

**CONTRIBUTION OF WOMEN'S INCOME GENERATING
ACTIVITIES (AGAS) IN HOUSEHOLD INCOME:
EVIDENCE FROM KIGOMA URBAN, TANZANIA**

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Abstract

This study was conducted in Kigoma Urban District with the aim of examining the extent to which women's Income Generating Activities (IGAs) contribute to Household Income. Specifically, the study aimed at :identifying income generating activities undertaken by women; determining the profitability of Women's IGAs; examining the influence of women's demographic characteristics to the income contributed and lastly comparing between income contributed by women and other members in the in the household . The study adopted a cross-sectional research design where structured questionnaire with open-ended and close ended questions were used to capture primary information from a sample size of 120 women. Data analysis was done using Statistical Package for Social Sciences (SPSS. 16.0) computer software. The study identified that IGAs undertaken by women in study area had positive gross margin analysis. It was also found that, respondents with formal level of education contribute more to the household income than those with none. Furthermore, t-test analysis shows that women's income contribution to household per month was statistically significant at ($P < 0.05$) compared with incomes contributed from other members of household. The study recommends that development planners at national and local level should formulate policies and strategies for good performance of the IGAs in study area.

Key words: Contribution, Income Generating Activities (IGAs), Household Income,

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1. Introduction

Persistent Poverty affects millions of people in the Tanzania today. Several surveys have shown that 50% of the populations of Tanzania are poor and 36% live under very poor conditions (World Bank, 2001). While poverty affects household as a whole, because of gender division of labour and responsibilities for household welfare; women bear a disproportionate burden, attempting to manage household consumption and production under condition of increasing scarcity. Between the period of 1980s and 1990s, Tanzania like most other developing countries witnessed a proliferation of Income Generating Activities (IGAs) (Maena, 2001). This was mainly due to economic crisis which faced Tanzania from 1978 to the early 1980s that led to the collapse of many industries in public and private enterprises and, economic reforms including the Structural Adjustment Programme (SAP) from the mid 1980s and the consequent privatization exercise still taking place in Tanzania have forced retrenched employees to flow into the informal sectors.

These transformations of Tanzania economy have more effect to women's lives than men because of their specific roles and position within society (Manuh, 1998). The changes associated with the cuts of government expenditure on social sector spending, whereas substantial costs have been shifted from the state to the household. As a consequence, women had been forced to take an increasing burden of unpaid working caring for the sick, obtaining food and ensuring the survival of their families. In order to manage all this responsibilities, many women were entering into income generation activities (IGAs) as the strategy for family survival. The participation of women in IGAs differs in many ways. According to UDEC (2002), their participation varies according to age, religion, ethnicity, wealth, education level, literacy, marital status, social status, experience and social economic position. They differ in terms of their motivation to start and develop businesses. These differences according to Mutangadura (2005) are responsible for a consideration of variation in nature, scope and magnitude of women's IGAs. For example, poor and uneducated women are more likely to be found operating small enterprises such as eating places "mama lische" while the richer women have more capital and hence run relatively large enterprises, employing more labour and use appropriate technology.

Women contribute substantially to the household economy through remunerated and unremunerated work at home. Their contribution is of utmost importance to the family, because women spend more of the income in family welfare. Despite of immense contribution of women to economy, yet they are not acknowledged by policy makers because such potential is undervalued since it is home-based, unpaid and un-priced (Women Watch, 2005). By taking into account the importance of women in the household economy in Tanzania, this study was undertaken to assess proportional of income from women's IGAs contributed to the household income by taking a case study of Kigoma Urban District. Specifically the study aimed at identifying the types of women's IGA and its profitability; assessing contribution of women's IGAs to their household income; and to assess association of respondent variables and income contributed to the household income.

2. Study Area and Methodology

The study was conducted in 2011 in Kigoma Urban District to a population of women undertaking Income Generating Activities. The area is located under Lakeshore zone with altitude of 600-1000 metres with annual rainfall of 600-1000mm. The area is one of the poorest in Tanzania by most indicators of wellbeing with per capital income of 125,593 Tshs. in 2002, being lower than the national average which was 256,608 Tshs. in the same year (URT, 2003). According to URT (2002) Tanzania Population and Housing Census, Kigoma Urban District has a population of 144,852 of which 70,630 male and 74,222 females. Administratively, the District has two divisions (i.e. Kigoma North and Kigoma South), 13 wards, and 200 streets (ibid). The annual growth rate of the district is 3.9, which is above National Growth Rate (NGR) which is 2.9 per annual.

A cross-sectional research design was used. The study involved both informal and formal survey procedures with the former preceding in the later. Purposive and simple random sampling techniques were employed. The purposive sampling was used to obtain Kagera, Kitongoni, Rusimbi, Mwangi Kaskazini, Gungu and Kigoma Bangwe wards with women IGAs. Simple random sampling technique was used to select 20 women from each ward to get a total of 120 respondents. Pre-tested structured questionnaire contained both close and open-ended questions and personal observations were used to capture information from the selected respondents. Data were sorted, coded, and analyzed by using Statistical Package for Social Science (SPSS version

12.0) computer software to obtain means, frequencies and percentages. Cross tabulations were performed to determine associations between variables. Gross Margin (GM) analysis was also done to establish monthly profitability of women's IGAs. The gross margin formula used for this analysis was as follow;

$$GM = TR - TVC$$

Where: *GM* = Gross margin of IGAs

TR = average total revenue of IGAs (Tshs /month)

TVC = average total variable costs. (Tshs /month)

The underlying assumption for the formula was that when GM is positive after taking total revenues of IGA less all variables cost, the IGA is said to operate at profit.

3. Results and Discussion

3.1 Type of income generating activities undertaken by women

The study identified that women in study area engaged in several economic activities as shown in Table 1. But those ranked high (48.4%) includes agricultural related activities (selling spices, cereals, palm oil, and fruits and vegetable), selling of sardines and fish (12.7%) and food vending (9.5%). While very few were engaged in selling used clothes (1 percent) and local brewing business which account for about one percent of the respondents who were interviewed. The study revealed that most of women in study area are undertaking income generating activities which are in harmony with their traditional roles. Factors that identified to shape women's choice of the types income generating activities include their low skills level, limited start-up capital, limited access to working capital and their limited capacity to absorb the consequences of IGAs failure.

Table 1: Type of income generating activities undertaken by women (N=120)

Category	Frequency	Per centage (%)
Types of IGAs		
Food vending	12	9.5
Agriculture related products	61	48.4
Selling of sardines/fish	16	12.7

Tailoring Activities	7	5.6
Selling buns/doughnuts	6	4.8
Selling Charcoal	2	1.6
Selling of local brew	1	0.8
Retail shop business	9	7.1
Selling of firewood	11	8.7
Selling of used clothes	1	0.8
TOTAL	126	100

Source: Survey data 2008

Results are based on multiple responses

3.2 Women's IGAS and its profitability

The study also determined profits from women's IGAs by using a gross margin analysis. The study findings show that, IGAs undertaken by women were profitable due to the facts that, all respondents who were interviewed, their IGAs found to have positive gross margin product. The average total cost of running IGAs were lower as compared to the revenue accrued from selling items. For example in agriculture related activities, the total revenue (TR) were reported to be Tshs. 20,771,800 per month and the total variable cost (TVC) were Tshs. 13,238,800 per month, hence the gross margin (GMP) is therefore Tshs. 7,533,000 per month. This implies that, although IGAs undertaken by women were small in nature, still women have managed to get profits.

Table 2: Profitability of income generating activities undertaken by women (N=120)

Types of IGAs	Average monthly revenue (Tshs)	Average monthly variable cost (Tshs)	GMP per IGAs in (Tshs)
Food vendors	6182000	3060000	3122000
Agriculture related products	20771800	13238800	7533000
Selling of sardines/fish	5300000	3733000	1567000
Tailoring Activities	1066000	704000	362000
Selling buns/doughnuts	784000	614000	170000
Selling Charcoal	1006400	849000	157400
Selling of local brews	844000	696000	148000
Retail shop business	2539000	1764000	775000
Selling of firewood	360000	248000	112000
Selling of used clothes	2435000	1130000	1305000
TOTAL	41288200	26036800	15251400

3.3 Income contributed by women and other members in the in the household

In order to determine contribution of women income generating activities to the household income, the amount of money contributed by women and other member of the household per month were determined. Furthermore, monthly mean income of the two groups was eventually computed. The finding from this study show that women IGAs in the study areas contribute a lot to household income. The findings from the study area revealed that women IGAs contribute about 42% to the total household income expenditure, whereas contributions from other members of the household were about 58% (Figure 1)

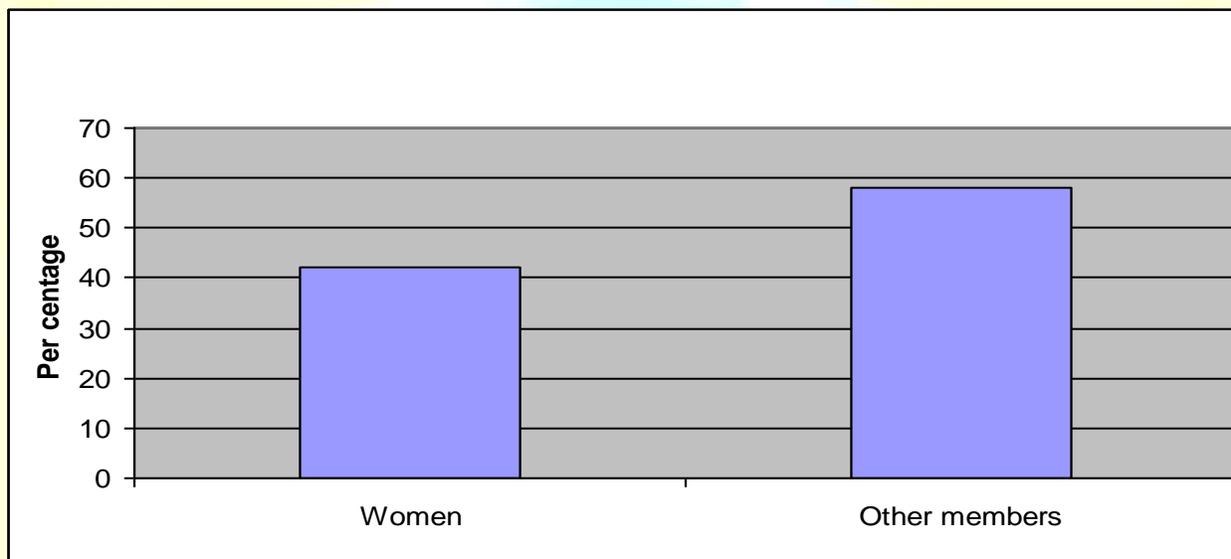


Figure 1: Percentage of income contributed by women and other members to the household

These findings are consistent with results obtained by FAO (2004) which identified that women contribute between 20 and 60% of their income from their economic activities to the household income. Furthermore, the findings from the study revealed that, agriculture related activities such as vegetable and fruits, grain cereals, spices, palm oils, cassava, sweet and round potatoes together contributed 49% of women's total income in the study area. Non-agriculture related activities such as food vending, selling of sardines, tailoring activities, selling of buns and doughnuts, retail shops, charcoal and firewood selling contributed 51% of the women's total income (as computed from Table 2).

A t- test analysis was used to compare income contributed to the household income per month by women and other members of the household. Basing on statistical analysis, it was identified that there is a significant difference between mean income contributed by women to the household that of other members of the households at ($P < 0.05$). The analysis shows that Women contributed an average of Tshs 38,233.33 Tshs. per month, while other members of the households contributed and average of Tshs. 53433.33 per month with a difference of only 15,200 Tshs. Therefore, it is clear that women's IGAs play very great role to the household income particularly to the poor households. The importance of IGAs to the household was vividly illustrated in informal conversation with one married women at Gungu ward who stipulated that;

“Before, our household had basic needs scarcity. We had shortage of money for buying food, paying for school fees, and for health expenses. But now our household members eat properly, and there is no worry about food shortage again, and we can pay for school fees. Even my husband acknowledges this. He does not raise his hand any more to me.

Table 3: Monthly mean income contributed by women to the household and other members of the house hold

Category of Household Income	Mean income in Tshs.	t – value	p – value
Contribution of women income to household income	38 233.33	2.591	0.011
Contribution of other member's income to household income.	53 433.33		

Statistically significantly at ($P < 0.05$)

3.4 Respondents' characteristics and amount of income contributed to the household (N=120)

A chi-square test analysis was used to determine the influence women demographic characteristics to the amount of income contributed to the household income in the study area. The demographic characteristics of women covered in the study include age, marital status and education level as shown in table 4. A chi-square test shows that there was a statistical

significant at ($P < 0.05$) between age of the respondents and the income they contribute in their households. For example, women of age between 18 and 45 years seemed to contribute more income as compared to the respondents of age above 45 years. This may be due to the fact that, under normal circumstance in Tanzania the age between 18 and 45 years old is the most economically active group (URT, 2001).

When the chi-square test were analyzed to check if there is any significant relationship between amount of income contributed to the household and marital status of an individual, it was found that there was no significant relationship between the two variables ($P > 0.05$). This implies that for the respondents being married or not married does not affect the amount of income contributed in their households. This may be due to the fact that majority of the women in both rural and urban areas lack access to essential economic resources like credit, land ownership and inheritance, access to extension education services, entrepreneurship skills or access to markets and their minimal participation in the decision-making process. In some cases women in poor male headed households may actually be even poorer than those in female headed households due to discrimination in intra-household distribution of resources (Lorraine, 1997).

Table 4: Respondents' characteristics and amount of income contributed in their household (N=120)

Age of respondent (years)	Income contributed to household per month by women in Tshs.				Chi-square value	P-value
	1 – 50000		> 50000			
	F	%	F	%		
18 – 45	67	55.8	50	41.7	3.890	0.049
> 45	0	0.00	3	2.5		
Marital status						
Married	79	65.8	38	31.7	1.426	0.232
Not married	3	2.5	0	0.00		
Education attained						
Formal	92	76.7	1	2	3.440	0.004
Nom formal	25	20.8	0.83	1.67		

Statistically significant ($P < 0.05$), statistically not significant ($P > 0.05$)

Key: F = Frequency

Furthermore, the analysis of chi-square test shows there is significant association between level of education of the respondents and the proportional of income contributed to their households ($P < 0.05$). It was found that respondents with formal level of education contribute more in household income compared to those with no formal education. According to Dankelm (1998) lack of education is one of the strongest determinants of poverty. It is also widely recognized that education is the gateway to economic security and opportunity- particularly for girls and women (ILO, 2000).

4.0 Conclusion and Policy Recommendations

Generally, the findings from the study have identified that most women in the study area have been engaging themselves on agricultural and non-agricultural based activities. These IGAs had been playing very greater role in sustaining household expenditure for meeting home consumption and development issues like buying family food and clothes, health services, education expenses for children, houses construction and as working capital in some other cases. The study also had revealed that there is correlation between age of the respondents and income contributed to the household at ($P < 0.05$), where respondents of age between 18 and 45 years appear to contribute more income as compare to those with 45 years and above. It is also concluded that being married or not married for respondents do not make any differences to the amount of income contributed to their household income. Furthermore, statistical analysis have demonstrated existence of close relation between level of education of the respondents and proportional of income contributed in their household income, where the respondents with formal level of education contributed more in household income as compared to those with non-formal education. The recommendations made by this study include; development planners, policy makers and development agencies at national level should strongly recognized the social and economic importance of IGAs undertaken by women in both urban and rural areas. Thus proper policies and strategies should be put in place in order to ensure women's IGAs are improving in sustainable ways. Furthermore, the community particularly men, should acknowledge women's contribution to their household income.

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