.4	17.1	8.2	18.7	13.6	10.1	23.3	17.0

Source: ILFS 2020/21 and 2024

Key message: Data in Table 2.6 reveal a marked improvement in literacy levels across the United Republic of Tanzania. Nationally, the share of illiterate individuals declined from 17.8% in 2020/21 to 11.5% in 2024, with Mainland Tanzania and Zanzibar both recording substantial reductions. This positive trend is also reflected in rural areas, where the proportion of illiterate individuals declined from 23.1 percent to 15.6 percent over the same period, indicating improved access to education and literacy programs. Urban areas registered even lower illiteracy rates, falling from 7.4% to 5.5%, while Dar es Salaam recorded the lowest levels at just 1.9% in 2024. Despite these gains, disparities remain pronounced. Women consistently show higher illiteracy rates than men across all areas, although the gender gap has narrowed slightly in both 2020/21 and 2024. Age-based analysis highlights progress among young people: illiteracy among those aged 15–24 dropped sharply from 12.4% to 6.8%.

However, older age groups, particularly those 36 years and above, still report higher levels of illiteracy (falling from 24.4% to 17.0%). Furthermore, persons with disabilities remain disproportionately affected. Although their illiteracy rate fell from 34.1% to 26.0%, this level is still more than double the national average, pointing to the urgent need for inclusive education policies.

3.10: WAGES AND COMPENSATION COST

Wages and compensation costs are a critical lens through which the overall health, fairness, and efficiency of a labour market can be assessed. As the primary source of income for workers, wages are closely linked to factors such as skill level, educational attainment, work experience, industry demand, and broader economic conditions. Examining wage patterns offers valuable insights into labour productivity, employer cost structures, and the economic well-being of workers. It also highlights disparities across gender, age, education, and geographical location, which are important for understanding inequality in the labour market. This section analyses trends in wage levels and compensation costs, identifying key disparities and the underlying drivers of variation. Such evidence enables policymakers to design strategies that promote fair pay, ensure sustainable labour costs for employers, and advance inclusive economic growth.

Table 3.7A: Average Monthly Incomes (TZS) of Persons in Paid Employment by Geographical Areas, Education and Sex

Area	TZM			ZNZ			URT		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Rural	329,234	300,600	321,217	364,086	320,854	354,496	330,245	301,034	322,112
Urban	417,379	391,608	408,353	413,009	352,625	391,616	417,003	388,195	406,903
DSM	579,774	528,062	560,297				579,774	528,062	560,297
Total	399,724	383,310	394,478	394,192	344,837	378,939	399,501	381,831	393,861
Never Attended	331,748	270,714	302,315	285,480	108,729	230,164	331,118	269,628	301,572
Primary Education	288,629	281,601	286,583	291,481	166,593	263,054	288,669	280,446	286,282
Secondary Education	399,957	361,808	387,855	317,012	264,707	303,241	390,555	353,114	378,892
Vocational Training	512,196	512,871	512,423	598,169	394,716	499,890	514,788	506,452	511,942
Tertiary non-University	695,555	680,533	690,725	597,282	401,992	487,517	691,060	648,532	676,678
University	1,292,558	1,150,877	1,242,823	857,421	672,275	782,547	1,260,880	1,107,939	1,206,549
Total	399,724	383,310	394,478	394,192	344,837	378,939	399,501	381,831	393,861

Source: ILFS 2020/21

Table 3.7B: Average Monthly Incomes (TZS) of Persons in Paid Employment by Geographical Areas, Education and Sex

Area	TZM			ZNZ			URT		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Rural	321,757	318,002	320,508	605,483	444,550	547,433	330,909	322,600	328,136
Urban	637,132	500,346	586,416	643,194	504,446	582,187	637,392	500,577	586,213
DSM	653,174	489,645	589,098	-	-	-	653,174	489,645	589,098
Total	501,063	426,303	474,228	625,407	481,030	566,931	504,823	428,301	477,241
Never Attended	218,476	203,811	211,495	227,778	119,682	173,525	218,547	203,098	211,190
Primary Education	267,888	188,727	241,739	360,025	177,924	297,444	268,688	188,628	242,232
Secondary Education	404,836	338,135	381,960	565,151	451,054	522,332	415,051	346,337	391,337
Vocational Training	968,090	814,793	895,698	754,675	494,342	630,483	948,386	784,686	871,008
Tertiary non-University	1,110,154	841,749	983,843	743,543	533,316	637,845	1,098,524	830,668	972,180
University	1,731,316	1,516,478	1,656,230	1,101,120	780,568	950,085	1,705,785	1,468,323	1,621,366
Total	501,063	426,303	474,228	625,407	481,030	566,931	504,823	428,301	477,241

Source: ILFS 2024

Key message: Tables 2.7A and 2.7B reveal a consistent increase in nominal wages and salaries for paid employees, rising from TZS 393,861 in 2020/21 to TZS 477,241 in 2024. This upward trend suggests overall wage growth across the labour force. The data also show that nominal wages increased across all geographical areas—rural, other urban areas, and Dar es Salaam—when comparing figures from 2020/21 to 2024. This broad-based growth indicates that wage improvements are not limited to specific regions but are being experienced nationally. Furthermore, the analysis highlights a gender-based wage disparity. In both 2020/21 and 2024, male employees earned slightly higher wages and salaries compared to their female counterparts. Although the wage gap is not extreme, its persistence over time suggests underlying structural or socio-economic factors that continue to influence gender-based income inequality.

3.11 CHAPTER THREE SUMMARY

Results reveal modest improvements in Tanzania's labour market, with more people engaged in economic activity, but persistent inequalities remain. Men continue to participate more than women, young people are less attached to the labour force than older groups, and persons with disabilities remain significantly disadvantaged. Employment is still dominated by informal and vulnerable arrangements, with limited absorption into stable, paid jobs. While agriculture remains the main source of work, there is a gradual shift towards services and industry, reflecting slow structural transformation. Average working hours have not changed significantly, and informality remains pervasive. Literacy levels have improved, yet women and persons with disabilities still face greater challenges, and a gender pay gap persists despite overall wage growth. In summary, progress has been made, but deep-rooted gender, age, disability, and regional disparities continue to constrain inclusive labour market development.

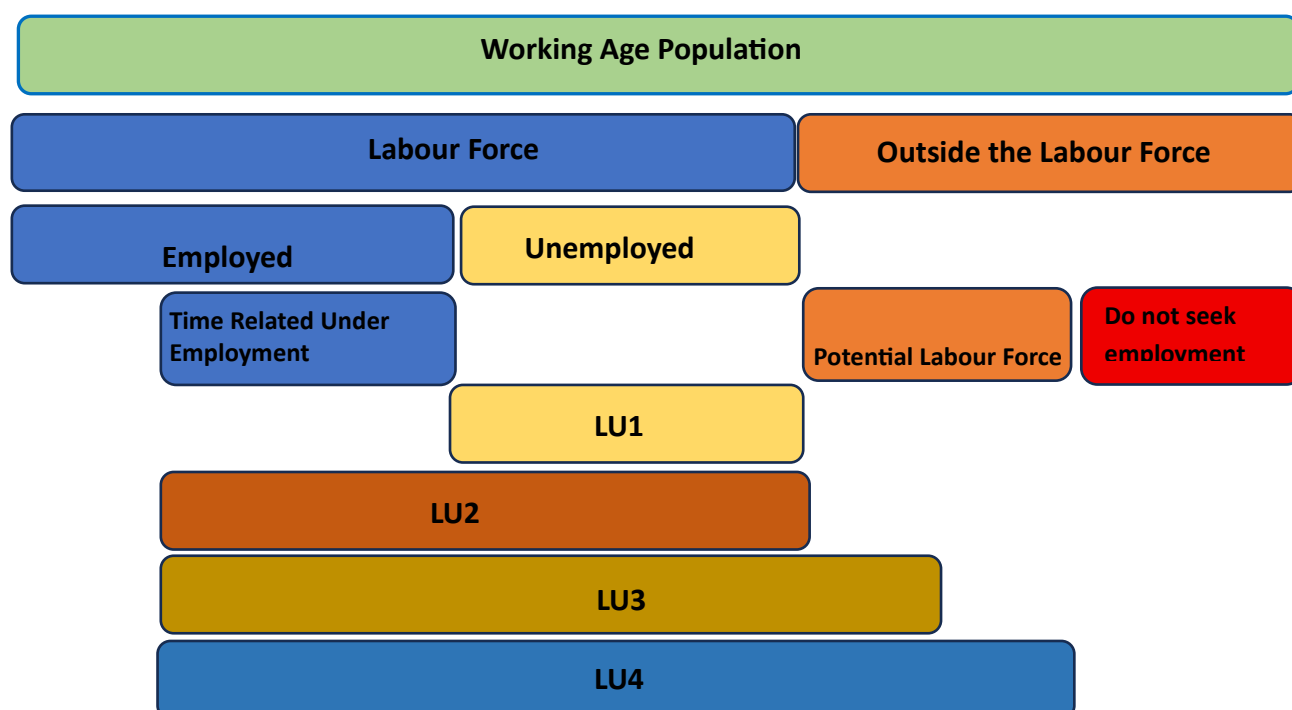
CHAPTER FOUR

LABOUR UNDERUTILISATION

4.1: INTRODUCTION

This section presents a comprehensive analysis of Labour Underutilization (LU) based on data from 2020/21 and 2024 ILFS. The analysis provides a broader overview of multidimensional nature of labour market slack to understand labour dynamics across different population groups, sectors, and regions. The LU underutilization uses indicators specified in the International Labour Organization's LU1–LU4 series to examine time-related underemployment, potential labour force, and composite measures. This chapter is organized into six sections. Sections 3.2, 3.3 and 3.4 elaborates on unemployment and its variants; Sections 3.5 and 3.6 highlight on time-related under employment and population outside labour force, respectively, and Section 3.7 concludes main findings presented in Chapter four. Figure 3.1 shows a pictorial conceptualisation of different indicators of labour market statistics.

Figure 4.1: Labour Force Flow Chart of the United Republic of Tanzania showing Labour Underutilization



Note: LU1- Unemployment rate

LU2- Combined rate of time-related underemployment and unemployment

LU3- Combined rate of unemployment and potential labour force

LU4- Aggregate measure of labour underutilization

4.2: UNEMPLOYMENT RATE

Unemployment refers to individuals who, during a specified reference period (one week), were: without work, that is they were neither in a paid employment nor self-employment; currently available for work; and actively seeking work, that is having taken specific steps to find employment during the reference period. Additionally, the unemployment rate is a key economic indicator that measures the proportion of the labour force that is unemployed. The referred rate reflects the extent of underutilized labour capacity within an economy and serves as a key indicator for policymakers in evaluating economic performance and guiding decision-making.

Table 4.1: Unemployment Rates by Geographical Areas, Level of Education, Age Group and Sex

Area	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Rural	7.8	9.7	8.7	2.9	7.1	4.6	7.6	9.7	8.6	5.5	6.4	5.9	4.2	12.5	7.8	5.5	6.5	6.0
Urban	4.3	9.5	6.9	8.9	14.3	11.2	4.7	9.7	7.2	3.9	7.8	5.8	9.1	22.0	14.9	4.2	8.4	6.2
DSM	8.6	16	12.2	-	-	-	8.6	16	12.2	3.9	11.3	7.5	-	-	-	3.9	11.3	7.5
Total	7.2	10.3	8.7	5.6	10.5	7.7	7.1	10.3	8.7	4.9	7.3	6.1	6.3	16.7	10.9	4.9	7.5	6.2
Education																		
Never Attended	7.6	7.5	7.6	1.2	3.2	2.4	7.5	7.5	7.5	6.6	4.8	5.5	0.7	3.1	2.1	6.4	4.8	5.4
Primary Education	7.6	10.5	9	2.9	8.7	5	7.5	10.5	8.9	4.9	7.1	5.9	2.8	11.5	6.1	4.9	7.1	5.9
Secondary Education	6.4	13.4	9.6	7	13.2	9.5	6.4	13.4	9.6	4.9	9.4	6.9	8.3	21.1	14.0	5.1	10.2	7.4
Vocational Training	3.8	7	4.9	9.2	11.6	10.3	3.9	7.1	5	3.0	6.2	4.6	9.6	27.8	17.9	3.6	7.9	5.7
Tertiary non-University	6	11	8	19.5	13.3	16.2	6.6	11.2	8.5	2.3	7.5	4.8	7.3	5.7	6.5	2.4	7.5	4.9
University	5.7	13.4	8.6	4	11.3	6.9	5.6	13.2	8.5	3.5	10.7	6.1	7.6	15.9	11.1	3.7	11.0	6.3
Total	7.2	10.3	8.7	5.6	10.5	7.7	7.1	10.3	8.7	4.9	7.3	6.1	6.3	16.7	10.9	4.9	7.5	6.2
Age																		
15-24	8.5	11.2	9.8	9.3	17.1	12.3	8.5	11.3	9.9	7.8	11.6	9.6	17.9	33.9	25.1	8.1	12.1	10.0
15-35	7.5	11.9	9.6	7.9	15.9	11.1	7.5	12	9.7	6.1	10.2	8.1	10.3	26.8	17.7	6.2	10.6	8.3
36+	6.9	8.3	7.6	3.2	5.4	4.2	6.8	8.2	7.5	3.6	4.0	3.8	2.1	5.8	3.7	3.5	4.0	3.8

Source: ILFS 2020/21 and 2024

Key message: According to Table 3.1, unemployment rate in the United Republic of Tanzania (URT) declined from 8.7 percent in 2020/21 to 6.2 percent in 2024. However, unemployment remains higher among females than males, underscoring the need for greater efforts to enhance female employability. Regionally, Dar es Salaam consistently recorded the highest unemployment rates, surpassing those in both other urban and rural areas during the two-year period. Furthermore, the highest unemployment rates were observed among youth aged 15–24 compared to other age groups. In contrast, Zanzibar's unemployment rate slightly increased, rising from 7.7 percent in 2020/21 to 10.9 percent in 2024.

4.3: YOUTH UNEMPLOYMENT

Youth unemployment is a serious problem with wide social and economic effects, making it important to understand the factors that influence young people's participation in the labour market. Youth are internationally recognized as individuals between the ages of 15 and 24. However, for the purposes of this analysis, this report considers youth as individuals within the 15–24 and 15–35 age groups. The dual categorization allows for a broader and detailed examination of labour market characteristics that facilitates meaningful comparisons. The characteristics are aligned with international standards and practices, particularly those relevant to youth employment trends in similarly structured economies.

Table 4.2: Unemployment Rates for Youth Aged 15-24 by Area, Level of Education and Sex

Area	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Rural	7.9	9.8	8.8	5.6	10.4	7.3	7.8	9.8	8.8	7.5	10.2	8.7	5.3	7.8	6.3	7.5	10.2	8.7
Urban	7.1	11.5	9.4	14.6	24.4	18.7	7.6	12.1	10.0	4.0	6.9	5.5	15.1	18.2	16.6	4.5	7.4	6.0
DSM	21.3	22.4	21.9	-	-	-	21.3	22.4	21.9	12.2	15.3	13.9	-	-	-	12.2	15.3	13.9
Total	8.5	11.2	9.8	9.3	17.1	12.3	8.5	11.3	9.9	7.1	9.9	8.4	9.1	12.8	10.8	7.1	10.0	8.5
Education																		
Never Attended	6.5	7.9	7.3	-	2.1	0.9	6.5	7.9	7.2	10.0	11.6	10.9	-	2.5	1.1	9.9	11.6	10.8
Primary Education	8.7	10.4	9.5	4.2	14.2	7.0	8.7	10.4	9.5	8.2	11.0	9.4	4.2	11.2	6.5	8.1	11.0	9.4
Secondary Education	8.8	14.3	11.6	10.5	17.3	13.3	8.9	14.4	11.7	4.6	8.1	6.3	10.7	13.2	11.9	4.8	8.3	6.5
Vocational Training	4.8	8.7	6.1	19.1	19.9	19.4	5.1	9.0	6.4	13.3	8.9	10.8	8.7	6.1	7.3	12.8	8.7	10.5
Tertiary non-University	15.6	26.6	21.9	34.1	31.6	32.6	17.0	27.0	22.7	8.5	10.0	9.5	31.5	46.2	38.4	9.6	10.8	10.4
University	36.9	31.2	33.4	28.3	72.7	35.3	36.0	31.8	33.5	11.0	14.4	12.8	14.5	10.5	12.9	11.2	14.3	12.8
Total	8.5	11.2	9.8	9.3	17.1	12.3	8.5	11.3	9.9	7.1	9.9	8.4	9.1	12.8	10.8	7.1	10.0	8.5

Source: ILFS 2020/21 and 2024

Key message: Table 3.2 presents a slight decrease in youth unemployment among individuals aged 15 – 24 over the period from 2020/21 to 2024. The decline trend is evident across different geographical locations, in rural areas and urban areas. Despite the overall decline, the data show a continuing gender gap, with youth unemployment rates consistently higher for females than for males.

Table 4.3: Unemployment Rates for Youth Aged 15-35 by Area, Level of Education and Sex

Area	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Rural	7.8	10.7	9.2	4.4	11.0	7.0	7.7	10.7	9.1	6.6	8.9	7.7	7.2	18.8	12.2	6.6	9.2	7.8
Urban	4.4	11.6	8.1	11.9	20.9	15.7	5.0	12.0	8.6	5.1	10.9	8.0	14.4	36.1	24.5	5.5	11.9	8.7
DSM	11.2	20.0	15.9	-	-	-	11.2	20.0	15.9	5.3	14.3	10.0	-	-	-	5.3	14.3	10.0
Total	7.5	11.9	9.6	7.9	15.9	11.1	7.5	12.0	9.7	6.1	10.2	8.1	10.3	26.8	17.7	6.2	10.6	8.3
Education																		
Never Attended	8.3	10.1	9.4	3.5	4.2	3.9	8.3	10.0	9.3	9.6	7.8	8.6	2.3	8.8	5.5	9.6	7.8	8.5
Primary Education	7.7	11.4	9.5	4.3	11.9	6.8	7.7	11.4	9.5	6.0	10.2	8.0	4.1	19.2	9.5	6.0	10.3	8.0
Secondary Education	7.0	14.0	10.4	8.1	16.9	11.7	7.1	14.2	10.5	5.6	10.5	7.9	12.5	28.7	20.2	6.0	11.4	8.5
Vocational Training	3.8	10.1	5.8	13.8	19.3	16.0	4.0	10.4	6.0	5.4	7.4	6.5	13.6	42.4	26.6	6.3	10.1	8.3
Tertiary non-University	7.6	14.0	10.5	29.8	24.0	26.6	8.7	14.6	11.5	4.1	9.9	7.4	13.0	7.4	10.4	4.4	9.9	7.5
University	8.7	19.3	13.3	10.1	23.4	15.9	8.8	19.5	13.4	6.6	15.8	10.5	13.6	26.1	19.0	6.9	16.2	10.9
Total	7.5	11.9	9.6	7.9	15.9	11.1	7.5	12.0	9.7	6.1	10.2	8.1	10.3	26.8	17.7	6.2	10.6	8.3

Source: ILFS 2020/21 and 2024

Key message: Table 3.3 indicates a decline in youth unemployment among individuals aged 15–35 in Tanzania, from 9.7 percent in 2020/21 to 8.3 percent in 2024. In Mainland Tanzania, the youth unemployment rate fell from 9.6 percent in 2020/21 to 8.1 percent in 2024. By contrast, Zanzibar saw an increase, with the rate rising from 11.1 percent to 17.7 percent over the same period. Despite the overall decline, youth unemployment rates remain consistently higher among females than males. Additionally, trends across the level of educations reveal a slight decrease in unemployment among youth with primary and secondary education.

4.4: LONG TERM UNEMPLOYMENT

Long-term unemployment refers to individuals who have been continuously unemployed for a period of 12 months or more. This indicator highlights not only the existence of unemployment but also the prolonged duration of joblessness among individuals who are actively seeking work and available to start employment during the reference period. Monitoring long-term unemployment is crucial for understanding deeper structural issues within the labour market. By analysing this group, policymakers and stakeholders can better design targeted interventions aimed at re-skilling, job matching, and supporting sustained labour market inclusion.

Table 4.4: Long Term Unemployment by Area, Level of Education, Age Group and Sex

Area	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Rural	32.6	32.3	32.4	47.7	42.6	44.4	32.8	32.4	32.6	30.4	28.4	29.3	43	55.2	51.5	30.7	29.5	30.1
Urban	51.6	47.8	49	59.2	65.2	62.5	52.6	49.2	50.3	29.6	29.4	29.5	43	46.9	45.6	31	31.3	31.2
DSM	41.9	51.8	48.2	-	-	-	41.9	51.8	48.2	31.6	28.7	29.4	-	-	-	31.6	28.7	29.4
Total	35.9	38.2	37.2	56.1	57.1	56.6	36.3	38.7	37.7	30.3	28.7	29.4	43	50.4	48	30.8	29.9	30.3
Education																		
Never Attended	34.2	45.4	41	69.3	70.7	70.4	34.3	45.6	41.2	28.0	22.9	25.2	34.4	55.7	53	28	23.4	25.4
Primary Education	34.2	34.2	34.2	58.5	53.3	55.2	34.4	34.3	34.4	29.7	33	31.6	55.5	42.1	45.9	29.9	33.1	31.7
Secondary Education	43	47.1	45.6	53.3	54.3	53.9	44.1	47.7	46.4	31.2	20.3	24.6	38.5	54.3	49.1	32	25.1	27.7
Vocational Training	38.8	30.7	35	27	66.7	46.8	38.3	32.5	35.6	45.4	20.1	28.4	57.3	31.5	39.1	48.4	23.3	31.3
Tertiary non-University	38.6	27.4	32.5	66.3	91	77.1	42.6	33.6	37.8	30.3	55.4	49.2	36.5	33.4	35.2	30.8	55	48.7
University	52.7	53.4	53.1	100	49	67.2	54.8	53.1	53.8	42.2	18.1	26.9	55.6	53	54	43.4	20.8	29.2
Total	35.9	38.2	37.2	56.1	57.1	56.6	36.3	38.7	37.7	30.3	28.7	29.4	43	50.4	48	30.8	29.9	30.3
Age																		
15-24	33.6	36.6	35.3	50.1	57.6	54.1	34.2	37.2	35.8	31.1	26.8	28.7	35.5	49	43.7	31.4	28.2	29.6
25-35	34.1	39.3	37.2	54.1	58.6	56.7	34.7	39.9	37.8	30.2	27.4	28.5	39.7	49.5	46.3	30.7	28.7	29.5
36+	38.1	36.2	37.1	61.4	52.9	56.6	38.5	36.5	37.5	30.6	32.7	31.6	59.9	54.8	56.4	31.1	33.5	32.3

Source: ILFS 2020/21 and 2024

Key message: The results presented in Table 3.4 show that the individuals experiencing long-term unemployment declined from 37.7 percent in 2020/21 to 30.3 percent in 2024. A similar decline is observed across Mainland Tanzania and Zanzibar, as well as across urban and rural areas and various age groups. With regard to education, a substantial decline in long-term unemployment is observed for persons with university education from 53.8 percent in 2020/21 to 29.2 percent in 2024.

4.5: TIME – RELATED UNDEREMPLOYMENT

Time-related underemployment (TRU) refers to the number of employed persons who work fewer than the standard 40 hours per week but are willing and available to work additional hours (cite). This form of time-related underemployment highlights a gap between the actual hours worked and the preferred level of employment, reflecting untapped labour potential. The TRU is an important indicator of labour market inefficiency, as it shows that while these individuals are classified as employed, their current jobs do not fully meet their economic needs or aspirations.

Table 4.5: Distribution of Time Related Underemployment by Area, Level of Education and Sex,

Area	2020/21									2024								
	TZM			ZNZ			URT			TZM			ZNZ			URT		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Rural	15	11.2	13.2	12.2	11.5	11.9	14.9	11.2	13.2	13.5	11.9	12.8	12.2	13.6	12.7	13.5	12	12.8
Other Urban	9.7	10.4	10	18.2	22.2	19.8	10.2	11	10.6	8.2	7.6	7.9	10.5	18.1	13.6	8.4	8	8.2
DSM	5.8	7	6.3	-	-	-	5.8	7	6.3	9.8	11.2	10.4	-	-	-	9.8	11.2	10.4
Total	13	10.6	11.9	14.9	16.2	15.4	13.1	10.8	12	11.7	10.7	11.2	11.5	15.5	13.1	11.7	10.8	11.3
Education																		
Never Attended	13	9.5	10.9	6.3	6.9	6.7	12.9	9.4	10.8	11	11.3	11.2	9.1	9.7	9.5	11	11.3	11.1
Primary Education	14	11.5	12.8	14.8	12.6	14.1	14	11.5	12.8	13.3	11.5	12.4	14	12.9	13.6	13.3	11.5	12.4
Secondary Education	12.1	9.8	11.1	16.7	20.7	18.3	12.6	10.7	11.8	9.8	9.1	9.5	11	18.6	14.1	9.9	9.7	9.8
Vocational Training	9.3	5.6	8.1	14.5	22.3	17.9	9.4	6.1	8.3	12	9.8	11	13.4	18	15.2	12.2	10.3	11.3
Tertiary non-University	6.3	5.9	6.1	18.3	22.6	20.6	6.8	7.2	7	5.3	6.2	5.7	5.1	13.2	9	5.3	6.4	5.8
University	3.7	9.1	5.7	6.6	12.7	8.9	3.9	9.4	5.9	2.6	3.9	3.1	6.4	8.1	7.1	2.8	4.1	3.3
Total	13	10.6	11.9	14.9	16.2	15.4	13.1	10.8	12	11.7	10.7	11.2	11.5	15.5	13.1	11.7	10.8	11.3
Age																		
15-24	17.7	11.5	14.7	20.2	21.1	20.5	17.8	11.7	14.9	14.4	11.2	12.9	17.2	22.5	19.4	14.5	11.4	13.1
15-35	15.2	11.3	13.3	17.1	18.7	17.7	15.2	11.4	13.4	12	10.9	11.5	13.6	18.7	15.6	12.1	11.1	11.6
36+	10.6	9.9	10.2	12.6	14.2	13.3	10.6	10	10.3	11.4	10.4	10.9	9.4	12.7	10.8	11.3	10.5	10.9

Source: ILFS 2020/21 and 2024

Key message: A slight decline in time-related underemployment is observed from 12.0 in 2020/21 to 11.3 percent 2024 in the United Republic of Tanzania (See Table 3.5). Specifically, in the Mainland Tanzania, underemployment decreased from 12.0 percent to 11.2 percent, with more notable reductions among males and youth. Similarly, Zanzibar experienced a decrease from 15.4 percent to 13.1 percent, with a decline observed across both sex and particularly in other urban areas.

4.6: POPULATION OUTSIDE LABOUR FORCE

The population outside the labour force includes working-age individuals who are not employed and not actively seeking employment. This group consists of retirees, students, individuals with illnesses or disabilities, those involved in unpaid caregiving, and discouraged job seekers. Analysing this population provides important insights into social and economic dynamics, such as access to education, health conditions, caregiving responsibilities, and barriers to employment, helping identify potential areas for policy intervention and workforce inclusion.

Table 4.6: Percentage of Population Outside Labour Force by Area and Sex

Area		2020/21			2024		
		Potential labour force	Individuals not seeking employment	Total	Potential labour force	Individuals not seeking employment	Total
TZM	Male	5.0	16.5	21.6	6.5	13.7	20.3
	Female	10.8	22.4	33.2	12.0	20.2	32.3
	Total	8.1	19.6	27.7	9.4	17.1	26.6
ZNZ	Male	4.8	17.5	22.4	4.1	20.9	25.0
	Female	18.9	27.3	46.2	16.4	27.2	43.6
	Total	12.0	22.6	34.6	10.4	24.1	34.5
URT	Male	5.0	16.6	21.6	6.5	14.0	20.4
	Female	11.0	22.6	33.6	12.2	20.5	32.6
	Total	8.2	19.7	27.9	9.5	17.4	26.8

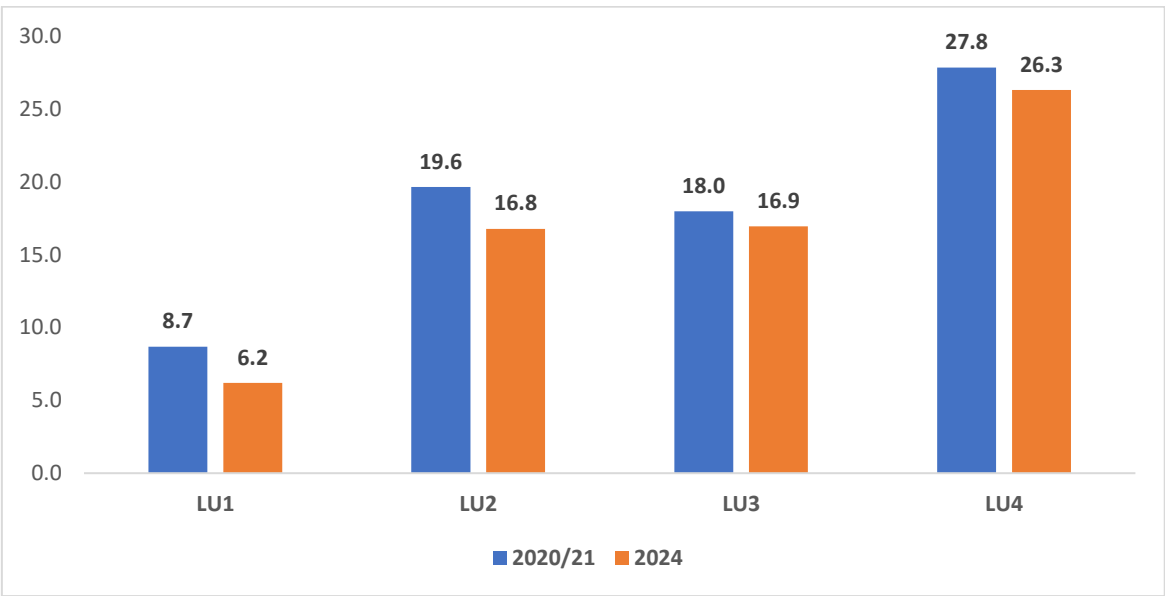
Source: ILFS 2020/21 and 2024

Key message: Percentage of Population Outside Labour Force for females remains higher than males across all areas (See Table 3.6.) Compared to 2020/21, there has been a slight decline in overall population outside the labour force mainly due to a decline in people who do not seek employment, and a modest rise in the potential labour force (from 8.2 percent to 9.5 percent). This shift suggests increasing interest in employment of the population outside the labour force, particularly women, indicating an opportunity to bring more individuals especially females into the labour market through targeted support and inclusive employment strategies.

4.7 COMPOSITE MEASURES OF LABOUR UNDERUTILIZATION

Composite measures of labour underutilization provide a broader and more detailed understanding of labour market conditions than the standard unemployment rate alone. While the unemployment rate (LU1) captures those actively seeking work, it does not reflect individuals who are marginally attached to the labour force or those working fewer hours than they desire. To address this, additional measures such as LU2, LU3, and LU4 expand the definition of labour underutilization.

Figure 4.2: Composite measures of Labour Underutilization



Source: ILFS 2020/21 and 2024

Figure 2.3 indicates a notable improvement in the overall performance of the labour market 2020/21 and 2024, as evidenced by a consistent decline across all composite measures of labour underutilization (LU1, LU2, LU3, and LU4). LU1, which represents the standard unemployment rate, has decreased, reflecting stronger job creation. Similarly, LU2, which includes the unemployed and the under - employed, also declined, suggesting improved re-engagement with the labour force. LU3, which includes unemployed, under - employed and potential labour force, showed a reduction, indicating increased access to employment opportunities. LU4, the broadest

measure that captures all forms of slack in the labour market, also fell, highlighting a more efficient and inclusive labour market overall. These trends point to a strengthening economy.

Note: LU1- Unemployment rate

LU2- Combined rate of time-related underemployment and unemployment

LU3- Combined rate of unemployment and potential labour force

LU4- Aggregate measure of labour underutilization

4.8 CHAPTER FOUR SUMMARY

This chapter examined slack in Tanzania's labour market using the ILO LU1–LU4 framework, covering unemployment, time-related underemployment, and the potential labour force. Overall unemployment declined, but remains higher for women and youth, with notable regional variation (including deterioration in some Zanzibar indicators). Long-term unemployment fell, reflecting gradual improvement in job matching and labour demand, while time-related underemployment edged down, though many employed people still want more hours, reflecting underused capacity. The population outside the labour force decreased slightly, alongside a modest rise in the potential labour force, suggesting more people are closer to labour market entry. Taken together, progress is evident, but persistent gaps by gender, age, disability, and location indicate the need for targeted, inclusive policies, skills development, intermediation, and active labour market measures, to convert latent labour supply into decent, productive employment.

ANNEX A:

SUMMARY OF FINDINGS AND POLICY RECOMMENDATIONS

1. The rise in the Labour Force Participation Rate (LFPR) signifies that more individuals are engaged in or seeking employment.

Recommendation: The government should invest in skills development and retraining programs, particularly for groups entering or re-entering the labour market (e.g., women, youth, older workers) to capitalize the rising LFPR. This will enhance their employability, match labour market demand, and ensure sustainable economic growth.

2. The increase in the Employment-to-Population Ratio (EPR)—from 65.8% in 2020/21 to 68.7% in 2024—indicates overall employment progress. However, the persistent gender gap, especially the low female EPR in Zanzibar, underscores entrenched inequalities in access to employment.

Recommendation: The government should develop initiatives that address unique social, economic, and cultural dynamics. Specific policies should promote women's participation in sectors with expanding employment opportunities such as digital technology, blue economy, and finance. This can be achieved through vocational training, mentorship, and incentives that encourage gender-diverse hiring.

3. There has been an increase in informal employment, rising from 92.5% in 2020/21 to 94.6% in 2024. Nevertheless, the rate of informal employment is slightly higher among females than males, indicating persistent gender-based disparities in access to formal employment opportunities.

Recommendation; To address the rising informal employment and persistent gender disparities, policymakers should promote the formalization of informal enterprises through incentives and simplified regulations, invest more in women and youth skills development and expand social protection coverage for informal workers.

4. There has been an increase in nominal wages and salaries for paid employees, rising from TZS 393,861 in 2020/21 to TZS 477,241 in 2024. Additionally, males earn slightly higher wages than females during this period.

Recommendation: To sustain the growth in nominal wages and address the persistent gender wage gap, policymakers should implement measures that promote **decent work environment and gender mainstreaming at the work place**. This includes strengthening enforcement of equal pay

legislation, encouraging transparency in wage setting, and supporting women's access to higher-paying sectors through targeted training and mentorship programs.

5. Tanzania's unemployment rate fell from 8.7 percent in 2020/21 to 6.2 percent in 2024, despite still being recorded to be high among females.

Recommendation: To further reduce unemployment and address the persistent gender gap, the government should strengthen initiatives that prioritize women's participation in the labour market. This can include expanding access to skills training, entrepreneurship support, and career development opportunities tailored for women. The intervention will cater for wider and more inclusive job market that can reduce gender unemployment disparities.

ANNEX B:

SURVEY QUALITY MEASUREMENTS

i. Introduction

Survey estimates are derived from complex sampling procedures and are subject to various sources of error. These estimates may differ from the true population parameters due to unavoidable survey errors. Such errors, inherent in the survey process, arise from both sampling and non-sampling sources.

Total Survey Error (TSE) refers to the overall difference between a population parameter (such as a mean or total) and its corresponding estimate obtained from a sample survey. According to Biemer and Lyberg (2003), TSE is conceptually the sum of **sampling errors** and **non-sampling errors**. Understanding and minimizing TSE is critical for ensuring the quality and reliability of survey results.

ii. Sampling Errors

Sampling errors occur because surveys typically rely on data collected from a subset (sample) of the population rather than the entire population. These errors can be statistically evaluated and controlled through effective sample design and selection procedures. One of the key measures used to assess sampling error is the **Coefficient of Variation (CV)**.

The **Coefficient of Variation** is a standardized measure of dispersion that expresses the extent of variability in relation to the mean of the population. It is calculated as the ratio of the standard deviation to the mean and is usually expressed as a percentage.

- A **low CV** (e.g., less than 25%) indicates that the variability in the survey data is relatively small compared to the mean. This suggests that the sampling error is low and the survey estimates are relatively precise and reliable.
- A **high CV** (e.g., greater than 25%) suggests significant variability in the data relative to the mean, indicating less precise estimates and a higher level of uncertainty in the survey results.

iii. Non-Sampling Errors

Non-sampling errors are all other types of errors that may occur during the survey process, excluding those related to sampling. These can include errors in data collection, respondent misunderstandings, interviewer bias, data entry mistakes, non-response, and processing errors. Unlike sampling errors, non-sampling errors are often more difficult to quantify and control, yet they can have a significant impact on the accuracy of survey results.

Reducing non-sampling errors requires rigorous quality control measures at every stage of the survey—from questionnaire design and interviewer training to data validation and processing.

iv. Survey Quality Measures

Tables B1 to B11 present various survey quality indicators, including the Coefficients of Variation for key estimates from the 2024 ILFS. Generally, the results show that CV values for most estimates are generally low, indicating that the survey measurements are relatively precise and the sampling errors are within acceptable limits. This reflects well on the overall quality and reliability of the survey data.

Table B1: Employed Population

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
ZM	Employed Population	27.75	5.54	16.72	38.78	0.20	63.24	19,042
ZNZ	Employed Population	0.67	0.24	0.19	1.14	0.36	1.99	6,344

Table B2: Unemployed Population

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Unemployed Population	0.42	0.09	0.24	0.61	0.22	63.24	286
ZNZ	Unemployed Population	0.02	0.01	0.00	0.03	0.38	1.99	149

Table B3: Population Outside the Labour Force

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Population Outside the Labour Force	35.06	7.14	20.86	49.26	0.20	63.24	23,170
ZNZ	Population Outside the Labour Force	1.30	0.43	0.44	2.16	0.33	1.99	12,597

Table B4: Youth Aged 15-24

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Youth Aged 15-24	11.00	2.20	6.61	15.38	0.20	36.14	7,552
ZNZ	Youth Aged 15-24	0.40	0.13	0.13	0.66	0.34	1.15	3,676

Table B5: Youth Aged 15-35

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Youth Aged 15-35	19.94	3.83	12.31	27.57	0.19	36.14	14,113
ZNZ	Youth Aged 15-35	0.68	0.22	0.23	1.12	0.33	1.15	6,102

Table B6: Adult Population (36+)

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Adult Population (36+)	16.20	3.26	9.71	22.69	0.20	36.14	10,982
ZNZ	Adult Population (36+)	0.48	0.17	0.15	0.81	0.35	1.15	4,632

Table B7: Employed in Agriculture

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Employed in Agriculture	22.52	5.40	11.78	33.27	0.24	34.70	12,528
ZNZ	Employed in Agriculture	0.24	0.12	0.00	0.47	0.50	0.72	3,024

Table B8: Employed in Industry

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Employed in Industry	2.64	0.43	1.78	3.49	0.16	34.70	2,156
ZNZ	Employed in Industry	0.13	0.04	0.04	0.22	0.35	0.72	1,215

Table B9: Employed in Services

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Employed in Services	9.54	1.53	6.50	12.58	0.16	34.70	8,294
ZNZ	Employed in Services	0.36	0.11	0.14	0.57	0.30	0.72	2,741

Table B10: Employment in Public Sector

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Employment in Public Sector	1.27	0.22	0.84	1.71	0.17	28.18	1,063
ZNZ	Employment in Public Sector	0.09	0.03	0.03	0.15	0.32	0.68	669

Table B11: Employment in Private Sector

Geographical Areas of URT		Estimate	Standard Error	95% Confidence Interval		Coefficient of Variation	Cumulative	Unweighted Count
				Lower	Upper			
TZM	Employment in Private Sector	26.90	5.44	16.07	37.74	0.20	28.18	18,265
ZNZ	Employment in Private Sector	0.60	0.22	0.16	1.03	0.37	0.68	5,824

