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LARGEST-EVER HOUSEHOLD BUDGET SURVEY IN TANZANIA

This report presents highlights of the 2000/01 Tanzanian Household Budget Survey (HBS), conducted by the National Bureau of Statistics (NBS). It was the largest-ever household budget survey in Tanzania, covering more than 22,000 households – and an important achievement for the NBS.

The NBS is an independent executive agency of government. Its aim is to:

“...facilitate decision-making within the government and the business community, to stimulate research and inform public debate through the provision of relevant, reliable and timely statistics and quality statistical services...”

The survey will form the basis for tracking progress resulting from the Government's poverty-reduction policies. It also shows trends during the 1990s in many poverty indicators. The key points in the following pages are described in more detail in the HBS 2000/01 Final Report.

The HBS will be an important contribution to monitoring and ultimately eradicating poverty in Tanzania. I am delighted to present the following as an accessible guide to its main findings.

Hon. Dr. Abdallah O. Kigoda
Minister of State
President's Office
Planning and Privatisation

ABOUT THE HOUSEHOLD BUDGET SURVEY

Measuring trends in poverty

Poverty reduction is a main objective of Tanzanian Government policy. Plans for poverty reduction were outlined in the [Tanzanian Development Vision: 2025](#), the [National Poverty Eradication Strategy](#) of June 1998 and the [Poverty Reduction Strategy Paper](#) of October 2000. All stress the importance of equitable, sustainable economic growth and the improvement of basic social services.

The analysis of the [2000/01 HBS](#) focuses on the poverty indicators defined in these strategies. It provides both national and regional information on these indicators and a baseline against which future progress can be assessed. By comparison with the [1991/92 HBS](#), this latest survey has much to say about trends in poverty indicators during the 1990s and the effect of policies pursued during the period.

This short report highlights the key findings of the 2000/01 survey. These are covered fully in the main document – [Household Budget Survey 2000/01, Final Report](#).

More than 22,000 households interviewed

A nationally-representative sample of 22,178 households was interviewed in this latest [HBS](#) – between 12 and 24 households in each sampled area and around 1,000 in each of mainland Tanzania's 20 regions. The 1991/92 HBS collected very similar information to the 2000/01 survey, though it was much smaller, with data from only 4,823 households.

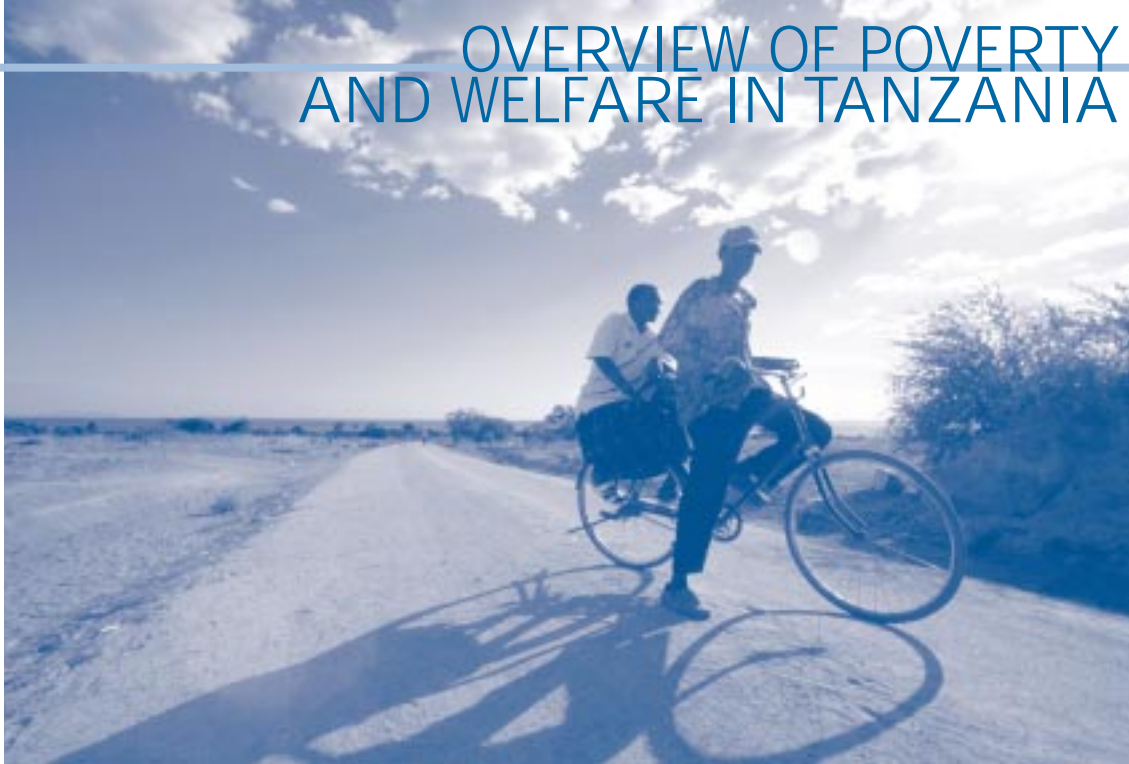
Data were collected on a whole range of individual and household characteristics, including:

- household members' education, economic activities and health status
- household expenditure, consumption and income
- ownership of consumer goods and assets
- housing structure and building materials, and
- household access to services and facilities.

One main household questionnaire was used, together with a diary recording household consumption, spending and income over a calendar month. Individuals used personal diaries to record consumption away from home.

The latest [HBS](#) gives information for mainland Tanzania as a whole and separately for [Dar es Salaam](#), [other urban areas](#) and [rural areas](#) and for each region. The 1991/92 HBS was too small for reliable information on each region.

OVERVIEW OF POVERTY AND WELFARE IN TANZANIA



Many improvements have been concentrated in urban areas. They have been more limited in rural areas

The 2000/01 Tanzanian HBS confirms that **income poverty** is high and social indicators are usually poor. It also points to **large gaps** between different groups. The biggest gap is between **urban** and **rural populations**. At one extreme, Dar es Salaam is substantially better off than the rest of the country; at the other, rural households are much poorer than their urban equivalents in almost all respects. The need to focus on reducing poverty in rural areas remains compelling. Regional differences are more variable. However, it is possible to identify a number of regions that are disadvantaged by most measures. These consistently include Lindi, Singida and Shinyanga; they often include Pwani, Mara and Tabora.

On the whole, differences in poverty and social indicators between men and women are smaller than geographical differences. **Women** have lower incomes than **men**, though it is not possible to assess differences in consumption between individuals. The proportion of households headed by women has increased during the 1990s, although they are no poorer than households headed by men. Adult women have lower levels of **education** than adult men, but current school enrolment rates are slightly higher for girls.

Many measures of **welfare** show modest **improvements** during the 1990s. The economy has diversified and household consumption has increased. The proportion of the population that is poor has fallen slightly, although absolute numbers have risen due to population growth. However, improvements are often associated with **rising inequality**. Many improvements have been concentrated in urban areas, particularly Dar es Salaam, while they have been more limited in rural areas. Households with uneducated or economically inactive heads have actually seen an increase in poverty over the period. The improvements of the last decade have not been equally distributed.

Key Indicators from the Household Budget Surveys

Indicator	1991/92	2000/01
THE HOUSEHOLD AND HOUSING		
Average household size	5.7	4.9
Mean percentage of dependants	40	42
Percentage of female-headed households	18	23
Percentage of households with a modern roof	36	43
Percentage of households with modern walls	16	25
Average number of persons per sleeping room	2.6	2.4
Percentage of households with electricity	9	12
Percentage of households using a toilet	93	93
Percentage of households owning a radio	37	52
EDUCATION, HEALTH AND WATER		
Percentage of adult men with any education	83	83
Percentage of adult women with any education	68	67
Percentage of adults literate	–	71
Primary net enrolment ratio	–	59
Percentage of children age 7-13 years studying	57	61
Secondary net enrolment ratio (forms I-IV)	–	5
Percentage of households within 2 km of a primary school	66	63
Percentage of ill individuals who consulted any health provider	–	69
Percentage of households within 6 km of a primary health facility	75	75
Percentage of households with a protected water source	46	55
Percentage of households within 1 km of drinking water	50	55
ECONOMIC ACTIVITIES		
Percentage of adults whose primary activity is agriculture	73	63
Percentage of children age 5-14 years who are working	–	62
Mean area of land owned by rural households (acres)	–	6.0
Percentage of households with a member with a bank account	18	6
CONSUMPTION AND POVERTY		
Average consumption expenditure per capita (2000/01 TShs, 28 days)	8,686	10,120
Percentage of consumption expenditure on food	71	65
Percentage of population below the food poverty line	22	19
Percentage of population below the basic needs poverty line	39	36
Gini coefficient	0.34	0.35
Percentage of total consumption by the poorest 20 percent of population	7	7

1. THE TANZANIAN HOUSEHOLD



Nationally, 84% of Tanzanian households own the house they live in, although in urban areas over a third rent privately

More households headed by women

There has been a significant rise in the proportion of households headed by a woman – from 18% in 1991/92 to 23% in 2000/01. Urban areas other than Dar es Salaam have the largest proportion of such households (Figure 1).

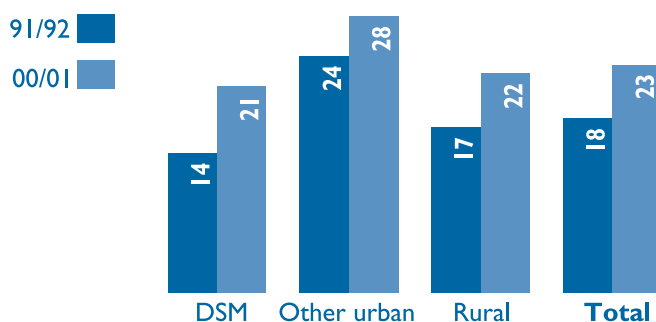
This has been accompanied by a fall in [household size](#) – from an average of 5.7 to 4.9 people – and a small rise in the proportion headed by the over-65s.

More modern housing conditions

There has been a rise in the proportion of households living in dwellings built with [modern materials](#) – concrete, stone, cement and metal.

Some 43% of Tanzanian houses now have a metal roof and 25% have walls of concrete, cement, stone or baked or burnt brick. These improvements usually have been greater in urban areas – but are seen also in rural areas (Figure 2).

FIGURE 1 PERCENTAGE OF HOUSEHOLDS HEADED BY A WOMAN, BY AREA



Overall, 10% of Tanzanian households are connected to the [electricity grid](#), with an additional 2% having electricity from other sources. Coverage of the grid is most extensive in urban areas – 59% of households in Dar es Salaam and 30% in other urban areas. In rural areas, only 2% of households are connected. During the 1990s, coverage increased in urban areas but showed little change in rural areas.

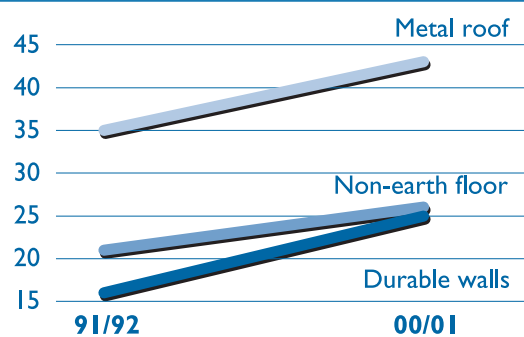
1. The Tanzanian Household

Dar es Salaam, Kilimanjaro and Arusha are the regions with the highest proportion of households connected to the grid. Those in Shinyanga and Kagera are least likely to be connected.

Around 9% of households use electricity as their main energy source for lighting, while 84% depend on paraffin.

Use of electricity for **cooking** is less common – reported by about 1% of households. Firewood and charcoal are the most important cooking fuels – used by 78% and 14% of households respectively. In urban areas, the use of electricity for lighting increased, while its use for cooking declined. This probably reflects its increased cost.

FIGURE 2 PERCENTAGE OF HOUSEHOLDS LIVING IN DWELLINGS MADE OF MODERN MATERIALS



Some 93% of households report having use of a **toilet**; over 90% even in rural areas. There was no change over the decade. The proportion of households not using a toilet varies between the regions, the highest proportions being in Tanga, Arusha and Mara.

During the 1990s, there was a fall in average **distance** to a number of **key services** – such as markets, shops and public transport.

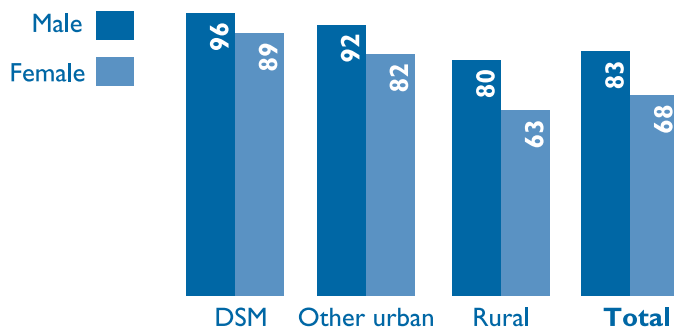
However, distances to a primary court and a primary cooperative society increased. In rural areas there are long average distances to some key facilities, with households on average 37 kilometres from a bank and 18 kilometres from a police post.

Urban households are more likely than rural ones to own a range of **consumer goods**. Ownership increased during the 1990s. While the increase was largest in Dar es Salaam and other urban areas, rural areas also saw an increase in the ownership of a number of goods not dependent on mains electricity, including bicycles and radios. Some 46 % of rural households now own a radio.

Nationally, 84% of Tanzanian households **own the house** they live in, although in urban areas over a third rent privately. There was very little change in tenure over the decade.

2. Education

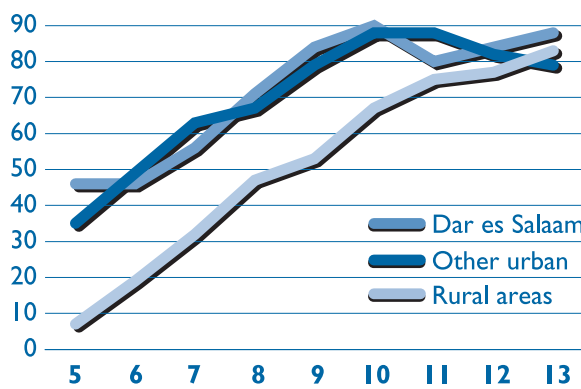
FIGURE 3 PERCENTAGE OF ADULTS WITH SOME EDUCATION, BY SEX AND AREA



Improvement in the level of **adult education** over the decade was limited. There was a rise in the highest standard achieved for those with primary schooling but no apparent decline in the proportion of adults without education.

Some 59% of seven to thirteen-year-olds were enrolled in Standards I-VII in 2000/01. **Enrolment levels** are much higher in urban areas than in the rural population – 71% compared with 56%. Girls have slightly higher enrolment rates than boys in this age range, although boys are more likely to stay in school at older ages.

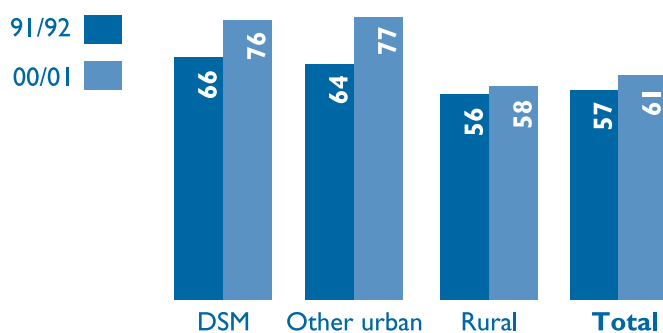
FIGURE 4 PERCENTAGE OF CHILDREN ATTENDING SCHOOL, BY AGE AND AREA



Kilimanjaro, Dar es Salaam, Iringa and Mbeya have the highest primary enrolment rates; Lindi and Shinyanga the lowest.

There are many **over-age children** in primary schools – partly because they often enter school late, particularly in rural areas (Figure 4). As a result, even children in school are often well below the class they should be in according to their age. For example, some 82% of 13-year-olds in school are enrolled in Standard V or below (Table 2).

FIGURE 5 PERCENTAGE OF CHILDREN AGED 7-13 IN SCHOOL, 1991/92 AND 2000/01



There was a small rise in **children's participation** in education over the decade. The proportion of seven to thirteen-year-olds attending school, in any class, increased from 57 to 61%. Enrolment increased most in urban areas but by only two percentage points in rural areas (Figure 5).

Enrolment in **secondary education** is much lower than in primary. Only 5% of 14 to 17-year-olds are enrolled in Forms I-IV. Enrolment in this age group is highest in Dar es Salaam, at 19 percent. It is lowest in rural areas, where only 2% of these children are in Forms I-IV.

TABLE 2 CLASS ATTENDED BY AGE (%)

Age	Pre-school	Standard							Above St.VII	Total
		I	II	III	IV	V	VI	VII		
7	37.2	52.5	9.3	1.0						100.0
8	13.0	51.2	29.3	5.4	1.1					100.0
9	8.0	41.2	31.1	13.4	4.7	1.4				100.0
10	5.6	23.8	33.4	26.2	9.1	1.4	0.4			100.0
11	1.0	17.8	24.5	26.9	19.3	7.7	2.4	0.4		100.0
12	1.3	8.1	12.1	25.0	27.0	18.8	6.4	1.2	0.1	100.0
13	1.6	3.7	7.8	17.5	24.7	26.3	13.7	3.9	0.9	100.0

Distance to schools

Almost two-thirds of Tanzanian households are within **two kilometres** of a **primary school**; even in rural areas 58% are within this distance. This suggests distance is not a large impediment to primary schooling for most households. Households are farthest from a primary school in Shingyanga, Kagera and Dodoma, and closest in Dar es Salaam, Kilimanjaro, Lindi, Ruvuma and Rukwa. Households are much farther from **secondary schools** – in rural areas, a quarter are **20 kilometres** or more.

3. HEALTH

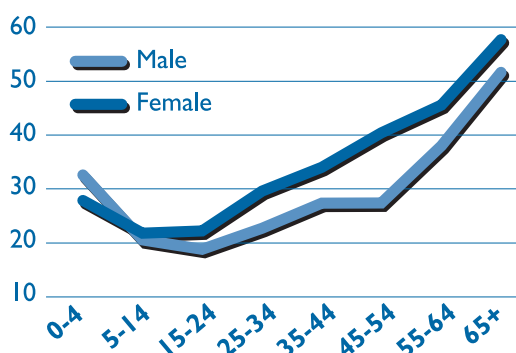
Slightly over half of patients who consulted a health-care provider used a government service



Children and the elderly most likely to be ill

In rural areas, some 28% of individuals were ill or injured in the four weeks before the survey, compared with 19% in Dar es Salaam and 24% in other urban areas.

FIGURE 6 PERCENTAGE OF PEOPLE ILL OR INJURED IN THE FOUR WEEKS BEFORE THE SURVEY, BY AGE GROUP AND SEX



Children under five and older adults are the age groups most likely to be ill or injured. **Women** report more illness than men. However, among children under five, **boys** are ill more often than girls (Figure 6).

Some 69% of individuals who had been ill said they had consulted a **health-care provider**. Even in rural areas, 67% reported consultation of some kind.

For individuals who have been ill, the most commonly reported complaint is **fever** or **malaria** – reported in 69% of children and 60% of adults.

50/50 public/private split

Some 54% of those who consulted a health-care provider used a **government service** (Table 3). Take-up of government services is lowest in Dar es Salaam, where use of the private sector is highest. **Private providers** play an important role even in rural areas, where traditional healers and missionary facilities are also prominent.

TABLE 3 SOURCE OF CONSULTATION FOR INDIVIDUALS WHO WENT TO ANY HEALTH-CARE PROVIDER (%)

Source	Dar es Salaam	Other urban areas	Rural areas	Mainland Tanzania
Government				
Dispensary/hospital	40.0	37.9	42.3	41.6
Regional hospital	2.9	12.2	1.7	3.1
Community health centre	6.6	8.3	10.9	10.4
Private, modern				
Dispensary/hospital	47.4	31.8	19.3	22.3
Doctor/dentist	1.9	5.1	7.6	7.0
Missionary hospital/dispensary	1.2	6.6	10.1	9.2
Other				
Traditional healer	2.6	5.5	17.2	15.0
Pharmacy/chemist	4.1	3.1	2.3	2.5
Other	0.7	0.8	1.9	1.7

Note: Since more than one source might have been consulted, the figures may sum to more than 100%

Some 11% of people consulted more than one provider. Users are most likely to report **dissatisfaction** with government providers. Long waiting times and lack of drugs are the most common complaints about government facilities. **High cost** is the most common complaint about modern private care, while it is the **ineffectiveness** of the treatment for traditional healers.

Most households are reasonably close to **primary health-care facilities**. Even in rural areas, over 90% are within 10 kilometres of a dispensary or health centre.

Over 90% of households are **within six kilometres** of a dispensary or health centre in Dar es Salaam, Kilimanjaro and Kigoma, while less than half of the households in Dodoma are within that distance.

The average **distance to a hospital** is 21 kilometres; it is 26 kilometres in rural areas.

4. DRINKING WATER

Some 44% of Tanzanian households still use unprotected sources of drinking water



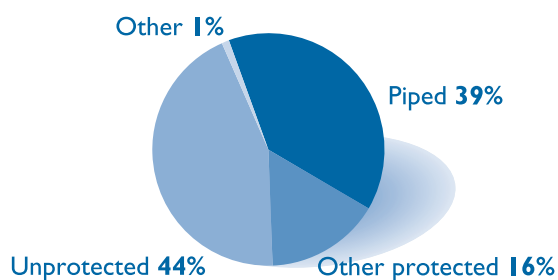
44% of supplies still unprotected

Overall, 44% of Tanzanian households still use unprotected sources of drinking water, including wells and springs and surface water such as rivers and lakes. Some 39% use piped water and another 16% use protected wells or springs (Figure 7).

People in urban areas have better drinking water supplies than the rural population. Some 53% of rural households depend on an unprotected water supply, while 86% of households in Dar es Salaam and 76% in other urban areas have piped water of some kind (Table 4). Rural households must also travel farther to their supply, with only 49% within one kilometre of it. This compares with 84% and 73% of households in Dar es Salaam and other urban areas respectively.

Urban and rural people saw quite different trends in drinking water supplies during the 1990s. In rural areas, sources improved, with the proportion of households depending on unprotected supplies falling from 64% to 53%. In urban areas, by contrast, there was a fall in the proportion of households with water piped to the dwelling.

FIGURE 7 SOURCE OF DRINKING WATER (%)



There are big differences in drinking water sources from region to region. Three-quarters or more of households in Dar es Salaam, Kilimanjaro, Kigoma and Mbeya have a protected source, whereas more than three-quarters in Lindi and Tabora depend on an unprotected one.

TABLE 4 SOURCES OF DRINKING WATER BY AREA (%)

	Dar es Salaam		Other urban areas		Rural areas		Mainland Tanzania	
	91/92	00/01	91/92	00/01	91/92	00/01	91/92	00/01
Piped water	93.0	85.7	72.7	75.6	24.5	28.3	35.9	39.3
Private piped to house	22.1	13.7	20.3	15.1	1.1	0.8	5.2	3.8
Piped, elsewhere	71	72.1	52.4	60.5	23.5	27.5	30.7	35.5
Other protected sources	3.8	7.9	10.9	12.4	10.3	17.6	10.0	16.2
Public well (protected)	3.5	4.7	10.5	7.5	9.4	13.3	9.2	11.8
Private well (protected)	0.4	3.2	0.4	4.2	0.7	1.4	0.7	2.0
Spring (protected)	0.0	0.0	0.0	0.7	0.2	2.9	0.2	2.4
Unprotected sources	1.8	3.6	10.1	11.2	63.9	53.2	52.1	43.6
Public well (unprotected)	1.7	2.2	5.5	5.1	26.5	21.2	21.9	17.5
Private well (unprotected)	0.1	1.0	0.8	1.2	2.6	3.8	2.2	3.2
Spring (unprotected)	0.0	0.2	0.4	2.0	11.6	12.4	9.2	10.0
River, dam or lake	0.0	0.1	3.4	3.0	23.2	15.8	18.8	12.8
Other sources	1.4	2.8	6.2	0.8	1.2	0.9	2.0	1.0
<i>Total</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

Only about one third of households are [within a kilometre](#) of drinking water in Mara and Shinyanga but over 80% are within that distance in Ruvuma and Dar es Salaam.

5. ECONOMIC ACTIVITIES

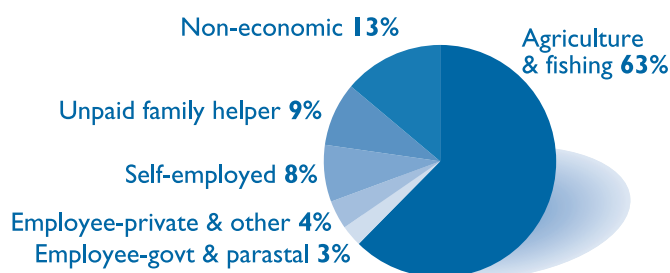
Women have experienced the largest move out of agricultural activity – from being the main activity of 77% in 1991/92 to 63% in 2000/01



Most still depend on agriculture

Although most Tanzanians still depend on agriculture, households have diversified their economic activity (Table 5). Some 70% are now headed by an individual who works in agriculture or fishing, compared with 75% in 1991/92. An even larger reduction in the importance of agriculture is seen in the activities of all adults in the household – falling from the main activity of 73% to 63% (Figure 8).

FIGURE 8 MAIN ACTIVITY OF ADULTS (%)



There has also been a drop in **government** and **parastatal** employment – from 5.2% to 2.5% of adults. The fall is biggest in Dar es Salaam, where such employment is down from 21% to 7% of adults. There is a rise in **private sector** employment and in self-employment, which are now the main activities of 40% of adults in Dar es Salaam and 31% in other urban areas.

Women have experienced the largest reductions in agricultural activity – from being the main activity of 77% in 1991/92 to 63% in 2000/01. **Men** saw a smaller fall, but have been more affected by the shift from government and parastatal employers to the private sector.

Some 42% of households report having a **business** – the highest proportion is in urban areas, particularly outside Dar es Salaam.

In most **regions**, around 60%-80% of adults report agriculture as their main activity. The proportion is lower only in Dar es Salaam, Arusha and Mbeya, where employment and self-employment are more common than elsewhere.

TABLE 5 ECONOMIC ACTIVITY OF ADULTS, BY AREA (%)

	Dar es Salaam		Other urban areas		Rural areas		Mainland Tanzania	
	91/92	00/01	91/92	00/01	91/92	00/01	91/92	00/01
Farming, livestock or fishing	2.3	3.0	43.0	26.9	83.4	75.8	72.8	63.2
Employee – government	8.7	3.8	9.1	5.1	2.1	1.2	3.4	1.9
Employee – parastatal	12.7	3.1	3.2	1.6	0.6	0.2	1.8	0.6
Employee – other	9.7	16.0	4.1	9.6	1.0	1.9	2.0	4.1
Self-empl. with employees	17.3	5.9	13.3	4.5	2.0	1.0	4.5	1.9
Self-empl. without employees	1.1	18.1	0.5	16.7	0.2	2.9	0.3	6.1
Unpaid family helper	4.8	10.5	4.7	13.0	1.1	7.5	1.8	8.5
Housewife, house-maker or household chores	21.6	19.2	10.1	11.2	1.0	4.0	3.6	6.2
Student	14.7	8.6	6.4	4.3	5.7	2.0	6.3	2.8
Inactive	7.2	11.6	5.4	7.2	2.9	3.5	3.5	4.6
<i>Total</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

Around 89% of rural households report **owning land** for agriculture or grazing, a similar proportion to 1991/92. The degree of agricultural **mechanisation** among rural households is low – while 11% own a plough, only around 0.2 % have a tractor.

Only 6% of households have one or more members with a bank account and only 4% participate in an informal savings group. The use of banking and savings groups fell during the 1990s.

Children's activities

Some 62% of children aged five to fourteen undertake some form of work; slightly over half of these children combine work with study (Table 6). Girls are more likely to work than boys – 64 % of girls compared with 59% of boys.

TABLE 6 ACTIVITIES OF CHILDREN IN THE 7 DAYS BEFORE THE SURVEY, BY AGE GROUP

Activity	5-9 years	10-14 years	Total 5-14
Agriculture, fishing or employment and not studying	8.6	11.3	9.9
Housework or household business and not studying	25.9	10.3	18.2
Agriculture, fishing or employment and studying	1.1	5.9	3.5
Housework or household business and studying	16.1	44.7	30.1
Studying only	16.7	22.4	19.5
Inactive	31.6	5.4	18.8
<i>Total</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

6. HOUSEHOLD CONSUMPTION

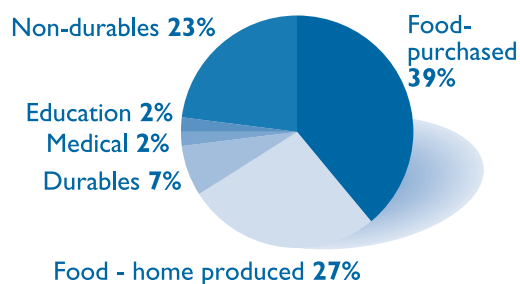
After adjusting for inflation, average household consumption rose by around 17% between 1991/92 and 2000/01



Signs of rising household incomes

Average consumption per person is highest in Dar es Salaam – 2.6 times higher than the rural average of about 8,500 TSh per month. After adjusting for inflation, household consumption rose by around 17% between 1991/92 and 2000/01, suggesting rising household incomes. Dar es Salaam saw the biggest rise – around 47%. Rural areas witnessed only around 11%. As a result, the gap between urban and rural areas widened (Table 7).

FIGURE 9 SHARE OF HOUSEHOLD CONSUMPTION ON FOOD AND OTHER ITEMS (%)



Food makes up 65% of total household consumption (Figure 9). Rural households spend the highest proportion on food; those in Dar es Salaam the lowest. The proportion spent on food fell during the 1990s, from 71% to 65%, consistent with the rise in real incomes. It was down 14 percentage points in Dar es Salaam and five points in rural areas.

TABLE 7 TRENDS IN CONSUMPTION EXPENDITURE PER PERSON (OVER 28 DAYS, 2000/01 TSHS)

	Dar es Salaam	Other urban areas	Rural areas	Mainland Tanzania
2000/01	21,949	14,377	8,538	10,120
1991/92	14,896	12,733	7,661	8,686
% increase	47	13	11	17

6. Household Consumption

Households now purchase more and grow less of the food they consume than they did in 1991/92 (Table 8).

TABLE 8 PERCENTAGE SHARE OF CONSUMPTION BY TYPE OF ITEM CONSUMED

	Dar es Salaam		Other urban areas		Rural areas		Mainland Tanzania	
	91/92	00/01	91/92	00/01	91/92	00/01	91/92	00/01
Food – purchased	67.1	52.2	56.9	52.8	30.5	35.2	35.8	38.6
Food – home produced	0.7	2.1	9.4	7.9	41.8	31.8	35.5	26.8
Durable goods	7.6	7.8	7.4	8.0	7.2	7.1	7.2	7.3
Medical expenditure	0.9	2.9	1.2	2.4	0.9	2.1	0.9	2.2
Education expenditure	1.1	4.0	1.1	3.0	0.8	1.6	0.8	2.0
Other non-durables	22.6	31.1	24.0	25.9	18.9	22.1	19.7	23.1
<i>Total</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>
<i>of which, total food</i>	<i>67.8</i>	<i>54.2</i>	<i>66.3</i>	<i>60.7</i>	<i>72.3</i>	<i>67.0</i>	<i>71.3</i>	<i>65.4</i>

The share of household consumption represented by education and medical expenses has more than doubled. Both are now about 2% of average household expenditure, compared with less than 1% in 1991/92. Dar es Salaam households spend the biggest proportion on health and education – together making up almost 7% of their total expenditure – while rural households spend slightly under 4%.

MEASURING

Expenditure recorded over one month

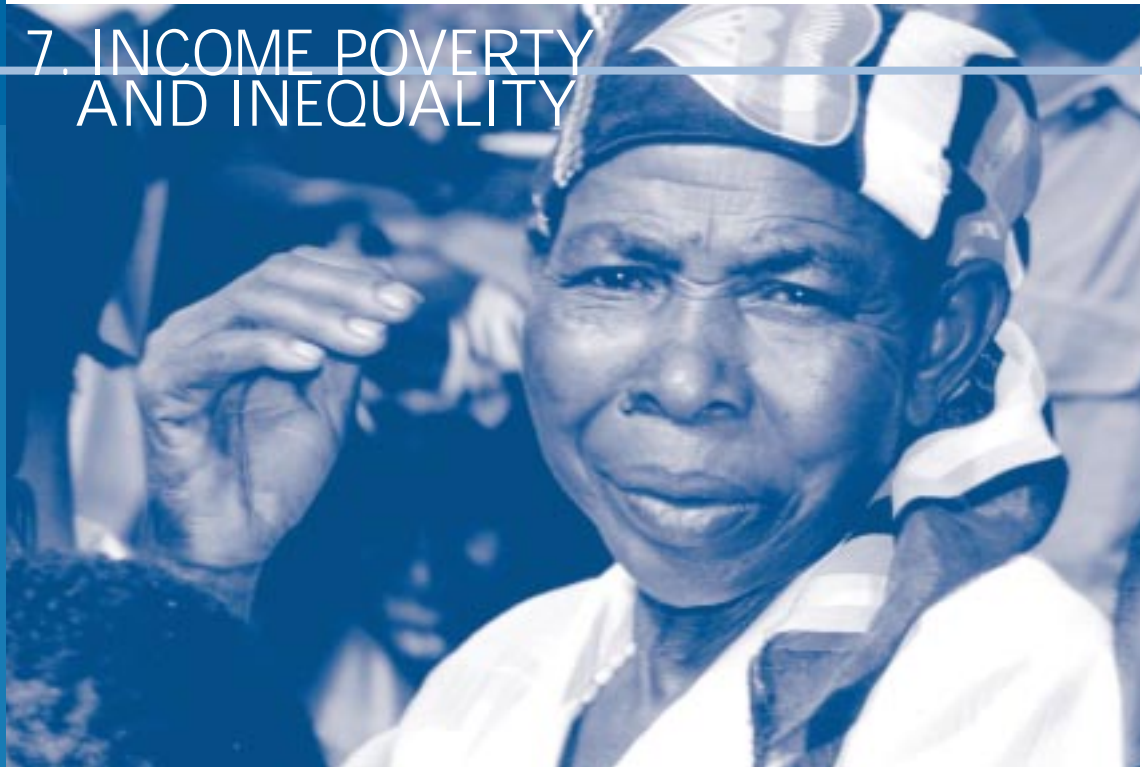
The survey recorded everything that the interviewed households consumed over one month.

It included food and other items that have been purchased; it also included food that was grown by the household and was consumed during the month.

It excluded household expenditure that was not for consumption, for example, purchasing inputs for a farm worked by the household.

7. INCOME POVERTY AND INEQUALITY

Poverty levels are strongly related to the education of the head of household. Some 51% of individuals are poor if the head has no education

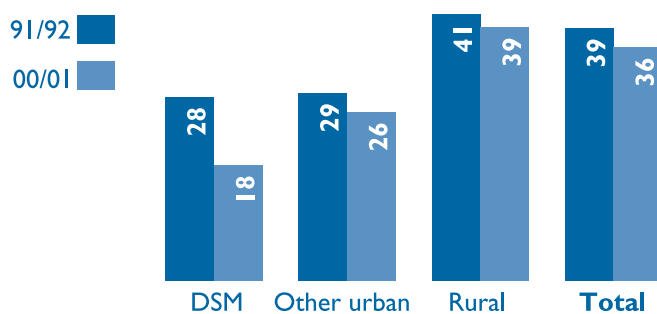


Poverty still a challenge – especially in rural areas

There was a **small fall** in income poverty of about three percentage points over the decade. Some 36% of Tanzanians now fall below the basic needs poverty line and 19% below the food poverty line, compared with 39% and 22% in 1991/92 (Table 9). This decline is not large enough to be statistically significant.

FIGURE 10

PERCENTAGE OF THE POPULATION BELOW THE BASIC NEEDS POVERTY LINE, 1991/92 AND 2000/01



Rural areas have the highest poverty levels, with 39% of the population below the basic needs poverty line compared with 18% in Dar es Salaam and 26% in other urban areas. Over the decade, poverty declined most in Dar es Salaam (Figure 10).

The **absolute number** of individuals living in poverty increased during the 1990s because of population growth. Using national population projections, there are now 11.4 million Tanzanians below the basic needs poverty line compared with 9.5 million in 1991/92 (Table 10).

Poverty remains overwhelmingly rural – 87% of the poor live in rural areas. The rise in household consumption was combined with a **small increase in inequality**. The Gini coefficient, which measures inequality, increased from 0.34 to 0.35. The richest 20% of the population now account for 44% of household spending, compared with 43% in 1991/92; the poorest 20% accounted for just 7% of expenditure in both years. The biggest rise in inequality was in urban areas, particularly Dar es Salaam.

TABLE 9 PERCENTAGE OF THE POPULATION IN POVERTY

	Dar es Salaam		Other urban areas		Rural areas		Mainland Tanzania	
	91/92	00/01	91/92	00/01	91/92	00/01	91/92	00/01
Food poverty	13.6	7.5	15.0	13.2	23.1	20.4	21.6	18.7
Basic needs poverty	28.1	17.6	28.7	25.8	40.8	38.7	38.6	35.7

TABLE 10 DISTRIBUTION OF THE POOR BY AREA (BASIC NEEDS POVERTY LINE)

	Dar es Salaam		Other urban areas		Rural areas		Mainland Tanzania	
	91/92	00/01	91/92	00/01	91/92	00/01	91/92	00/01
Number of poor (thousands)	369	325	888	1,136	8,223	9,926	9,481	11,388
% of the poor	3.9	2.9	9.4	10.0	86.7	87.2	100.0	100.0

The comparison of income poverty levels by region should be undertaken with caution. However, four regions are consistently identified as poorer than average: Lindi, Mara, Singida and Shinyanga. Dar es Salaam and Mbeya have lower levels of poverty than average.

MEASURING

How the poverty line is drawn

The food poverty line is the minimum spending per person needed to provide 2,200 calories a day for one month, based on the foods consumed by the poorest 50% of the population. A higher, 'basic needs' poverty line allows for other essentials such as clothes.

In 2000/01, the food poverty line was 5,295 TShs compared with 2,083 TShs in 1991/92. The basic needs poverty lines were 7,253 TShs (2000/01) and 2,777 TShs (1991/92).

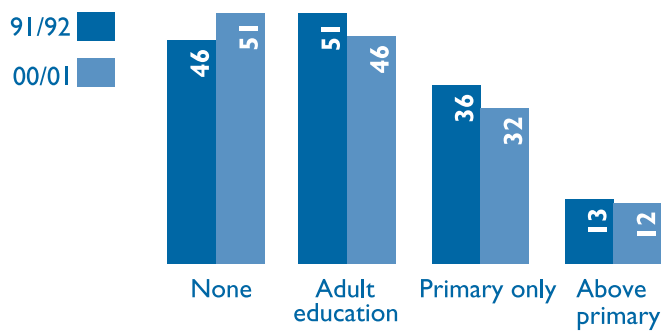
The national poverty line must be adjusted for the prices faced by households in different areas. For example, the price of most foodstuffs is higher in Dar es Salaam than in rural areas, so it costs more to purchase enough food for 2,200 calories in Dar es Salaam. For this reason, the poverty lines are higher for households living there.

For example, in 2000/01 the food poverty line was 6,719 TShs in Dar es Salaam, while it was 5,107 TShs in rural areas.

Less educated and farmers amongst the poorest

Poverty levels are strongly related to the education of the head of household. Some 51% of individuals are poor if the head has **no education**, compared with only 12% when the head is educated above primary level (Figure 11).

FIGURE 11 PERCENTAGE OF POOR INDIVIDUALS, BY EDUCATION OF HOUSEHOLD HEAD



Households that depend on agriculture have somewhat higher levels of poverty than average, particularly those relying on the **sale of livestock**.

During the 1990s, poverty declined most among the employed and self-employed, particularly private sector employees. In contrast, poverty increased in households with a head who was economically **inactive** or **uneducated** and in those with a large proportion of dependants.

The poor benefit less from social services

Only 50% of children aged seven to thirteen from the poorest households were studying compared with 66% from better-off households. The proportion of children studying from the poorest households fell during the 1990s. This risks creating a **cycle of deprivation**, since the survey also shows that adults' incomes are strongly related to their education.

The poor do not report higher levels of illness and injury than wealthier households. When they are ill, they are somewhat less likely to see a health-care provider, including a government provider, than individuals from other households.

Some 54% of the poorest households depend on an unprotected source of drinking water, compared with 40% of other households. The average distance to drinking water is also higher for the poorest.

8. REPORTED INCOME



Employment and self-employment account for around 71% of household income in Dar es Salaam and 57% in other urban areas

A diversity of sources

The sale of agricultural products was the main source of **cash income** for 62% of households, compared with 67% in 1991/92.

Food crops remain the most important single source – the main one for 41% of households, similar to 1991/92.

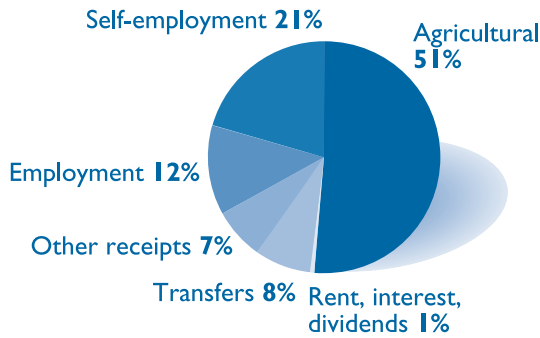
The importance of **cash crops** has fallen. They now provide the main source of cash for only 17% of households.

Agriculture provides slightly over one half of **total household income** (Figure 12). Despite the overall importance of agriculture in rural areas, some 40% of rural household income comes from sources outside their own farm production (Table 11).

TABLE 11 SHARE OF TOTAL HOUSEHOLD INCOME BY SOURCE (%)

Source	Dar es Salaam	Other urban areas	Rural areas	Mainland Tanzania
Employment	41.7	24.5	8.3	12.5
Self-employment (excluding farming)	29.1	32.8	17.8	20.6
Agricultural income	1.9	19.6	60.4	51.4
Rent, interest, dividends	2.0	1.3	0.3	0.6
Transfers	12.1	10.1	7.1	7.8
Other receipts	13.2	11.7	6.0	7.2
<i>Total</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

FIGURE 12 SHARE OF TOTAL HOUSEHOLD INCOME BY SOURCE (%)



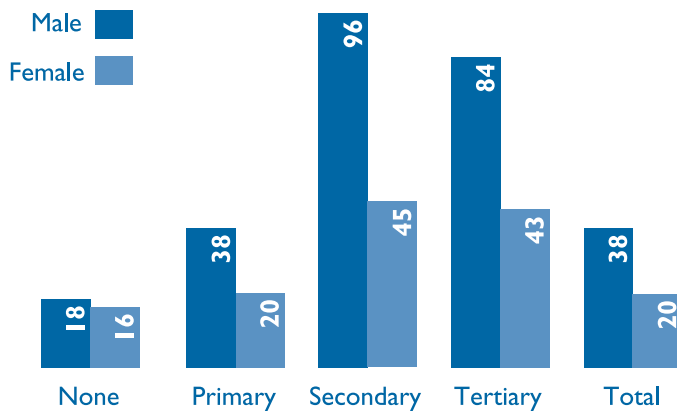
Employment and self-employment account for around 71% of income in Dar es Salaam. In other urban areas these sources contribute 57% of income and agricultural sources provide another 20%.

Rural households depend on a wider variety of income sources than urban households; 65% report more than three sources. Such diversification seems to be an important way for rural households to raise their incomes, since households with a larger number of sources have higher incomes.

Income varies with gender and education

Individuals with an education above secondary earn almost four times the income of the least educated. These differences are particularly large in Dar es Salaam, where the most educated earn 10 times more than the least.

FIGURE 13 MEAN MONTHLY INCOME PER EARNER BY GENDER AND EDUCATIONAL LEVEL ('000 TSHS)



There are also large differences between the average incomes of men and women. Men earn nearly twice as much as women. A number of factors contribute to these differences, but they persist even when allowance is made for the different educational levels of the sexes (Figure 13).

	DODOMA	ARUSHA	KILIMANJARO	TANGA	MOROGORO	PWANI	DAR ES-SALAAM	LINDI	MTWARA	RUVUMA	IRINGA	MBEYA	SINGIDA	TABORA	RUKWA	KIGOMA	SHINYANGA	KAGERA	MWANZA	MARA	TANZANIA MAINLAND
THE HOUSEHOLD AND HOUSING																					
% households headed by women	27	21	26	24	20	18	21	20	20	14	31	29	29	23	15	11	21	23	22	29	23
% households with modern walls	23	18	39	6	28	6	88	4	11	67	28	32	7	6	32	39	6	13	10	23	25
% households with modern roof	33	53	85	41	45	33	98	16	28	42	48	53	21	24	16	21	24	53	42	43	44
% households connected to electricity grid	6	11	18	7	10	6	59	5	5	5	6	9	5	4	4	6	3	2	5	10	10
% households using a toilet	92	84	97	81	94	98	94	98	93	99	99	96	90	97	88	99	90	95	92	86	93
Mean distance to firewood (rural households, km)	2.7	2.8	1.5	3.2	2.8	1.7	n/a	1.6	3.2	2.0	3.6	1.9	10.4	2.5	5.0	6.2	4.2	1.9	1.9	2.9	3.1
Mean distance to a shop (rural households, km)	1.8	2.8	0.2	1.8	2.3	1.0	n/a	1.1	0.6	0.8	0.9	3.9	1.6	2.1	2.6	1.6	2.7	2.1	1.3	1.6	1.8
EDUCATION																					
% of all adults without education	31	20	12	31	26	39	8	44	28	15	16	16	27	31	30	28	40	25	27	24	25
% of adult men without education	22	15	7	23	16	24	5	34	19	9	9	9	18	23	19	21	29	13	20	12	17
% of adult women without education	38	24	15	38	35	52	11	52	36	20	24	23	35	39	40	33	49	35	33	34	32
Primary net enrolment ratio	58	53	81	50	61	56	71	44	59	63	76	69	61	55	61	48	46	59	52	62	59
Mean distance to a primary school (km)	2.8	1.9	0.9	2.3	1.7	1.7	0.8	1.2	1.1	0.9	1.5	1.3	1.9	3.0	1.3	1.7	2.7	2.5	1.7	1.8	1.8
Mean distance to a secondary school (km)	19.4	6.4	5.0	18.8	16.0	13.1	2.5	25.1	16.6	9.2	12.7	8.7	9.5	15.0	21.3	14.3	20.5	12.0	9.4	6.9	12.6
HEALTH																					
% of individuals ill in 4 weeks before the survey	34	23	23	23	32	34	19	20	28	22	25	24	29	27	24	21	32	34	30	29	27
% of ill/injured who consulted any health-care provider	69	62	74	87	70	83	80	61	63	76	79	61	65	69	47	69	68	64	65	72	69
% of above who consulted a govt provider	58	48	40	64	55	69	49	68	71	52	46	47	45	79	59	67	41	59	48	46	54
% of households within 6 km of dispensary/health centre	49	73	95	62	75	74	98	67	87	85	63	90	82	58	82	93	65	74	75	71	75
Mean distance to a hospital (km)	35.3	11.8	9.5	29.0	24.0	24.5	2.8	22.7	19.2	21.0	18.9	20.7	12.8	13.7	66.0	20.2	18.9	25.1	30.1	13.4	21.3
DRINKING WATER																					
% of households with piped or protected drinking water	65	58	77	46	70	35	94	19	52	53	54	75	61	25	55	76	39	32	53	40	55
% of households within 1 km of drinking water (dry season)	49	49	58	41	61	56	84	47	41	90	72	75	51	54	63	55	33	45	40	31	55
ECONOMIC ACTIVITIES																					
% of adults in agriculture	67	42	56	67	63	62	3	72	69	77	67	55	60	69	76	76	68	81	71	70	62
% of children (5-14) working	67	73	64	80	55	57	28	40	46	73	60	53	52	39	51	60	69	68	84	55	62
Mean land owned by rural households (acres)	6.0	3.4	1.5	3.9	4.3	2.9	n/a	2.7	3.2	6.2	2.9	3.7	4.5	6.8	8.6	3.7	14.1	4.0	6.8	8.0	5.3
CONSUMPTION AND POVERTY																					
Mean expenditure per capita ('000 TShs, 28 days)	8.5	10.3	11.2	9.3	10.0	10.5	21.9	9.5	12.4	9.6	11.2	12.6	6.9	10.4	6.7	7.3	8.0	9.0	8.1	8.0	10.1
% of population below food poverty line	13	25	11	11	14	27	7	33	17	27	10	8	28	9	12	21	22	18	30	36	19
% of population below basic needs poverty line	34	39	31	36	29	46	18	53	38	41	29	21	55	26	31	38	42	29	48	46	36
% of consumption expenditure on food	67	69	69	70	68	69	54	74	66	60	65	61	69	68	58	65	67	63	64	66	65

THE REGIONS OF MAINLAND TANZANIA



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Cletus P.B.Mkai
Director General
National Bureau of Statistics

THIS REPORT PRESENTS HIGHLIGHTS OF THE 2000/01
TANZANIAN HOUSEHOLD BUDGET SURVEY,
CONDUCTED BY THE
NATIONAL BUREAU OF STATISTICS.

THE SURVEY COVERED MORE THAN 22,000 HOUSEHOLDS
ACROSS ALL TWENTY REGIONS OF TANZANIA MAINLAND.

THE FINDINGS WILL FORM THE BASIS FOR MEASURING PROGRESS
RESULTING FROM THE GOVERNMENT'S POVERTY-REDUCTION
POLICIES. THEY ALSO SHOW TRENDS DURING THE 1990s
IN MANY IMPORTANT POVERTY INDICATORS.

THIS REPORT IS AN ESSENTIAL SOURCE
OF INFORMATION FOR EVERYONE WHO IS INTERESTED
IN POVERTY IN TANZANIA.