

**Workshop**  
**Youth in Africa's Labor Market**  
**The World Bank**  
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**YOUTHS IN THE LABOR MARKET  
AND TRANSITION FROM SCHOOL TO WORK IN TANZANIA**

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Micro data from 2000/2001 Integrated Labor Force Survey (ILFS) to:

1. Document labor market performance of
  - teenagers (15-19) and youths (20-24)
  - in Tanzania (Rural/Urban, Males/Females)
  - relative to prime age individuals (35-49)
  
2. Analyze determinants of time use
  - with special regard to the role of education

- Plan
  - Basic time use patterns
  - Characteristics of those in work
  - Characteristics of those out of work
  
  - Does education pay?
  - Role of labor demand, labor supply and school infrastructure
  
  - Concluding remarks and directions for future research

# 1. JOBLESSNESS VERY PRONOUNCED AMONG YOUNG MEN IN URBAN AREAS

Table 1A. Basic Time use patterns - MEN

	(1)	(2)	(3)	(4)	(5)
<b>Age Group</b>	<i>In education</i>	<i>Never attended</i>	<i>Working</i>	<i>Combines work and education</i>	<i>Not in education, not working</i>
<b>Dar es Salaam</b>					
Teens	0.581	0.026	0.206	0.036	0.249
Youth	0.142	0.042	0.472	0.020	0.407
Prime-age	0.000	0.021	0.974	0.000	0.026
<b>Urban</b>					
Teens	0.508	0.040	0.435	0.122	0.178
Youth	0.078	0.038	0.760	0.016	0.177
Prime-age	0.000	0.042	0.949	0.000	0.051
<b>Rural</b>					
Teens	0.391	0.146	0.761	0.219	0.067
Youth	0.023	0.154	0.922	0.009	0.065
Prime-age	0.000	0.192	0.968	0.000	0.032

## 2. ...AND EVEN MORE SO AMONG YOUNG (AND NOT SO YOUNG) WOMEN

Table 1B. Basic Time use patterns - WOMEN

<b>Age Group</b>	(1) <i>In education</i>	(2) <i>Never attended</i>	(3) <i>Working</i>	(4) <i>Combines work and education</i>	(5) <i>Not in education, not working</i>
<b>Dar es Salaam</b>					
Teens	0.442	0.036	0.265	0.027	0.319
Youth	0.054	0.043	0.374	0.009	0.580
Prime-age	0.000	0.120	0.693	0.000	0.307
<b>Urban</b>					
Teens	0.368	0.061	0.445	0.089	0.276
Youth	0.025	0.050	0.672	0.000	0.304
Prime-age	0.000	0.157	0.892	0.000	0.108
<b>Rural</b>					
Teens	0.343	0.186	0.762	0.169	0.065
Youth	0.012	0.213	0.924	0.007	0.071
Prime-age	0.000	0.474	0.951	0.000	0.049

### 3. WORKING MEN HAVE RATHER PRECARIOUS OCCUPATIONS AND ARE MORE LIKELY TO BE UNDEREMPLOYED

Table 2A - Job characteristics - MEN

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<i>Occupation</i>								
Age Group	<i>Employee</i>	<i>Self-emp.</i>	<i>Self-emp.</i>	<i>Unpaid</i>	<i>Own</i>	<i>Usual</i>	<i>Multiple</i>	<i>Under-</i>	<i>log</i>
	<i>emp.ees</i>	<i>with</i>	<i>w/o</i>	<i>family</i>	<i>farm</i>	<i>hours</i>	<i>jobs</i>	<i>employed</i>	<i>wage</i>
	<i>emp.ees</i>	<i>emp.ees</i>	<i>worker</i>						
<b>Dar es Salaam</b>									
Teens	40.76	0.00	27.20	22.75	9.29	53.061	0.003	0.066	4.475
Youth	47.38	1.72	38.36	6.65	5.88	58.077	0.021	0.042	5.121
Prime-age	54.46	10.32	30.00	0.00	5.22	57.808	0.078	0.010	6.020
<b>Urban</b>									
Teens	15.05	0.21	16.74	5.24	62.76	44.137	0.160	0.028	3.970
Youth	21.77	3.06	22.49	3.82	48.87	58.180	0.104	0.037	4.447
Prime-age	36.94	5.54	28.48	0.38	28.66	62.288	0.211	0.021	5.497
<b>Rural</b>									
Teens	3.63	0.04	2.32	3.47	90.54	43.116	0.125	0.048	3.697
Youth	5.62	0.34	4.63	0.83	88.57	52.876	0.183	0.057	4.011
Prime-age	8.95	0.99	4.44	0.25	85.37	54.701	0.240	0.033	5.180

## 4. ...AND THIS IS EVEN MORE TRUE AMONG YOUNG (AND NOT SO YOUNG) WOMEN

Table 2B - Job characteristics - WOMEN

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<i>Occupation</i>					<i>Usual</i>	<i>Multiple</i>	<i>Under-</i>	<i>log</i>
Age Group	<i>Employee</i>	<i>Self-emp.</i>	<i>Self-emp.</i>	<i>Unpaid</i>	<i>Own</i>	<i>hours</i>	<i>jobs</i>	<i>employed</i>	<i>wage</i>
	<i>emp.ees</i>	<i>with</i>	<i>w/o</i>	<i>family</i>	<i>farm</i>				
		<i>emp.ees</i>	<i>emp.ees</i>	<i>worker</i>					
<b>Dar es Salaam</b>									
Teens	52.06	0.42	26.12	15.24	6.16	56.324	0.036	0.071	3.747
Youth	36.38	2.77	53.82	4.37	2.66	54.724	0.025	0.136	4.646
Prime-age	27.22	3.27	55.79	0.39	13.34	50.425	0.070	0.104	5.972
<b>Urban</b>									
Teens	16.77	1.27	11.72	20.86	49.39	43.443	0.187	0.122	3.518
Youth	19.08	1.08	35.18	6.51	38.14	48.976	0.150	0.078	4.117
Prime-age	14.12	5.85	28.40	2.88	48.77	52.829	0.263	0.095	5.649
<b>Rural</b>									
Teens	1.86	0.00	1.91	5.16	91.06	41.728	0.136	0.080	3.531
Youth	1.32	0.28	1.94	1.38	95.08	46.943	0.149	0.109	4.388
Prime-age	2.29	0.19	3.03	0.78	93.70	48.642	0.199	0.082	5.070

## 5. THE MAJORITY OF JOBLESS YOUTHS UNEMPLOYED BUT NON NEGLIGEABLE PROPORTION INACTIVE

Table 3A. Unemployment and inactivity – MEN

	(1)	(2)	(3)	(4)	(5)
	<i>Active (ILO)</i>	<i>Unemp. rate (ILO)</i>	<i>Unemp.to Population Ratio</i>	<i>Available &amp; no search</i>	<i>Not available</i>
<b>Dar es Salaam</b>					
Teens	0.386	0.465	0.179	0.027	0.054
Youth	0.790	0.403	0.318	0.020	0.073
Prime-age	0.989	0.015	0.015	0.004	0.007
<b>Urban</b>					
Teens	0.498	0.126	0.063	0.035	0.082
Youth	0.850	0.106	0.090	0.016	0.077
Prime-age	0.965	0.017	0.016	0.005	0.030
<b>Rural</b>					
Teens	0.773	0.016	0.012	0.025	0.037
Youth	0.936	0.015	0.014	0.019	0.032
Prime-age	0.974	0.007	0.007	0.007	0.018

Table 3B. Unemployment and inactivity - WOMEN

	(1) <i>Active(ILO)</i>	(2) <i>Unemp. rate (ILO)</i>	(3) <i>Unemp.to Population Ratio</i>	(4) <i>Available &amp; no search</i>	(5) <i>Not available</i>
<b>Dar es Salaam</b>					
Teens	0.466	0.431	0.201	0.061	0.070
Youth	0.679	0.449	0.305	0.091	0.185
Prime-age	0.778	0.109	0.085	0.056	0.166
<b>Urban</b>					
Teens	0.472	0.057	0.027	0.118	0.138
Youth	0.750	0.104	0.078	0.083	0.143
Prime-age	0.906	0.015	0.014	0.041	0.053
<b>Rural</b>					
Teens	0.767	0.007	0.005	0.031	0.038
Youth	0.935	0.012	0.011	0.021	0.039
Prime-age	0.954	0.004	0.003	0.007	0.039

## 6. SOME DISCOURAGED - OTHERS REPORT HEALTH REASONS

Table 4A. Reasons for not looking/inactivity – MEN

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			<i>Not look</i>					<i>Not available</i>	
	<i>Thought would not find</i>	<i>Waiting for job /reply</i>	<i>Off- season</i>	<i>HH duties</i>	<i>temp. ill</i>	<i>Other</i>	<i>HH duties</i>	<i>Sick</i>	<i>other</i>
<b>Dar es Salaam</b>									
Teens	64.48	13.58	0.00	3.16	3.60	15.18	28.03	11.26	60.71
Youth	25.55	32.48	0.00	2.68	0.00	39.30	18.71	24.71	56.57
Prime-age	0.00	100.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00
<b>Urban</b>									
Teens	28.28	48.83	0.00	7.53	1.48	13.88	25.83	31.66	42.51
Youth	51.83	21.84	0.00	18.02	0.00	8.31	16.85	15.74	67.41
Prime-age	16.20	7.01	38.32	0.00	0.00	38.47	12.56	83.41	4.03
<b>Rural</b>									
Teens	17.43	22.11	8.25	30.70	1.32	20.18	22.67	45.91	31.42
Youth	19.92	27.88	8.68	37.59	0.00	5.93	10.49	58.62	30.89
Prime-age	33.80	39.35	17.72	9.13	0.00	0.00	3.17	92.11	4.73

Table 4B. Reasons for not looking/inactivity – WOMEN

	(1)	(2)	(3) <i>Not look</i>	(4)	(5)	(6)	(7)	(8) <i>Not available</i>	(9)
	<i>Thought would not find</i>	<i>Waiting for job /reply</i>	<i>Off- season</i>	<i>HH duties</i>	<i>temp. ill</i>	<i>Other</i>	<i>HH duties</i>	<i>Sick</i>	<i>other</i>
<b>Dar es Salaam</b>									
Teens	59.98	8.50	0.00	12.47	1.00	18.05	43.03	17.62	39.35
Youth	67.49	2.72	0.00	24.56	0.00	5.23	73.14	15.12	11.74
Prime-age	42.85	19.90	16.65	17.02	0.00	3.58	77.75	20.14	2.11
<b>Urban</b>									
Teens	16.67	28.89	1.65	48.00	0.00	4.80	4.47	18.12	41.41
Youth	15.37	17.94	3.48	47.06	1.78	14.37	45.83	27.62	26.56
Prime-age	36.49	20.49	10.26	29.08	0.00	3.68	46.36	46.87	6.77
<b>Rural</b>									
Teens	17.15	18.31	20.80	28.63	0.00	15.11	21.42	54.89	23.69
Youth	22.39	5.15	8.50	46.57	0.00	7.39	24.31	57.10	18.58
Prime-age	47.23	25.34	4.32	0.00	8.13	4.99	12.77	85.83	1.40

## 7. THOSE OUT OF WORK STAY THERE LONG RATHER THAN CYCLING IN AND OUT

Table 5A- Characteristics of the unemployed – MEN

	(1)	(2)	(3)	(5)	(6)	(7)
	<i>Search Methods</i>					
	<i>Enquiry with employer</i>	<i>Family and friends</i>	<i>Attempt to start own business</i>	<i>LTU</i>	<i>Very LTU.</i>	<i>Unemployment duration</i>
<b>Dar es Salaam</b>						
Teens	75.31	18.96	5.73	0.487	0.265	3.596
Youth	58.37	30.76	10.87	0.798	0.488	9.131
Prime-age	64.26	8.91	26.83	0.599	0.499	3.392
<b>Urban</b>						
Teens	67.79	28.56	2.19	0.701	0.525	5.025
Youth	79.25	12.93	7.82	0.737	0.646	5.660
Prime-age	89.46	0.00	10.54	0.493	0.367	1.974
<b>Rural</b>						
Teens	39.69	25.89	28.11	0.245	0.208	1.776
Youth	51.06	20.15	24.83	0.265	0.156	1.730
Prime-age	64.55	5.89	29.56	0.334	0.237	1.677

Table 5B- Characteristics of the unemployed – WOMEN

	(1)	(2)	(3)	(5)	(6)	(7)
	<i>Search Methods</i>					
	<i>Enquiry with employer</i>	<i>Family and friends</i>	<i>Attempt to start own business</i>	<i>LTU</i>	<i>Very LTU.</i>	<i>Unemployment duration</i>
<b>Dar es Salaam</b>						
Teens	55.16	38.40	5.23	0.599	0.373	4.715
Youth	53.55	29.21	17.24	0.619	0.432	5.894
Prime-age	36.46	19.44	41.21	0.498	0.445	2.805
<b>Urban</b>						
Teens	63.13	21.85	15.03	0.663	0.563	3.514
Youth	59.14	17.44	20.27	0.784	0.634	5.430
Prime-age	56.90	11.95	31.15	0.838	0.616	9.271
<b>Rural</b>						
Teens	44.33	0.00	55.67	0.266	0.222	1.634
Youth	67.73	0.00	27.58	0.310	0.190	1.579
Prime-age	69.07	0.00	30.93	0.224	0.189	1.427

## 8. DESPITE APPEARANCES, EDUCATION 'PAYS'

Table 6A  
 Youths' and Teenagers' Education and labor market outcomes  
 Individuals out of school  
 Urban Males

	(1) Work	(2) Unempl. (if active)	(3) Active	(4) ln wages	(5) Work	(6) Unempl. (if active)	(7) Active	(8) ln wages
Ed= 2	0.016 (0.070)	0.110 (0.073)	0.127** (0.054)	-0.598** (0.252)	0.150** (0.071)	0.096 (0.076)	0.252*** (0.055)	-0.216 (0.258)
Ed=3	0.020 (0.054)	0.098* (0.059)	0.126*** (0.042)	-0.458** (0.204)	0.258*** (0.060)	0.059 (0.069)	0.342*** (0.047)	0.247 (0.239)
Ed= 4	-0.165** (0.065)	0.255*** (0.067)	0.062 (0.050)	0.070 (0.255)	0.262*** (0.074)	0.105 (0.080)	0.405*** (0.057)	1.398*** (0.304)
Age	yes	yes	yes	yes				
Exp.					yes	yes	yes	yes
Obs.	1263	1039	1263	282	1263	1039	1263	282

Table 6B  
 Youths' and Teenagers' Education and labor market outcomes  
 Individuals out of school  
 Urban Females

	(1) Work	(2) Unempl. (if active)	(3) Active	(4) ln wages	(5) Work	(6) Unempl. (if active)	(7) Active	(8) ln wages
Ed= 2	0.006 (0.058)	0.094 (0.058)	0.075 (0.055)	-0.324 (0.215)	-0.146** (0.068)	0.069 (0.045)	-0.083 (0.061)	-2.139*** (0.575)
Ed=3	0.013 (0.045)	0.094** (0.047)	0.091** (0.043)	0.053 (0.148)	0.013 (0.086)	-0.008 (0.055)	0.008 (0.078)	-0.599*** (0.203)
Ed= 4	-0.048 (0.054)	0.178*** (0.055)	0.094* (0.051)	0.859*** (0.176)	0.080 (0.119)	-0.018 (0.076)	0.082 (0.107)	-
Age	yes	yes	yes	yes				
Exp.					yes	yes	yes	yes
Obs.	415	356	415	94	415	356	415	94

## 9.STATE OF LOCAL LABOR MARKETS MATTERS – SO DO BACKGROUND CHARACTERISTICS

Table 7A  
Determinants of teenagers' and youths' time use  
Urban Males

	(1) Work	(2) School	(3) School and work	(4) Unempl.	(5) Idle
Adult emp. rate	0.490* (0.294)	-0.337 (0.258)	0.082 (0.152)	-0.019 (0.233)	-0.052 (0.172)
Share youth	-0.400** (0.155)	0.003 (0.136)	-0.240*** (0.081)	0.039 (0.123)	0.118 (0.091)
Time to school	0.033 (0.077)	0.111 (0.068)	0.016 (0.040)	-0.227*** (0.061)	0.099** (0.045)
Training	0.127*** (0.039)	-0.171*** (0.035)	-0.013 (0.020)	0.019 (0.031)	0.012 (0.023)
Migrant	-0.010 (0.025)	-0.060*** (0.022)	-0.010 (0.013)	0.011 (0.020)	0.047*** (0.015)
HH educ.	-0.014** (0.005)	0.058*** (0.005)	0.003 (0.003)	-0.021*** (0.004)	-0.020*** (0.003)
Observations	1964	1743	1964	1964	1964

Table 7B  
 Determinants of teenagers' and youths' time use  
 Urban Females

	(1) Work	(2) School	(3) School and work	(4) Unempl.	(5) Idle
Adult emp. rate	0.279** (0.136)	-0.045 (0.104)	-0.052 (0.057)	0.039 (0.115)	-0.325*** (0.100)
Share youth	-0.547*** (0.111)	0.076 (0.085)	-0.169*** (0.046)	0.240** (0.094)	0.062 (0.082)
Time to school	0.048 (0.082)	0.142** (0.063)	0.067** (0.034)	-0.164** (0.070)	0.042 (0.061)
Training	0.071* (0.038)	-0.083*** (0.029)	-0.015 (0.016)	-0.023 (0.032)	0.020 (0.028)
Migrant	0.083*** (0.022)	-0.076*** (0.017)	-0.005 (0.009)	-0.010 (0.019)	-0.002 (0.016)
HH educ.	-0.010** (0.005)	0.025*** (0.004)	-0.009*** (0.002)	-0.016*** (0.004)	-0.009** (0.004)
Observations	2360	2360	2360	2360	2360

Table 8A  
Determinants of teenagers' and youths' time use  
Rural Males

	(1) Work	(2) School	(3) School and work	(4) Unempl.	(5) Idle
Adult emp. rate	0.902*** (0.185)	-0.217 (0.181)	0.265 (0.164)	-0.334*** (0.088)	-0.085 (0.095)
Share youth	0.342** (0.137)	0.128 (0.134)	0.304** (0.122)	0.020 (0.065)	-0.185*** (0.070)
Time to school	-0.044*** (0.008)	-0.010 (0.008)	-0.027*** (0.007)	0.013*** (0.004)	0.015*** (0.004)
Training	0.023 (0.037)	-0.058 (0.037)	-0.020 (0.033)	-0.005 (0.018)	0.020 (0.019)
Migrant	0.003 (0.022)	-0.032 (0.021)	-0.003 (0.019)	0.026** (0.010)	-0.000 (0.011)
HH educ.	-0.014*** (0.003)	0.023*** (0.003)	0.007** (0.003)	-0.001 (0.002)	-0.000 (0.002)
Observations	3939	3939	3939	3939	3939

Table 8B  
 Determinants of teenagers' and youths' time use  
 Rural Females

	(1) Work	(2) School	(3) School and work	(4) Unempl.	(5) Idle
Adult emp. rate	0.459** (0.180)	0.019 (0.165)	0.142 (0.144)	-0.199** (0.087)	-0.137 (0.099)
Share youth	0.091 (0.122)	-0.123 (0.112)	-0.036 (0.097)	-0.030 (0.059)	0.027 (0.067)
Time to school	-0.013* (0.007)	-0.041*** (0.006)	-0.029*** (0.006)	0.015*** (0.003)	0.010*** (0.004)
Training	0.030 (0.042)	-0.063* (0.038)	-0.020 (0.033)	-0.024 (0.020)	0.037 (0.023)
Migrant	-0.005 (0.018)	-0.001 (0.017)	-0.001 (0.015)	-0.011 (0.009)	0.016 (0.010)
HH educ.	-0.010*** (0.003)	0.017*** (0.003)	0.007*** (0.002)	-0.002 (0.001)	0.001 (0.002)
Observations	3947	3947	3947	3947	3947

- Concluding remarks
  - Large incidence of joblessness in urban areas
  - Largely due to involuntary unemployment
  - Although inactivity rates worrisome

Local labor demand and supply matters  
less educated more severely affected

Why do not youths stay in school given that education pays?

Must be costs

And how do they cope?