

**CONTRIBUTION OF WOMEN'S INCOME GENERATING ACTIVITIES
TO HOUSEHOLD INCOME IN KIGOMA URBAN DISTRICT,
KIGOMA REGION, TANZANIA**

BY

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**A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE
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ABSTRACT

This study presents the findings on the contribution of women's income generating activities (IGAs) to the household income in Kigoma Urban District. The overall objective of the study was to assess the extent to which women's IGAs contributed to household income. The specific objectives were: to identify types of IGAs undertaken by women in the study area, determine contribution of women's IGAs to the household income, and lastly to determine factors affecting performance of women's IGAs. The study adopted cross-sectional research design where structured questionnaire using open and closed ended questionnaire was used to collect primary information from a sample size of 120 respondents. Data analysis was done using Statistical Package for Social Sciences (SPSS) computer program version 12.0. Descriptive statistics such as means, frequencies and percentage were computed. Chi-square and t-test statistics were applied to find out relationship between variables. Study identified that selling of agriculture related products (spice, cereals, palm oil, fruits and vegetables) to be the most economic activities undertaken by women in the study area. The finding from the study shows that IGAs undertaken by women in the study area have positive margin cost. Furthermore t-test analysis revealed that women's income contribution to household per month was statistically significant as compared to incomes contributed from other members of household ($P < 0.05$). The study also identified access to credit and training to be the major constraints for development of IGAs undertaken by women in the study area. Therefore in order to improve women's IGAs performance, the study recommended the following: development planners, policy makers and development agencies at national and local level should strongly recognize the social and economic

importance of IGAs undertaken by women in both urban and rural areas. Furthermore, government is advised to formulate policies that ensure women are given priorities in accessing economic resources.

DECLARATION

I, FRANK PHILLIPO, do hereby declare to the SENATE of Sokoine University of Agriculture (SUA) that this dissertation is my original work and that it has not been submitted for a higher degree at any other University.

Frank Phillippo
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Date

The above declaration is confirmed

Prof. Z. S. K. Mvena
(Supervisor)

Date

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LIST OF ABBREVIATIONS

ADB	African Development Bank
CRDB	Co-operative and Rural Development Bank
DSI	Development Studies Institute
ECA-SA	Economic Commission for Africa-Office for Southern Africa
FDCs	Folk Development Colleges
GAD	Gender and development
GM	Gross Margin
HBS	Household Budget Survey
HHI	Household income
IFAD	International Fund for Agriculture Development
IGAs	Income Generating Activities
ILFS	Integrated Labour Force Survey
ILO	International Labour Organization
MCDO	Municipal Community Development Officer
MD	Municipal Director
NGOs	Non-Governmental Organizations
NIGP	National Income Generation Programme
NMB	Microfinance Bank
NPES	National Poverty Eradication Strategy
NSGRP	National Strategy for Growth and Reduction of Poverty
PBF	Properties and Businesses Formalization
PRIDE	Promotion of Rural Initiatives and Development Enterprises
PRSP	Poverty Reduction Strategy Paper

RDS	Rural Development Strategy
RoSCAs	Rotating Savings and Credit Associations
RSAs	Rotating and Savings Associations
SACCOS	Savings and Credit Co-operative Societies
SIDO	Small Industry Development Organization
SNAL	Sokoine National Agricultural Library
SPSS	Statistical Package for Social Science
SUA	Sokoine University of Agriculture
TAS	Tanzania Assistance Strategy
TDHS	Tanzania Demographic and Health Survey
TGNP	Tanzania Gender Networking Programme
UDEC	University of Dar es Salaam Entrepreneurs Centre
UN	United Nations
UNDP	United Nations Development Programmes
UNFPA	United Nations Fund for Population Activities
UNICEF	United Nations Children's Funds
URT	United Republic of Tanzania
USD	United States Dollar
USAID	United States Agency for International Development
WAD	Women and Development
WDF	Women Development Fund
WEOs	Ward Executive officers
WID	Women in Development

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background Information

More than one billion people in the world today, particularly in developing countries, live in unacceptable conditions of poverty, and majority of them are women. While forty four percent of the African's population live below the region-wide poverty line of USD 39 per capita per month, the extent and severity of poverty varies among the sub-regions (UN, 1995). The least prevalent incidence of poverty is found in the North African sub-region where 22% of the population lives below the sub-regional USD 54 per capita income per month. In Sub- Saharan Africa, 51% of population lives below regional poverty line of USD 34 per capital income per month (ibid).

While poverty affects the 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. In rural areas poverty remains overwhelmingly a problem, where 87% of the poor population live, and is highest among households who depend on agriculture. Dankelm (1988) identifies that economic factors, rigidity of socially ascribed gender role and women's limited access to power, education, training and productive resources are responsible for the prevailing situation above.

However, between period of 1980s and 1990s, Tanzania like most other developing countries witnessed a proliferation of women's income generating projects as the

strategy for fighting against poverty (Meena, 2005). Apart from these activities being major sources of employment for majority of women in developing countries, it also plays a crucial role in food security and raising household income. The drastic decline of the real wages as well as formal employment opportunities due to economic crisis and restructuring programmes is mainly a result of many women entering into income generating activities (IGAs) in Tanzania as a coping strategy towards poverty reduction.

Makombe *et al.* (1999) identifies that IGAs in Tanzania have been a result of the following changes in socio-economic development:

- The promulgation of Arusha Declaration in 1967: one of the objectives was to nationalize all foreign owned firms. Those employees from nationalized firms who lost their employment moved into self-employment or IGAs
- The villagization process from early 1970s forced many people to move from their original villages to new settlements. Those who escaped from the exercise migrated to urban areas where they have survived through IGAs
- The economic crisis, which faced Tanzania from 1978 to the early 1980s, led to the collapse of many industries in public and private enterprises. Employees from these enterprises had to engage in IGAs. Even those remaining on their job found their real income not enough and thus joined the informal sector activities

- The economic reforms including the Structural Adjustment Programme from the mid 1980s and the consequent privatization exercise still taking place in Tanzania have forced retrenched employees to flow into the informal sector.

Manuh (1998), on the other hand, documents that women's lives have been profoundly affected by the above changes because, of their specific roles and position within society. 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 responsibilities. 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.

1.2 Problem Statement

In rural and urban areas of Tanzania, there are an increasing number of women who are creating their own jobs in small scale agriculture, manufacturing, services and petty trades. In most cases, the output from such IGAs undertaken by majority of women is small as compared to the output from economic activities undertaken by men. This may be due to either scarcity of resources such as access to credit, land ownership and inheritance, access to education extension services, entrepreneurship skills or access to markets and their minimal participation in the decision-making process.

Many social and economic studies have shown that, the essential factors for economic resources such as land ownership and inheritance, access to credit and market facilities, extension services and entrepreneurship skills are in favour of men

than women (Koda and Makaranga, 1997; UDEC, 2002; TGNP, 2004). However, there is lack of adequate information on how women are operating their income generating activities (IGAs) and the contribution of IGAs on household income. This study, therefore, intends to provide some information to fill the existing knowledge gap by examining the types of IGAs undertaken by women, its operations and eventually the contribution to the household income using a case of Kigoma Urban District.

1.3 Justification of the Study

Although poverty is generally perceived as a rural phenomenon in Tanzania, the severity of poverty in urban areas calls for special attention, and women are the most disadvantaged group (URT, 2005a). While, the Millennium Development Goal Number 1 stipulates the target to halve, by 2025, the proportional of people whose income is less than USD 1 a day (UN, 2006), the operational targets to be achieved by 2010 with respect to reduction of income poverty between men and women in Tanzania, as stipulated in cluster 1 of the National Strategy for Growth and Reduction of Poverty (NSGRP), are: “Reduced proportion of urban population below the basic needs poverty line from 25.8% in 2000/01 to 12.9% by 2010” in urban areas.

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Due to that, there is dire need to undertake research on how women operate their economic activities. The fundamental information that will be generated is anticipated to be helpful to local, regional and national policy makers to incorporate women’s projects on their planning process that will enable them to have close monitoring and evaluation of programmes on women’s economic projects.

Furthermore the information generated is expected to assist the government on its aim of developing informal sector through properties and businesses formalization (PBF) of the poor people. This will help the poor, majority of them being women, to formalize their properties and businesses and enable them to access economic resources such as credit under the broad goal of poverty reduction.

1.4 Objectives of the Study

1.4.1 General objective

To assess the extent to which women's income generating activities (IGAs) contribute to the household income in the study area.

1.4.2 Specific objectives

- To identify the types of income generating activities (IGAs) undertaken by women in Kigoma Urban District.
- To determine amount of income from women's income generating activities (IGAs) at household level.
- To determine the contribution of women income generating activities (IGAs) to the household income in the study area.
- To identify factors contributing to the success or failure of Income Generating Activities (IGAs).

1.5 Hypothesis

4.5.1 Null hypothesis

- Income Generating Activities (IGAs) done by women have no contribution to household income.

1.5.2 Operational hypothesis

- Income Generating Activities (IGAs) done by women have contribution to household income.

1.6 Research Questions

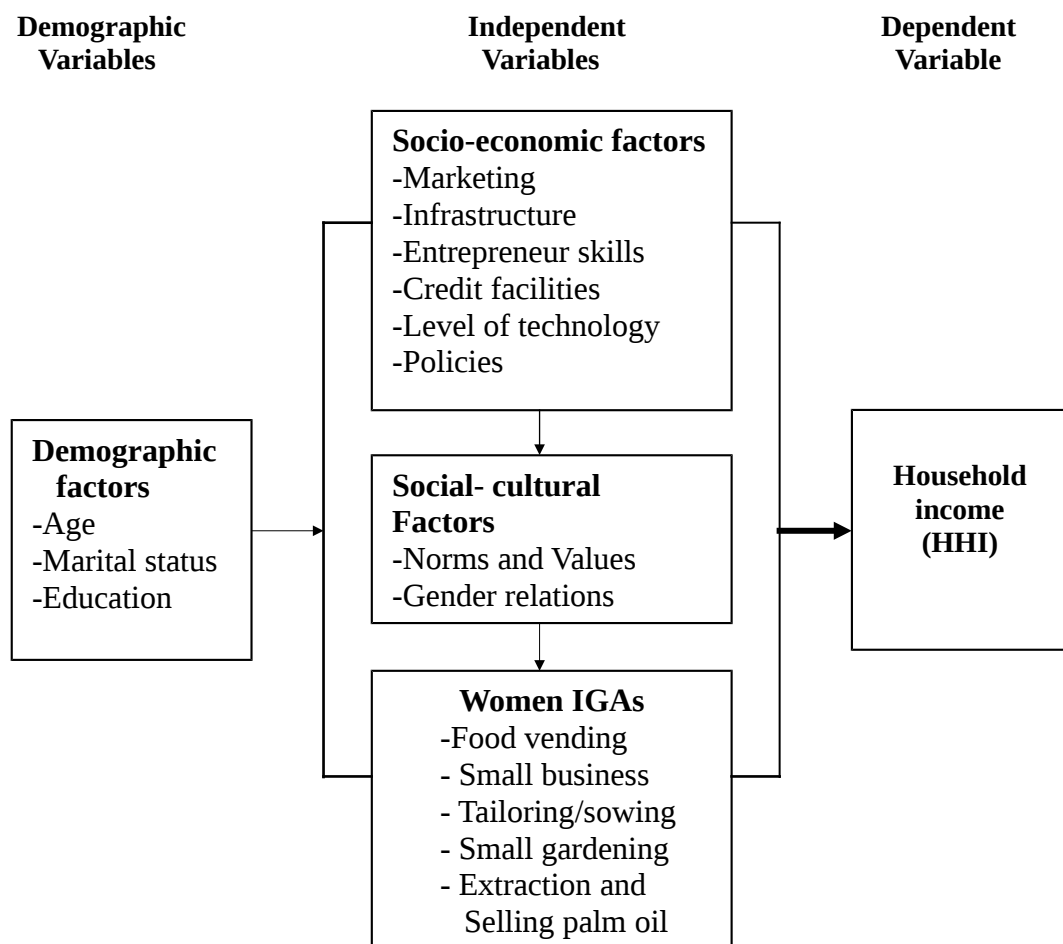
Five research questions were set to guide this study as follows:

- What are the types of IGAs performed by women in the study area?
- What is the expenditure patterns of the income derived from your IGAs?
- What are the reasons for starting income generating activities (IGAs) in study area?
- What are the factors limiting women IGAs performance in study area?
- Who has final decision over the use of income from women's income generating activities (IGAs)?

1.7 The Conceptual Framework

The conceptual framework binds facts together and provides guidance towards collection of appropriate data or information (Katani, 1999). Without theoretical framework to bind facts together, knowledge is fragmented into discrete segments. Research that is performed without conceptual framework is usually sterile for the

reasons that the researcher does not know quite well what data to collect when he/she has them, he /she cannot put them to use (Kajembe, 1994). The conceptual framework proposed by this study is presented in Figure 1. The framework shows a set of relationship between dependent and independent variables that will be used in the study. The conceptual framework focused on the relationship between women's income generating activities (IGA) and household income. In the study income generating activities undertaken by women are influenced by education level, entrepreneur skills, used technology, business premises, access to credit, market facilities, age group of the respondents and marital status where the household income is dependent variable. The variable /indicators used in this study are defined in Table 1.



KEY:

- Secondary relationship
- Primary relationship

Figure 1: Conceptual framework of the study of contribution of women IGAs to the household income in Kigoma Urban District.

Table 1: Key variables used and its operational definition

Variables	Operational definition
• Education level	Highest level of formal schooling attained by the respondent
• Entrepreneurship skills	Refers to the training/skills of how to run income generating activities
• Technology	Tool/equipment used on economic activities
• Access for market	The reliable place for selling women's commodities, it is likely women to prosper in their economic activities by having stable markets for their commodities
• Access to credit	Women with access to loans are in better position to raise capital for economic activities compared to those with none.
• Norms and value	In some ethnics and religious groups women are not allowed to participate in business outside their living areas
• Marital status	Refers to the current state of the marriage of the respondents
• Age	Age in years of the respondents in IGAs
• Income generating activities (IGAs)	The types of economic activities taken by women determine the economic scales of production.
• Household income (HHI)	Daily, weekly, monthly or annual income contributed to the household from women IGAs and other members of the household
• Policy	A set of plans or actions agreed on by government, districts, villages or other groups such as gender policy and community development policy etc.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Overview

This chapter reviews different literature on initiatives of women towards poverty alleviation. The chapter is organized into sub-sections as follows: - definition of some concepts used in this study, state of world poverty, state of poverty in Tanzania, efforts of government in poverty reduction, various approaches to women and poverty, women and labour market, women and income generating activities, and women and access to economic resources in Tanzania.

2.2 Definition of Some Concepts

2.2.1 Income generating activities (IGAs)

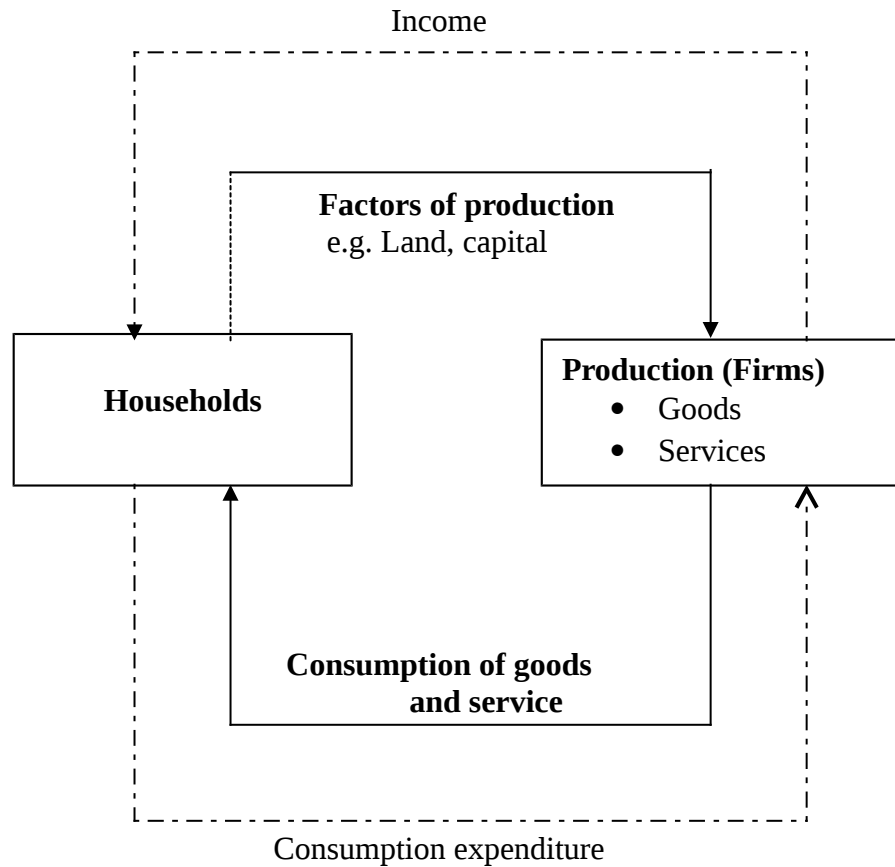
The definition of income generating activities adopted by this research refers to those activities that are characterized by the following elements:-

- Activities that tend to be family or household based, relying primarily on family labour
- Activities which are not permanent and they change according to external factors such as changes within the economy, the weather and therefore the seasons, the availability of capital, labour and equipment
- Activities which are characterized by marginal returns which do not allow for savings and systematic expansion of business
- The activities that may generally not be included in national statistics and other economic indices, unpaid family work particularly amongst women and children.

2.2.2 Household structure

Households consist of different structures i.e. they may be of single-person households or made of a family with one or two parents, or a group of unrelated people. Households have different social and economic characteristics such as class, race and gender (UDEC, 2002). Household is very important economic institution; it links significant economic activities that are production and distribution activities through the activities of its members (Wheelock, 1996). In most cases it is people within the household who make decisions about whether to work in the labour markets or to do unpaid work in the home or elsewhere.

According to TGNP (2003), it was reported that decisions about how much to spend are usually made by the members of the household; this involves decisions about who is going to get what, and therefore this is about distribution. According to Wheelock (1996) that households are very important agents in the circular flow process of the national economy. Figure 2 show the circular flow of economy in a household.



Source: Wheelock, 1996

Figure 2: Households as crucial agents in the circular flow of income

2.3 State of Poverty in the World

According to World Bank (2001), poverty is defined as deprivation of well-being to an individual that is related to the lack of material income or consumption, low levels of education and health, vulnerability and exposure to risk, lack of opportunity to be heard and powerlessness. In 1999, almost half of the world population (2.8 billion) lived in a less than 2 USD a day and about one fifth (1.2 billion) lived precariously on less than 1 USD a day. South Asia has the highest concentration of poverty where 42.6% of the population live on less than 1 USD, followed by Sub- Saharan Africa which accounts for 26.0%, East Asia and Pacific

account for 22.6 %, Latin America and the Caribbean account for 6.7%, Eastern Europe and central Asia accounts for 1.5% and finally the middle East and North Africa accounts for 0.6% (UNDP, 2002).

Chambers (1993) described poverty as the situation that emanates from the lack of necessary capabilities and entitlement to satisfy human basic needs. Tanzania on other hand, defines poverty as a state of deprivation of a decent human life (URT, 1999). Poverty is a result of many and mutually reinforcing factors, including lack of productive resources to generate material wealth, illiteracy, and prevalence of diseases, discriminative socio-economic and political systems, and natural calamities such as drought, floods, and man-made calamities such as wars (ibid). In short, Tanzania categorized poverty as income poverty and non-income poverty. Non-income poverty includes low level of education, poor nutrition status, and lack of clean and safe drinking water.

2.4 Situation of Poverty in Tanzania

The prevalence of poverty in Tanzania is still very high. According to the Household Budget Survey (HBS) of 2000/01, the proportion of the population below the national food poverty is 18.7 % and that below the national basic needs is 35.7 % (URT, 2005a). The basic needs poverty line decreased from 38.6 % to 35.7 % and poverty line from 21.6 % to 18.7 % as compared to the results of 1991/1992 Household Budget Survey (HBS). Furthermore, 2000/2001 HBS indicates that 38% of households in Kigoma Region are below the basic needs poverty whereas the

proportion of households below basic needs and poverty line in Kigoma Urban District are 38.5% and 27% respectively.

The high incidence of poverty in rural areas is associated with the constraints in agriculture sector, whereas small scale subsistence farming is predominant (Koda and Mukangara, 1997). The NSGRP (2005) identifies the constraints hindering agriculture sector's development in rural areas as, low productivity of land, labour and production inputs, limited capital and access to financial services, poor rural infrastructure, infestations and outbreaks of crop and animal diseases and depressed prices for primary commodities in global markets. Low productivity from agriculture sectors in rural areas has forced rural people to diversify their income source (Koponen, 1998). However, the diversification into non-farm activities has not been very helpful, since these activities are small in scale and often taken as coping strategies. In urban areas, poverty is evident in households with low and unreliable incomes, unemployed, underemployment and vulnerable groups, in which formal and informal sectors are more prominent sources of their income. Meena (2005) identifies that, urban poor live in congested, mainly un-surveyed areas, overcrowded residences with inadequate safe and reliable water.

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2.5 Government Efforts in Poverty Reduction

Poverty reduction strategies are one of the priorities that were considered for adoption in new paradigm of a sustained development (UNDP, 1994). Jazairy *et al.* (1992) conceives poverty reduction as a strategy for achieving a sustained increase in productivity and an integration of poor into the process of growth. At the end of

the last century the global communities agreed to concentrate on readdressing global problems of poverty, malnutrition, poor health, education, and gender imbalances and environmental degradation (Barrett and Swallow, 2005). In efforts to reduce poverty among vulnerable groups, government of Tanzania in collaboration with donors, NGOs and religious organizations have been taking various forms of interventions such as supporting specific income generating activities (Mtatifikolo, 1999). The most common scheme for income generation is National Income Generation Programme (NIGP) (URT, 2002a). Moreover, the development practitioners have mainly concentrated on provision of health, education, infrastructures, agriculture, industry, environment protection, financial and technical assistance and supporting micro-enterprises.

Recently, the government of Tanzania has come up with strategies and official guidelines to curb poverty, which are the Tanzania Vision 2025 (2000), National Poverty Eradication Strategy (NPES) (1998), Tanzania Assistance Strategy (TAS) (2002), the Poverty Reduction Strategy Paper (PRSP) (2000), Rural Development Strategy (RDS) (1996), and the National Growth and Poverty Reduction Strategy (NGPRS) (2005). These are national strategies of economic and social development. The most recent is the National Strategy for Growth and Reduction of Poverty (NSGRP) (2005), which is now in place. NSGRP identified three major clusters of poverty reduction outcomes: (a) growth and reduction of income poverty, (b) improvement of quality of life and social well-being, and (c) good governance and accountability (URT, 2005b).

Each cluster contains specific goals, actions and indicators, but many of these are interrelated and support each other. These goals include reducing income poverty of both men and women in rural and urban areas, increased access to clean, affordable and safe water, sanitation, decent shelter and a safe sustainable environment, improved survival, health and well-being of all children and women and especially vulnerable groups, improving food availability and accessibility at household level in urban and rural areas, ensuring equitable access to quality primary and secondary education for boys and girls, universal literacy among men and women, and expansion of higher, technical and vocation training, adequate social protection and provision of basic needs and services for the vulnerable and needy.

According to NSGRP status report of 2006, the indicator of reducing income poverty of both men and women in rural and urban areas shows that in 2002/03, only three percent of total smallholder area was under irrigation and only three percent of smallholders accessed formal credit for agricultural purposes. The majority (58%) of smallholder households had one or more off-farm income generating activities (URT, 2006). This implies that there are increasing off-farm activities in rural areas. In case of increased access to clean, affordable and safe water, sanitation, data from the 2002 Population and Housing census and Tanzania Demographic and Health Survey (TDHS) of 2004/05 show that less than half of rural population has access to safe water.

Despite all these efforts made by government of Tanzania and other development practitioners, the majority of Tanzanians and women in particular remain poor. The overall economic growth rate has not been enough to meet middle-income (URT,

2006). The existing pattern of income distribution and resource allocation manifested into mass poverty and this will persist into the foreseeable future unless targeted and colossal measures are taken.

2.6 Approaches to Women and Poverty

It is becoming increasingly realized that community development cannot be separated itself from women. African Development Bank (1996) asserted that poverty reduction can be attained by improving women's situation as they are the majority of the poor, and this will have an impact on the various segments of the economy. The International decade for women (1976–1985) highlighted the importance of women in development process. It was established that, women perform two thirds of world's work, receiving only ten per cent of the world's income and own only one percent of means of production (Moser, 1989). The approaches to women and poverty range from anti poverty approach, efficiency approach and empowerment approach to poverty.

2.6.1 The anti poverty approach

The anti-poverty approach which later known as women in development (WID) approach, emerged in the early 1970's (Mbughuni, 1994). It's underlying premise is that women are members of the poorest of the poor. The approach advocates equality in control over decision making and demand active participation of women in decision making. The anti-poverty approach was a reflection of the World Bank and International Labour Organization priorities at the time of its emergence. The approach aimed at improving income of the poor women and hence to meet basic

needs of food, clothing, shelter and fuel through income generating activities (IGAs) by increasing their access to the production resources such as land and credit. The approach did not take into account that women are already overburdened with work in many cases. The income generating activities (IGAs) for women were seen as short term solutions that assist only few people (Karl, 1995). The approach overlooked the low status of women which limit their access to land, credit, machinery, and market for their products and control over income (Lorraines, 1997).

2.6.2 The efficiency approach to poverty

This approach emerged in the late 1970's in recognition of limitation of "modernization" for women (Moser, 1989). The approach is more known as women and development approach (WAD). The approach aimed at increasing efficiency and productivity in both development projects and programs of structural adjustment through structural adjustment policies, to shift cost from the paid economy (i.e. social welfare payments, food subsidies, free education and health care into unpaid economy i.e. women's unpaid labour), increase women involvement in development projects because they are often more efficient and committed than men. The approach recognized that development will only be efficient if women are involved and emphasize the recognition of women's economic importance and contribution of work that they do in their household and communities.

However, many projects designed to support women using this approach have not yielded anticipated results (Karl, 1995). The major reason is that, few of these projects have recognized that entrance into the wage economy does not diminish

women's primary responsibility for childcare. The approach relies on elasticity of women's time without regard to the fact that the cost to women in terms of the time demanded of them may be intolerable and focuses on IGAs and tends to underplay the labour women need and want to invest in family and house maintenance. The approach assumes that basic needs that are usually neglected due to inadequate resources for paid workers can be met through the activities of women.

2.6.3 The Empowerment approach to poverty

The empowerment approach known to many as the gender and development approach (GAD), trace the roots of women subordination to race, class, colonial history and the position of the developing countries within the international economic order (Panda and Lund, 1998). The approach aimed to empower women themselves to change or transformed the structures that oppress and limit them. The approach is bottom up, focuses upon a process of change whereby consciousness raising and the development of women's organization and help to transform private empowerment to political action, and therefore challenges the assumptions of the equity approach that develop the assumption of the equity approach that development helps all men and women. It improves self reliance and internal strength by enabling women to define and implement their own approach to development. The approach, covers both social roles and realizes that the relationship between men and women is crucial in determining the position of both men and women, and emphasizes the fact that any development initiatives will affect the lives of both men and women in society.

2.7 Women and Labour Markets

Women and men often work in distinct activities that offer different rewards and career opportunities, even though they have similar education and labor market skills. The division of labour in the households in most cases tends to affect women's ability to participate in paid employment, access to education and training, and influences their choice of productive activities (Tzannatos, 1999). The existing social norms strongly influence men's and women's work and working environments whereas some activities are considered more appropriate for men and not for women. In most cases, women tend to be clustered in informal employment throughout the world (IFAD, 2000). In many developing countries, women work in activities that are characterized by low wages, high job insecurity, low levels of organization and poor working conditions. Consequently, women workers may face more insecure employment with fewer benefits and lower wages than their male counterparts (UDEEC, 2002). The existing unequal access to the labor markets and highly gender inequality in labour markets, generate the condition that causes gender-wage inequalities, lower investment in human capital and distort market signal for women.

2.8 Women Initiatives Towards Poverty Alleviation in Tanzania

Poverty like many other social problems has become of great concern for the global community in recent years (Chachage, 2003). Worldwide, the issue of women and poverty requires a special consideration because women and girls of poor rural households bear a disproportional high share of the burden of poverty (Albee, 1994). Worldwide, women contribute more to the household economy and in combating poverty through both remunerated and unremunerated work at home (Women

Watch, 2005). In the Third world countries various policies and strategies are being adopted to reduce or alleviate poverty (Mwazmadzingo, 2002). Since women have been identified as poor social group they deserve all assistance to alleviate/mitigate their poverty and ultimately improve their well being to attain the Millennium Development Goals and Poverty Reduction Strategy targets (UNFP, 2002).

Apart from their involvement in cash and food crop production, they continue to perform other numerous and vital productive and reproductive roles (TGNP, 1993). In Africa, studies have indicated that women have been contributing more time in the agricultural cycle than men (Meena, 2005). For example, on the study of the world economic crisis and its impact on women, it was estimated that women in Africa contribute up to 30% of labour in ploughing, 50% labour in planting, 60% labour in weeding, 85% labour in processing and preserving food, while performing up to 95% of all domestic chores (ibid). Furthermore, women carry the burden of their domestic responsibilities such as collecting fuel wood, fetching water, cooking family food, caring for their own children and looking after the elderly and sick persons in the family (URT, 2000).

Women's economic contributions should include home production of non-marketed goods and services that support the economic participation, health and well being of the family members (Stevenson, 2000). Despite contribution of women to the economy, they are not acknowledged by policy makers because such potential is undervalued because it is home-based, unpaid and un-priced (Women Watch, 2005). Therefore, concern for women in poverty alleviation efforts in Tanzania is important because women constitute over half of the total population that represent a big

labour force (URT, 2002). In the process of poverty alleviation most women face several constraints: major constraint that reduces the efforts of women towards poverty alleviation is the lack of direct access to resources such as land, capital, credit and information which affects their productivity (Mkandawile and Soludo, 2003). They are also deprived of control of their own labour (TGNP, 1993) Also due to low education levels, their knowledge and skills on how to manage their time and work is generally low, coupled with poor technology, which consume more of their time and energy (Luvanga, 1997).

Women reproductive roles can also be a hindrance to poverty alleviation. TGNP (1993) observed that women's reproductive responsibilities related to childbirth and childcare cause absenteeism and lower participation in income generating activities and employment for those women who have wage employment. Therefore, any poverty alleviation efforts, are destined to failure unless they promote the advancement of women as producers in their own rights and as direct beneficiaries (IFAD, 1998).

2.9 Women's Income Generating Activities (IGAs)

IGA for women in Tanzania arose in the context of basic needs approach within the dominant concept of Women in Development (WID) which emerged in the early 1970's (Mbughuni, 1994). This was a response to growing evidence that economic and social development efforts had not benefited women as much as men (Mbilinyi, 1992; Kironde, 1996; Muro, 1994; Koda, 1996). 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.

Women produce and consume, manage businesses and households, earn income, hire labour, borrow and save, and provide a range of services for businesses and workers. Women represent an increasing proportion of the world's informal sector labour force and their activity rates are rising. In Africa, Asia and Latin America, they are over one third of the officially enumerated workforce (IFAD, 2000). Poor and uneducated women are likely to be found in informal sector, operating small eating places "mama lishe" 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 family budget through IGAs. Even where a woman is not completely alone, her contribution to the budget is of utmost importance to the family, more so because women spend more of the income in family welfare (Dankelm, 1988).

Income generating activities are important for creating employment, production of locally needed commodities, income generation, growth of farm activities and poverty alleviation (Washa, 2002). Apart from creating employment, these activities are important in their contribution to food security and raising household income through selling of products (Minde, 1988; UDEC, 2002). The income generated from these operations in most cases are very small, but it plays a significant role in buying clothing for babies and children, paying for school fees and health care

(IFAD, 2000). For example a study conducted in Taiwan in 1995 found that, after holding per capita household income constant, women's income share has a significant and positive effect on household budget shares of staples and education (FAO, 1998). In addition women are now building houses, pay house rent and maintain houses as a whole (Washa, 2002).

2.10 Women and Access to Economic Resources

Over the past 30 years, formulated policies and laws on property ownership in Tanzania do not discriminate women against men, however, discriminatory beliefs are a common practice (Chachage, 2003). Tradition and customs on property ownership and control right are still vested in men (Tibaijuka and Kaijage, 1996). Even among women who are relatively well off, the resources they control are often consumed by the family (Mosha and Johnson, 2000).

2.10.1 Women and access to credit facilities

The urban and rural women remain a disadvantaged group when it comes to access and control of formal credit facilities. Koda and Mukangara (1998) identify factors contributing to this situation including high rate of illiteracy, lack of collateral, smallness of their undertakings and their preoccupation in predominantly subsistence level activities. Very few women belong to formal credit associations through which access to formal financing is possible. In 1992 women membership in formal rural savings and credit associations was only 15 percent (Koda, 1994). Studies on women access to credits have shown that, in urban areas most women still depend on the long tradition of mutual aid among themselves and the emergence of informal financial credit arrangement such as rotating savings associations

(RSAs), and rotating savings and credit association (RoSCAs) (TGNP, 1993). These informal moneylenders have high interest rates associated with short loan recovery period which hinders majority of women to access loans.

However, Holt and Ribe (1992) argued that microfinance is not a panacea for poverty and related development challenges, but rather an important tool in the mission of poverty eradication. Similarly Kayunze *et al.* (2000), argues that credit should not be given to the very poor individuals; instead it should be given to the less poor and non poor who can undertake medium and large scale enterprises, and give wage employment to the very poor who may not need credit but need steady wage employment either on or off farm to meet their daily family requirements. UNICEF (2000) argued that there are certain misconceptions about poor people that they need loans at subsidized rates of interest on soft terms, as they lack education, skills, and capacity to serve, credit worthiness and therefore are not bankable.

2.10.2 Women and access to land

Mutangadura (2005) noted that water and land are the most fundamental resources to women's living conditions, economic empowerment and, to some extent, their struggle for equity and equality. But the majority of women lack access to these resources and most women in matrilineal customary system has access to farmland only through their husbands or fathers as they are only granted use rights as land title pass through the male line. Chachage (2003) shows that, there are some customs prohibiting women from owning land in certain parts of Tanzania. In some instances, women are not permitted to control the fruits of their labour on economic resources (Rweyemamu, 2003). Women access to economic resources and control of products

of their labour has been worsened by the trends of globalizing economy, where by competing high, requiring quality and large scale productivity (Mbilinyi, 2002).

According to a study done by the Economic Commission for Africa-Office for Southern Africa (ECA-SA) in 2003 in Southern Africa, the major obstacles facing women in owning and controlling land include customary law, some legal clauses do not allow joint ownership of land by married couples under statutory tenure and non-synchronization of the inheritance and marriage laws with the land law. In situations where women can own and control land such as where one can buy the land from the land market, women are constrained by several socio-economic factors which include illiteracy, lack of capital and implements, lack of collateral, lack of farm management experience, training and advice which hinder them from access and control of such resources (Mutangadura, 2005).

2.10.3 Women and access to goods market

Marketing is a very important aspect for the success of any enterprise, regardless of their size or gender dimension. ILO (2001) identifies that lack of market opportunities is one of the constraints for micro and small enterprises undertaken by women. Access to markets, particularly in rural areas is very important where in most cases seasonal products flood the market during the harvest time. Most of the operators rely on the local markets, which often has limited purchasing power. A variety of factors may impede access to goods' markets or increase the cost of entry. For example, distance from the market may limit an individual's ability to sell or purchase in a given market. Women in most cases face disproportionately mobility

constraints that limit their ability to travel or sell in markets at some distance from their households and communities.

UDEC (2002) identified that male entrepreneurs can travel long distances to do business while most women are prohibited by traditional roles, domestic responsibilities and cultural values. Cagatay (2001) documented that most of the women and poor farmers in Tanzania like in many developing countries lack market information about the type of goods sold or the prices at which they sold their produces. Gender-related barriers to goods' markets affect both earnings and efficiency. According to Jalbert (2000), pro-poor growth strategies that fail to take account of how gender affects access to and outcomes in goods' markets are likely to compound existing inequalities, reduce producer and consumer surplus, and limit the potential to maximize value added and deepen forward and backward linkages

2.10.4 Women access to extension services

The provision of extension service for women in economic activities and poor farmer is very important. UDEC (2002) reported that access to training and workforce development can upgrade skills, raise productivity and improve earning for the business entrepreneurs. The provision of extension services can increase output, diversify and improve production, reduce risk, and raise the quality and price of the goods traded. In most cases these services are traded and others have been provided by governments through extension officers as partially or fully subsidized programs, to fulfill distributional or efficiency goals. Maghimbi (1994) documented that women face particular barriers in accessing service markets. For example, women's agricultural activities in Africa are frequently oriented towards subsistence

production and domestic markets. They produce lower-value products, on smaller tracts of land, with less access to capital, labor, and chemical inputs. Similarly, because of their household and reproductive responsibilities, women workers may be less able to participate in and benefit from workforce development initiatives. Where women face restricted access to service markets, their production is likely to be concentrated in lower-value lower-return activities (UNDP, 2004).

2.10.5 Women and access to business premises

Majority of women operating income generating activities (IGAs) face serious problems in terms of working premises. The ILO (2000) study showed that, as much as 60% of the businesses in informal sector operate along the streets. In Tanzania, particularly in urban areas where the businesses are concentrated, it is impossible for small and medium enterprises to acquire plots for constructing business premises because of bureaucracy, corruption and the limited number of surveyed plots (UDEEC, 2002). As a result, even relatively well to do business operators are forced to locate their IGAs in their residential areas and hence creates frictions between business operators and government enforcement agencies. As a result of most women operating in informal business premises, it makes it difficult for them to access credit, since fewer money lenders will extend credit to business that has no fixed premises or address (Mbughuni and Mwangunga, 1989). It has been further noted that operators of IGAs in open spaces are insecure about their future; they are became less motivated to expand their business. In some cases, government officials issue contradicting statements as to which area can be used by the women operating IGAs that result for many operators to use mobile structures (Tzannatos, 1999).

2.11 Women's IGAs and Record Keeping

Successful running of IGAs requires its operation to keep records on the expenses and income. Record keeping in business is very valuable for day to day activities as well as long term management decisions. It gives a valuable background of actual information by which current performance and the changes that occurred, both in performance and systems and techniques, can be evaluated. According to Sturrock (1971), such information makes it possible for the assessment of the relative merits of various business management systems and ensures that appropriate decision can be made with a view to improvement. Etgen and Reaves (1987) pointed out that a business record should include an itemized record of receipts, expenses and inventory of assets and liabilities. From this information one can calculate taxes, profit, loss, and net worth and have cash flow statements. Furthermore, Sturrock (1971) documents that an accurate and complete business record programme can provide IGAs manager with the information needed for good financial management. This in turn can be used to prepare budgets, support loan application for the business analysis and the basis of other management decisions.

2.12 Summary of the Chapter

The review of various studies cited various causes for poor performance of the women's income generating activities towards poverty alleviation. Some of the causes include lack of access to credit facilities because of lacking collateral, lack of education and training; lack of goods and service market. In the case of credit facilities, studies have shown that provision of credit alone can not guarantee

successful operating of women's income generating activities instead must be associated with the provision of training and provisions of marketing facilities. But the studies have not managed to explain implicitly the contribution of women's income generating activities to the household income. Therefore this study intends to fill the existing knowledge gap by determining contribution of women's income generating activities (IGAs) to household income.

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Overview

This chapter covers the methodological part used in this study and also describes the study area. This chapter is divided into five sections. Section 3.2 provides description of the study area and justification of its selection. Section 3.3 presents research design. Section 3.4 presents sampling procedure and sample size. Section 3.5 presents data collection procedures. Section 3.6 presents methods of data processing and section 3.7 presents limitations of the study.

3.2 Description of the Research Area and Justification for its Selection.

3.2.1 Description of the study area

i. Geographical location

The research area is Kigoma Urban District. It is one of the four districts of Kigoma Region. The area is located under Lakeshore zone with altitude of 600-1000 metres above sea level with annual rainfall of 600-1000mm. The area is one of the poorest by most indicators of wellbeing with per capital income of Tshs. 125 593 in 2002, being lower than the national average which was Tshs. 256 608 in the same year (URT, 2003). The area for research has been chosen basing on the fact that, no such study has ever been conducted in Kigoma Urban District though many women are engaged in various incomes generating activities. Figure 2 (map) is showing the location of the study area.

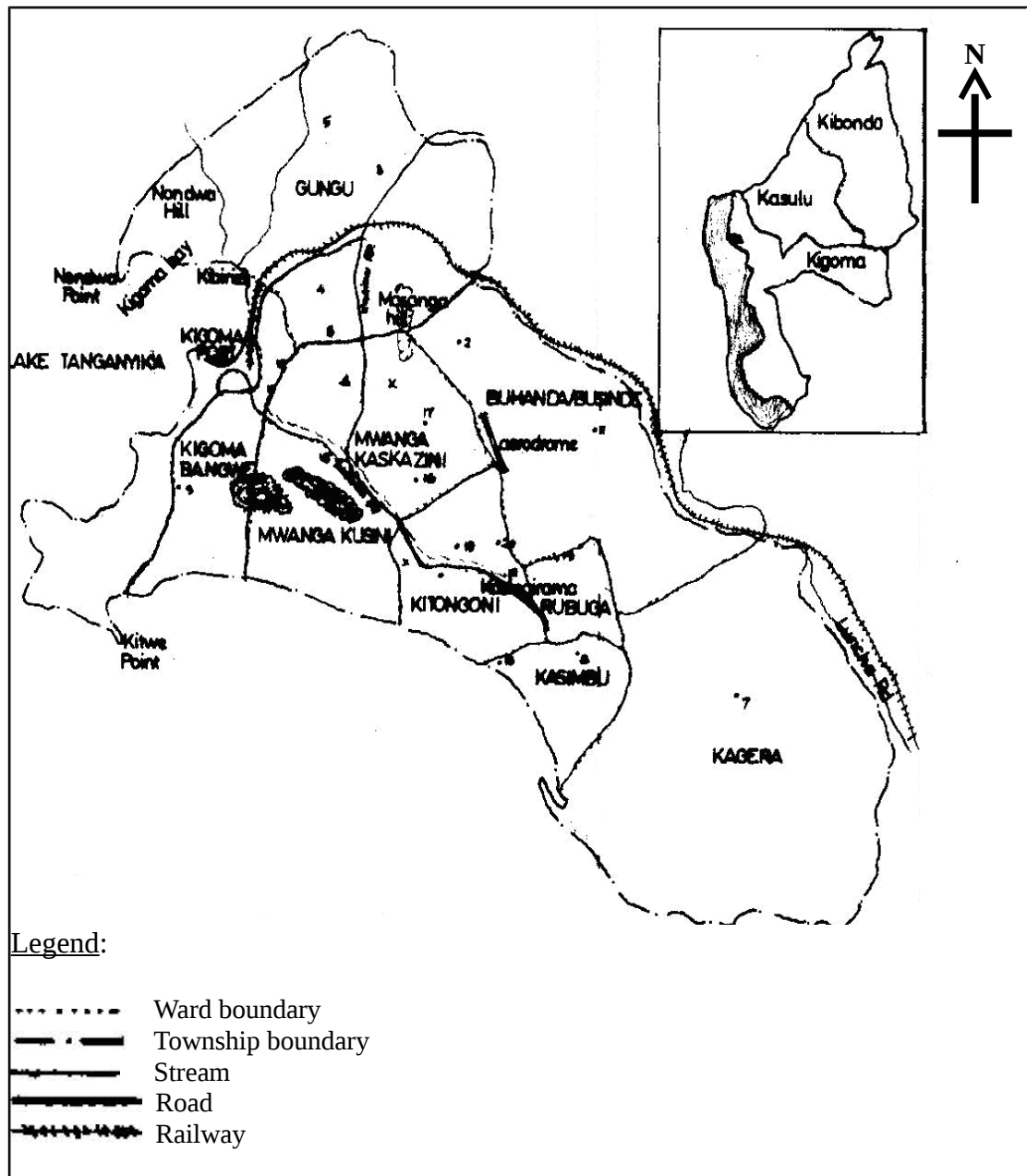


Figure 3: Map of study area (Kigoma Urban District)

ii. Population, land and administration units

According to URT (2002) Tanzania Population and Census, Kigoma Urban District has a population of 144 852 of which 70 630 are male and 74 222 females. This population was about 8.6% of the total Kigoma Regional population of 1 679 109. In the year 2002, the distribution of the household and household size by districts of

Kigoma region gives Kigoma urban an average of 6 household size and 26,000 numbers of the households (URT, 2003). The district has a total of 128 square km. of which 127.85 square kilometers is land and 0.15 square kilometers covered with water bodies, which is 0.35% of the total land area of Kigoma region. Administratively, Kigoma Urban 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 annum.

iii. Economic activities

The main non-salaries economic activities in Kigoma Urban District include food crop production of which cassava, maize, beans, and paddy are very common. Fishing and palm oil extraction are other main economic activities for the people living in Kigoma Urban District. Besides these economic activities, the district boasts of few micro and small enterprises (URT, 2003).

3.3 Research Design

The cross-sectional research design used was used in this study. The design allows data to be collected at one point in time. The design has been recommended by Bernard (1994) plus Babbie (1990) due to its characteristics. Data collected was used for purposes of simple statistical description, interpretation and also makes it possible to determine relationships between different variables focused at the time of the survey. This method is considered suitable where time and resources are limited.

3.4 Sampling Procedure and Sample Size

The study involved both informal and formal survey procedures with the former preceding the latter. Purposive and simple random sampling techniques were

employed. The population of study was women participating in income generating activities (IGAs) from six (6) wards. To obtain the desirable population, purposive sampling technique was used to obtain the six (6) wards based on the characteristics of the respondents required by the study. These include wards with women participating in income generating activities and wards with suitable number of required respondents (i.e. not less than 20 respondents). The wards selected for the study include Kagera, Kitongoni, and Rusimbi, Mwanga Kaskazini, Gungu and Kigoma Bangwe. Procedures of wards selection involved consultation with Municipal Community Development Officer. The purposive technique has been generally recommended in social science research as it focuses directly to the area intended for study (Kothari, 2006).

Then simple random sampling technique was used to select 20 respondents from each ward. The respondents were selected using the list that was prepared by the ward executive offices showing women who participate in IGAs from each ward. The names of women were written on pieces of papers, which were then shuffled. The shuffled pieces of papers with names were then picked randomly one at a time until the sample size of 120 was obtained. The choice of this sample size was justified by limitation of time and financial resources; accuracy; and a need to ensure sufficient number for meaningful analysis (Bailey, 1994)

3.5 Data Collection Procedure

The research involved two phases of data collection. Phase one involved preliminary survey of the study area while the second phase was based mainly on administering the questionnaire.

i. Preliminary surveys

This was conducted to obtain general picture of the research area. During this phase, a permit for data collection was obtained from the office of Kigoma Urban District and it is within this period where six wards for research were identified for the study. This exercise started early in the early of October, 2007 and was completed by the middle of the same month (i.e. October, 2007).

ii. Pre-testing of instruments

The preliminary draft of data collection instruments was cross-checked by experienced researchers at the Sokoine University Agriculture before pre-testing it. The purpose was to check on missing items in the questionnaire and improve its validity. Validity here means the ability of the tool to capture the intended information. The views and suggestions were based on clarity, specificity of the questions and relationship with regards to the objectives of the study. The instrument was then pre-tested under field conditions. Fifteen women who undertake IGAs were involved in pre-testing of the questionnaire and were automatically excluded from respondents sample used in the final study. The testing of the questionnaire provided a useful opportunity to improve the efficiency of the instrument as well as estimating the interviewing time

3.5.1 Primary data

The structured interview questionnaires were used to collect data from respondents within a limited span of time. Questionnaires designed for women who are participating in IGAs focused essentially on respondents' socio-economic, socio-cultural characteristics and their participation in income generating activities.

i. Structured interview

Structured interview was used to obtain primary data whereby face-to-face interviews were administered to the selected respondents through structured questionnaires. The questionnaires contained both close-ended and open-ended questions (Appendix 1). Open-ended questions were used to tap different answers from the respondents while the close-ended questions required the respondents to choose the right answer given in the questionnaire. Data collection began on the first week of November, 2007 and ended on fourth week of November, 2007. All questionnaires used in the study were translated in the Tanzania National language “*Kiswahili*” for better communication and understanding. The principal researcher and two research assistants administered the questionnaires. Always at the end of fieldwork the principal researcher and research assistants revisited the completed questionnaires to check clarity and accuracy of responses. Challenges encountered during the interview exercise were also discussed.

ii. Key Informants

More detailed information also was obtained by interviewing selected key informants such as Extension Officers (6), Ward Executive Officer (6) and influential persons (6). Purposive sampling technique was used to obtain the sample. The key informants gave information about the importance of women’s income generating activities (IGAs) to the household income in the study area.

3.5.2 Secondary data

Various reports on women income generating activities (IGAs), records and references (documentary sources) from Kigoma/Ujiji Municipal Council, Sokoine National Agricultural Library (SNAL) and internet sources.

3.6 Data Processing and Analysis

Data were coded and analyzed at Sokoine University of Agriculture (SUA). Data were sorted, coded, summarized and analyzed by using Statistical Package for Social Sciences (SPSS version 12) computer software. Based on the objectives of the study, both descriptive and quantitative analyses were done. Descriptive analysis included frequencies, percentages and means. Quantitative analysis involved Gross Margin (GM) analysis, T-test and Chi-square. T-test was used to evaluate the difference between two groups while Chi-square was used to measure the correlation between variables. Gross Margin analysis was done to estimate income generated from IGAs operated by two groups of respondents (i.e. borrowers and non-borrowers). Gross Margin analysis was also done to establish monthly profitability between the selected women groups. Total GM of all enterprises has to cover the total fixed costs and provide a profit or net returns/ loss (Senkondo, 1988).

Gross Margins were obtained using the following formulae:

Profit = **Total revenues less all costs variable cost**

GM = **TR - TVC**

Where: GM = Gross margin of IGAs

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

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

GM analysis has been used to understand profitability of an enterprise as it shows how effectively management can bring profits from sales and how an enterprise has to withstand downturn and fend off competition (McClure, 2004). However, the method has a disadvantage like not being able to include fixed or overhead costs such as depreciation, machinery purchases, or permanent labour costs and comparison can be misleading (Hassall, 2005). Therefore the technique fails to make allowance for complimentary relationship between enterprises (Selejio, 2002).

3.7 Limitation of the Study

During the survey the following problems were encountered:

- i. Availability of funds was a major problem since this research was done on private sponsorship basis. So the researcher and two research assistants spent a lot of time walking from one ward to another instead of using reliable transport such as a motor vehicle.
- ii. Some of the important documents and records were not easily available due to poor record keeping. This led to the research assistants to use extra efforts to probe for the answers. For example cash book was expected to show key data showing the performance of income generating activities and viability of the projects. Such weakness is a limitation in understanding the contributions of women's IGAs to the household income.
- iii. Furthermore, some respondents were reluctant to give information because previous researchers had not fulfilled the promises they had made upon completion of their studies to the respondent.

CHAPTER FOUR

4.0 RESULTS AND DISCUSSIONS

4.1 Overview

This chapter presents and discusses findings of the study conducted in six wards in Kigoma Urban District. The presentation is organized according to the research objectives and emerging issues. The chapter is organized as follows (i) Overview of the chapter (ii) demographic characteristics of women participating in income generating activities (IGAs), (iii) types of IGAs undertaken by women, (iv) characteristics of women IGAs, (v) sources of household income and major income earner of the household income, (vi) women's IGAs profitability using Gross Margin Product (GMP), (vii) management of income obtained from IGAs and control over the use of income obtained, (viii) skills acquisition for IGA operations and initial start -up capital, (ix) contribution of women IGAs to household income, (x) women's income expenditure patterns within the household, (xi) respondents loan profile in the study area, (xii) record keeping of IGAs and reasons for not keeping IGAs record, (xiii) influence of demographic factors of the respondents on amount of income contributed to the household and (xiv) constraints encountered by women in operating IGAs (xv) Summary of the chapter.

4.2 Demographic Characteristics of Women Participating in IGAs

In this research, demographic characteristics of the respondents include age, marital status, and level of education. These variables were analyzed and discussed in sub-sections as follows:-

4.2.1 Age profile of the respondents

Age is an important demographic variable and is primary basis of demographic classification in vital statistics, censuses, and surveys (URT, 2005b). The selected sample in this study comprises of 120 women who were involved in income generating activities IGAs in the study area. Table 2 shows age groups of the women participating in income generating activities (IGAs) as ranging from 15 years to 65 and above years old. The majority of respondents (43%) were aged between 25 and 35 years. About one third of respondents (30%) were aged between 35 and 45 years. While the rest 12.6%, 10.8%, 0.8% of the respondents who were interviewed aged between 15-25, 46-55 and above 65 years respectively. Thus the findings imply that majority of respondents in IGAs are between 25 and 45 years old. This finding is consistent with results from the study commissioned by ILO in 2003 that covered Dar es Salaam, Arusha and Zanzibar. In their study it was revealed that, about two thirds (70%) of entrepreneurs in food processing were aged between 31-50 years.

Furthermore, UDEC (2002) documented that, most of the participants in informal economic activities were between 20 and 49 years of age. These findings are also supported by ILFS (2000/2001) that documents that youth group concentrated more in the informal sector as compared to the older ones. The possible reasons for youth group to be concentrated in informal sector may be due to the fact that, most of the youth after completing their primary education, they are not selected to join secondary education and hence find themselves in informal economic activities as their survival strategy, while the reason for older women may be because they have less responsibility related to childrearing and hence have no strong force to work in informal sectors.

4.2.2 Marital status of the respondents

The Integrated Labour Force Survey (2000/2001) shows that women account 50.6% of the informal labour force in Tanzania, but predominates in agriculture and petty trading (URT, 2005a). Table 2 on page 38 shows the marital status of the women who participated in IGAs in the study area. The results indicated that majority of the respondents who were interviewed (68.3%) were married. Whereas, the rest of the respondents 15%, 5.8%, 10.0% and 0.8% were single, divorced, widowed and separated respectively. From the study it was revealed that most of the respondents who were interviewed in Kigoma Urban District (84.9%) were married at some point in their life. The higher number of the married women in IGA tends to be consistent with results given by Rutashobya and Nchimbi (1996).

However, this finding seemed to be slightly higher than those reported by National Bureau Statistics and Tanzania Demographic and Health Survey (2005b), where according to them, about 66% of women in informal economic activities are married. The reason for married women participating more in informal economic activities may be due to push factors such as husbands' low wages that can not manage to meet all basic needs and the impacts of the Structural Adjustment Programme (Rutashobya and Nchimbi, 1996).

4.2.3 Education profile of the respondents

Education is always valued as the means of liberation from ignorance and enables one to perform effectively the economic activities. The respondents were asked to state their levels of education which ranged from illiteracy to post secondary

education. It was then observed that majority of the respondents (70%) had attained primary education and about 20% of the respondents interviewed had never attended formal education (Table 2). The rest 4.2%, 3.3% of the respondents had attained secondary and adult education respectively. The results from the research indicated that, majority of women who participated in informal economic activities had low level of education. As a result of having low level of education, most women are found to be disadvantaged in relation to access to the economic resources such as credit facilities.

Similar observation was made by Kayunze and Twamala (2000) who argued that credit should be given to sufficiently educated borrowers. In addition, Kuhn and Cheston (2000) reported that combination of education and credit can put women in a stronger position to ensure equal access to food, schooling and medical care. The findings above were supported by Meena (2005) who identified that education policies and educational plans have limited the ability of women to fully utilize their intellectual energies in management of their economies.

Table 2: Demographic variable characteristics of the respondents (N=120)

Category	Frequency	Percentage (%)
Age group		
15 – 25	15	12.6
26 – 35	52	43.3
36 – 45	36	30.0
46 – 55	13	10.8
56 – 65	3	2.5
More than 65	1	0.8
Marital status		
Married	82	68.3
Single	18	15.0
Divorced	7	5.8
Widow	12	10.0
Separated	1	0.8
Education level of the respondent		
None	24	20.0
Primary education	86	71.7
Secondary education	5	4.2
Post secondary education	1	0.8
Adult education	4	3.3

Source: Survey data 2008

4.3 Types of Income Generating Activities Undertaken by Women

Income generating activities (IGAs) undertaken by women in the study area include food vending, selling of agriculture related products, selling sardines/fish, selling of local brew selling charcoal and firewood, selling burns/doughnuts, tailoring activities, retail shop business, and selling of used clothes. Table 3 summarizes the findings.

Table 3: Types of income generating activities (IGAs) undertaken by women

Category	Response	Percentage (%)
Types of IGAs		
Food vending	12	9.5
Agriculture related activities	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

* Some of the respondents gave more than one answer categories, number of cases will not necessarily add to 120 (data set was based on multiple responses)

It was evident that women in the study area engaged in several economic activities at a time. But those ranked high includes agricultural related activities (48.4%), selling of sardines and fish (12.7%), and food vending (9.5%). It is also found that, very few women were engaged in selling used clothes (1 per cent) and local brewing business which account for about one percent of the total respondents who were interviewed. The findings from the study area show that most women were concentrated on the activities that involved agricultural products such selling spices, cereals, palm oil and fruits and vegetable and less represented in the activities such as selling of used clothes. This finding is supported by UDEC (2002) who identified that low capital investment used by most women to establish income generating activities is the major cause for most women being concentrated in one type of IGAs.

Rugamamu (1993) identified that most women tend to undertake income generating activities which are in harmony with their traditional roles and in most cases are least profitable. However, possible factors that influence women's choice of activities to engage in may be their ability, limited skills, limited start-up capital, limited access to working capital and their limited capacity to absorb the consequences of failure.

4.4 Characteristics of Women Income Generating Activities (IGAs)

4.4.1 Ownership of income generating activities

The ownership of IGAs for women is a key step toward women's socio-economic empowerment within the household. Figure 3 below shows that, about 69% of interviewed respondents owned the IGAs that they operated. Whereas about 10% of respondents operate IGA that are owned by their husbands, 12% operate IGAs owned by the women groups, 3% of the respondents operate IGAs that are owned by parents and 6% of the respondents operate IGAs that are owned by both wife and husband. This finding shows that most women operate income generating activities on individual basis. The reasons for this may be to avoid mistrust and lack of commitments among group members. The study done by UDEC (2002) revealed that most women operating IGAs prefer individual ownership of IGAs due to easy establishment and its management.

Furthermore, it is also found that individual ownership of IGAs require less capital and less formality as compared to partnerships or cooperative ownership of IGAs

which requires high initial capital and more formalities like formal registration and known business premises (Buvinic, 1993).

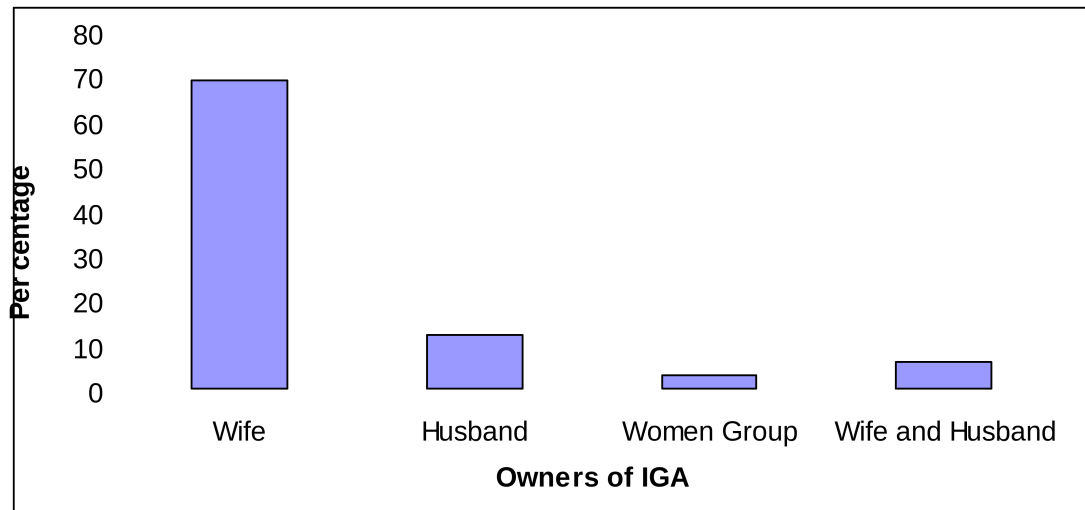


Figure 4: The ownership of income generating activities

4.4.2 Women's IGAs location and payment for IGAs premises

Results in Table 4 show that most (77.5%) of the respondents interviewed were operating IGAs in non-residential premises, whereas the rest (22.5%) of the respondents operated IGAs in residential premises. Furthermore, about 50.8% of the respondents are not paying rent for business premises against 49.2% of respondents who pay for premises. These results indicate that majority of the women in the study area tend to operate IGAs in non-residential areas without having formal business premises. This finding is consistent with what is reported by ILO (2000) identifying that, as much as 60 per cent of income generating activities in the informal sector operates along the streets, particularly so in urban areas where the businesses are concentrated in one area.

By operating in informal premises, it makes it difficult to access credit from credit agencies since few lenders will extend credit to IGA that has no fixed premises. UDEC (2002) noted that most women who are operating IGAs in open spaces are insecure about their future and became less motivated to expand their business, whereas in some cases government officials were reported to offer contradicting statements as to which areas can be used for IGAs operator and this causes majority of women operating IGAs to use mobile premises.

Table 4: Business location, payment of rent and reasons for business location (N=120)

Category	Frequency	Percentage (%)
IGAs premises location		
Residential premises	27	22.5
Non-residential premises	93	77.5
IGA premise's rental		
Yes	59	49.2
No	61	50.8
Reasons for IGAs location		
To combine household chores and IGAs	28	18.5
Easy to get customers	107	70.9
Don't pay rent	8	5.3
Near milling machine	4	2.6
Due to health problem	1	0.7
Low capital	3	2.0
Management of IGA		
By unpaid family labour	85	70.8
Paid employees	5	4.2
IGA owners	30	25.0

4.4.3 Reasons for choosing premises for IGAs

Most of the respondents who were interviewed in the study area (70.9%) said that they had located their IGAs in that would place that will be easy to get customers. About 18.5% of the respondents were doing their IGAs around their houses for the

reason that they had an opportunity to combine the household chores and selling items. However, it was found during the research that most women operate IGA in location where it is easy to get customers and some near residential areas so as to combine IGAs and household chores as well. This finding is in agreement with a UNICEF study (UNICEF, 2006), which identified that, even when women participate in the economic activities, they still undertake the majority of the work in their homes, e.g. example a woman in paid employment perform household tasks that absorb 33 hours of their time each week, in contrast to men's contribution to domestic chores which amount to just 6 hours per week.

4.4.4 Management of IGAs

Most (70.2%) of the respondents interviewed depended on unpaid family labour to help to run IGAs (Table 4). This includes children who help their parents after school hours. The rest (4.2 % and 25.0%) use paid employees or IGA owner respectively. This finding implies that, in operating income generating activities, women are sometimes getting support from other family members. The possible reason for most operators of IGAs in this study to use unpaid family labour may be due to small size of their economic activities. In her study Bryceson (2000) identified that women IGAs are characterized by the following elements: activities which are not permanent and changing according to the change in external factors such as weather, availability of capital, labour and equipment, activities which produce small profit which does not allow for savings, systematic expansion of IGA and in most cases are household based relying on unpaid family labour.

4.5 Sources of Family Income, Major Income Earner and Reasons for Starting IGAs

4.5.1 Sources of respondent household income

More than one quarter (43.3%) of the respondent interviewed reported off-farm IGAs as the main source of household income (Table 5). While the rest of the respondents (23.3% and 28.3%) reported agricultural activities, and both agricultural and off-farm activities respectively to be the major sources of their household income. This finding indicates that, majority of the respondents who were interviewed depend on off-farm activities as their major sources of their family income followed by combination of agricultural and off-farm activities. This may be a consequence of declining government and parastatal employment and a rise in private-sector and self-employment particularly in urban areas. However, despite the large number of households being dependent on off-farm activities as their source of income, still agricultural activities have greater role to play for the well being of the people of Kigoma Urban District.

In some wards of Kigoma Urban District e.g. Kagera ward, agricultural activities appear to be the dominant activities of majority of the people. This finding is consistent with the results from Tanzania Household Budget Survey (HBS) of 2000/2001, which reported that agricultural activities are an important source of cash income in most of the regions of Tanzania. In some regions like Kigoma, Iringa, Rukwa, Lindi and Mtwara the sale of food and cash crops are of particular important and, livestock is relatively important for Arusha and Tanga regions.

4.5.2 Main family income earner

Table 5 shows that about a half of the respondents (47.5%) who were interviewed reported the husband to be the main income earner of the household. About 36.7% of the respondents had reported wife to be the major income earner in the household. The rest (10.8% and 5.0%) of the respondents reported both wife and husband and, parents respectively to be the main income earners of their households.

Table 5: Source of income, major income earner and reasons for starting IGAs

Category	Frequency	Per centage%
Sources of Family Income (N=120)		
Farm activities	28	23.3
Salary	5	4.2
Off farm IGAs	52	43.3
Farm and Off farm IGAs	34	28.3
Salary and Off farm IGAs	1	0.8
Main income earner of the family (N=120)		
Husband	57	47.5
Wife	44	36.7
Both (Husband and wife)	13	10.8
Parents	6	5.0
Reasons for starting the IGAs (N=120)		
Source of income after retrenchment	4	2.5
Less dependent to the husband	48	30.2
Support my husband financially	43	27.1
Provides social services to my family	32	20.1
Take care of myself	32	20.1

* Some of the respondents gave more than one answer categories, number of cases will not necessarily add to 120 (data set was based on multiple responses)

This finding is supported by the 2000/2001 Household Budget Survey which documents that men's average earnings were around 1.9 times higher than women's, where the differences are largest in urban areas particularly in Dar es Salaam. These differences in income earning may be due to level of the participation in the labour

market, since some of the women may not work full-time because of household responsibilities and the low level of education.

4.5.3 Reasons for starting income generating activities by women

Results in Table 5 below indicate that, 30.2% and 27% of the respondents who were interviewed start IGAs in order to be less dependent on their husbands and to support their husbands financially respectively. The rest (2.5%, 20.1%) of respondents reported to start IGAs as the source of employment after retrenchment, provide social services to the family respectively. This finding on the reasons for starting IGAs is consistent with the one reported by ILO (2003), Rutashobya and Nchimbi (1996), Hyuha and Turi-Hobwe (1999). However, Makombe et al (1999) identify that, women's increasing participation in the IGAs is due to the current economic hardships in Tanzania that led to the collapse of many industries in public and private sectors.

In urban areas, women are under increasing pressure to contribute to household income; this is even more true of women whose husbands have been laid off by the formal sector as a result of rationalization, privatization of public enterprises, and cuts in government spending in social services, followed by introduction of cost sharing to education, health and water services. Bryceson (2000) noted that in some places in rural areas of Africa, there is a strong attraction for women towards joining informal economic activities, where the earnings generated from non-agricultural activities are taken to be theirs, whereas earnings from farming activities belong to the whole family.

4.6 Profitability of Women's IGAs Using Gross Margin Product (GMP)

In order to analyze the profit of each IGA, a gross margin analysis was used. Table 6 shows the calculation of gross margin product of the income generating activities undertaken by women in the study area. The gross margin is used to assess whether the IGAs done by women generate profit or loss. As it was recommended by McClure (2004) that gross margin analysis (GM) is the best to be used to understand profitability of an enterprise as it shows how effectively management can bring profits from sales and how an enterprise has to withstand downturn and fend off competition. Gross margin analysis is used for examining alternative IGAs and provides a guide to IGA performance given similar environments (Hassall, 2003).

The findings of the study show that, income generating activities undertaken by women are profitable due to the facts that, in all respondents who were interviewed their IGAs were found to have positive gross margin product. This implies that on average total cost of running IGAs by women were lower as compared to the revenue accrued from selling items.

Table 6: The profitability of income generating activities undertaken by women

Category	Average monthly revenue (Tshs "000")	Average monthly revenue (Tshs "000")	GMP per IGAs in (Tshs "000")
Types of IGAs			
Food vendours	6182.00	3060.00	3122.00
Agriculture related product	20771.80	13238.80	7533.00
Selling of sardines/fish	5300.00	3733.00	1567.00
Tailoring Activities	1066.00	704.00	362.00
Selling bans/doughnuts	784.00	614.00	170.00
Selling Charcoal	1006.40	849.00	157.40
Selling of local brews	844.00	696.00	148.00
Retail shop business	2539.00	1764.00	775.00
Selling of firewood	360.00	248.00	112.00
Selling of used clothes	2435.00	1130.00	1305.00
TOTAL	41288.20	26036.80	15251.40

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) was therefore Tshs. 7 533 000 per month (Table 6). This implies that, although IGAs undertaken by women were small in nature, still women have managed to get profits. Therefore, if women economic activities are given the necessary support from government and other development partners, there is room for their business to grow and produce more profit and hence contribute to the household income as well as to the national economy.

4.7 Management of Income from IGAs and the Control Over the Use of Income obtained

Respondents were asked to indicate who keeps and controls income earned from IGAs. The purpose was to investigate whether wives would have access, decision and control over the income earned. The findings from the study area show that majority of the wives (83.3%), (54.2%) keep money obtained from IGAs and have power over use of the income earned from their IGAs respectively (Table 7).

Table 7: The one who manage income obtained from IGAs and the power over the use of the income obtained from IGAs

Category	Frequency	Percentage (%)
Who keeps money obtained from IGAs (N=120)		
Husband	9	7.5
Wife	100	83.3
Both (Husband and Wife)	10	8.3
Parents	1	0.8
Power over the use of surplus (N=120)		
Husband	19	15.8
Wife	65	54.2
Both (Husband and Wife)	32	26.7
Parents	4	3.3

These findings from the research area are consistent with what was identified in Uganda by IFAD (2000) that women tend to control the income resulting from their off-farm income generating activities, such as beer brewing, petty trade and operating small ‘restaurants’ while income from male off-farm activities such as brick-making and charcoal-burning usually “stays” with the husband. This is different in agricultural related activities where women are more disadvantaged in relation to the power over the use of income earned from agricultural activities.

4.8 Acquisition of Skills for Income Generation Activities (IGAs) Operation and Initial Start up Capital

4.8.1 Acquisition of Skills for IGAs operation

Entrepreneurship skill is one of the very important attributes any entrepreneur in business must have. In this study, respondents were asked to report where they did obtain business skills before they started IGAs. Results from the study indicated that the majority (44.2%) of the respondents obtained business skills from their husbands. The rest 10 %, 15.8 % and 30 % of the respondents reported to obtain business skills from their friends, relative and on their own respectively (Table 8). This result is supported by Mandara (1998) who reported that, in some cases husbands support their wives in operating IGAs by providing to them business ideas. This may imply that, there is increasing recognition of the importance of income generated from women economic activities to the household economy.

4.8.2 IGAs start up capital

Table 8 shows that more than half (65%) of respondents who were interviewed reported to start IGAs with start-up capital of less than Tshs. 50,000/= and about 6%

of the respondents started their business with a capital of more than Tshs. 200,000/=. This finding revealed that most of the women participating in income generating activities have very small start-up capital that makes the size of their economic activities to be small in size and hence small marginal profits. ILO (2001) and World Bank (2003) in their recent studies found the same that most women income generating activities lack access to finance for starting, operating and expanding their business.

TGNP (1993), Mukangara and Koda (1997) found that women in urban and rural areas depend on the long tradition of mutual aid among themselves and the emergence of informal financial credit arrangement such as rotating savings associations (RSAs), rotating savings and credit association (ROSCAs). UDEC (2002), estimated demand for IGAs credit is to be 2.5 million borrowers, compared to about 50,000/= borrowers being served currently, where the largest demand for credit is in the range of Tshs 50 000 to 500 000. Possible explanations for most women to have little access to the formal credit facilities can be due to high level of illiteracy, lack of collateral, lack of business premises, the small size of their undertaking and their preoccupation with subsistence-level activities.

Table 8: Acquisition of skills for IGAs operation and an initial start-up capital (N=120)

Category	Frequency	Percentage
Acquisition of skills for business operation		
My husband	53	44.2
Friends	12	10.0
Relatives	19	15.8
Self	36	30.0
Initial start-up capital for IGAs		
Less than Tshs. 50,000/=	78	65.0
Between Tshs. 50001/= – Tshs. 100000/=	18	15.0
Between Tshs 100001/= –Tshs. 150000/=	10	8.3
Between Tshs 150001/= –Tshs. 200000/=	6	5.0
More than Tshs. 200000/=	8	6.7

4.9 Contribution of Women IGAs to Household Income

In order to determine contribution of women income generating activities to the household income, the amount of money contributed by women and other members of the household per month were determined. Furthermore, monthly mean income of the two groups was eventually computed. The finding from this study shows 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 2 and Table 8). These findings are consistent with results obtained by FAO study (FAO, 2004) which identified that income from women economic activities contribute between 20% and 60% to the household income.

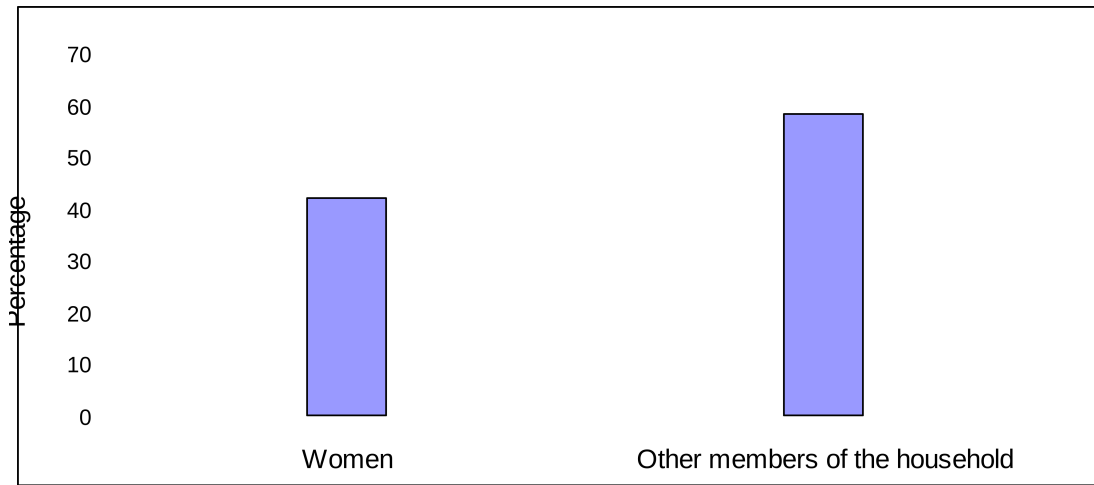


Figure 5: Percentage of income contributed by women and other members of the household

Furthermore, the findings from the study revealed that, agriculture related activities such as vegetables 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 6).

T-test statistical analysis was used to compare income contributed by women in the household per month and income from other members of the household. Basing on statistical t-test results (Table 9), it was identified that there is a significant difference between mean income contributed by women to the household and those from other members of the households ($P < 0.05$). Further, t-test analysis noted a significant difference between mean average incomes per month contributed by women to the household income and those other members of the household.

Women IGAs contribute an average of Tshs. 38 233.33 per month, while other members of the households contribute an average of Tshs. 53 433.33 per month (Table 9). Therefore, it is clear that women's IGAs play a greater role to the household income particularly so to the poor households. The importance of IGAs to the household was vividly illustrated in informal conversation with one married woman at Gungu ward:

“Before, our household had scarcity of basic needs. We had shortage of money for buying food, paying for school fees, and for health expenses. But now my household eats properly, systematically 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. Before he used to hit me” (Woman age, 42).

Table 9: Monthly mean income contributed by women to the household

Category of Household Income	Mean income in Tshs	T – Value	P–Value
Contribution of women income to household income	38233.33	2.591	0.011
Contribution of other members' income to household income.	53433.33		

Statistically significantly ($P < 0.05$)

4.10 Women's Income Expenditure Patterns in the Household

Table 10 shows the expenditure patterns of the respondents in their households. About 72.5% of respondents used a larger portion of their income in purchasing food for family consumption. The rest 5.8%, 4.2%, 6.7%, 2.5 %, 5%, and 3.3% of the respondents reported to use their income for paying for health services, school fees, expand new IGA, savings, start new economic activities and construction of houses respectively. The foods the women tend to buy are not only items such as oil and salt, but may also purchase supplementary millet and other staples, and buy

fruits and vegetables. These findings are consistent with the findings by Wheelock (1996) who found that most of the poor women spend greater proportion of their income from IGAs for purchasing basic items especially food.

Table 10: Women's expenditure patterns in the household (N=120)

Category	Frequency	Percentage (%)
Women's expenditure patterns		
Family food	87	72.5
Health services	7	5.8
Pay school fees	5	4.2
Expand existing IGAs	8	6.7
Savings	3	2.5
To start new IGAs	6	5.0
Construction of houses	4	3.3

Furthermore, Stevenson (2000) reported that basic grains constitute the largest component of the consumption basket of the poor, accounting for 75% to 80% of the consumption expenditure among rural laborers in India. When analyzing how men and women allocate their incomes in the household, studies in Ghana have identified that women spend the largest proportion of their income on food for their families, followed by health expenditures and expenses of other household items and inputs (IFAD, 1998).

4.11 The Loan Status, Loan recipient, Sources of Loan; and Purposes of Getting Loan

4.11.1 The loan status

The demand for financial services is still largely unmet in both rural and urban areas in Tanzania. Results from Table 11 indicated that, out of 120 respondents of the interviewed households, only 23.3% had reported their households to receive loans

from financial institutions. The rest (76.7%) reported that their households had never received a loan for operating IGAs.

4.11.2 Loan recipient

Loan availability is an important factor in improving small scale enterprises (Minde, 1995). It is particularly important in the purchase of inputs. Lack of working capital has been pointed out as one of the constraints limiting good performance of women enterprises (Oludimu, 1991). Savings and credit facilities could assist women to increase their income level if they were made available in an easily accessible way. Table 11 shows loan recipients in the study area. The findings from the study indicate that, with a total of 28 respondents from households that received loans, 75.0% of respondents reported their husbands received the loan and 17.9% of them reported that the wife received the loan from financial institutions.

Possible reasons for these findings may be due to the fact that in developing countries financial institutions often demand traditional forms of collateral (land, housing, machinery), for which women frequently lack ownership as collateral for obtaining loans. According to USAID (2005) complicated application procedures and documentation requirements can prevent women with lower education and few skills from applying for a loan. Also lack of knowledge about women's economic activities, and documentation that can substantiate their profitability, reduce women's access to credit and insurance products.

4.11.3 Sources of loan

Table 11 shows credit agencies that are involved in credit provision within the research area. About one third (28.5%) of the respondents who get loans, reported to get loans from Women Development Fund (WDF), which is coordinated by the Community Development Department at the Municipality level, whereas, other credit agencies were National Microfinance Bank (NMB), Small Industry Development Organization (SIDO), Savings and Credit Co-operative Societies (SACCOS), Co-operative and Rural Development Bank (CRDB), Promotion of Rural Initiatives and Development Enterprises (PRIDE), which accounted for 7.1 %, 17.9 %, 17.9 %, 21.4% and 7.1% respectively.

UDEC (2002) identifies that most of credit agencies in Tanzania tend to offer an interest rate of between 20 to 40 % per annum which is above commercial lending rate of 20 to 25%. These rates would be a disincentive to long term borrowing even if the loan was available for the women. Among the credit agencies, it is only WDF which provides an interest rate of 10 % per annum and that may be the reason for having more clients as compared to other credit agencies. The above findings were more emphasized by one woman from Kagera ward who said:

“Before getting a loan from WDF, I had a loan from PRIDE and SIDO. To be sincere the interest rate offered by the latter two financial institutions was very high and have short loan repayment period to the extent that poor women operating IGA cannot afford as compared to loan from WDF. The only problem with WDF is that they offer small loan size” (Woman age, 37).

4.11.4 Purposes of the loan

Table 11 shows that about 53.6% of the respondents who had received loan reported to obtain loans for purposes of starting new IGA. While 35.7% and 10.7% said they had applied for the loan in order to expand the existing income generating activities

and paying for school fees respectively. Among those respondents who reported that they would like to expand their IGAs, the most frequently cited strategy was to handle larger quantities of products, investing in machinery or equipments, producing or selling new items or services and investing in business premises or moving their IGAs to a larger space.

Furthermore, it was found from the research that women prefer to apply for the loan for purposes of establishing new income generating activities rather than expanding the existing income generating activities. This may be due to lack of entrepreneurship skills and their low level of education. This finding is consistent with that reported by UDEC (2002) who identified that women in informal sector prefer to start a variety of micro enterprises rather than to develop an existing business into medium sized enterprises.

Table 11: The loan status, loan recipient, source of loan and purposes of loan

Category	Frequency	Percentage (%)
The loan status (n=120)		
Yes	28	23.3
No	92	76.7
Loan recipient (n=28)		
Wife	5	17.9
Husband	21	75.0
Both(Wife and Husband)	2	7.1
Sources of loan (n=28)		
WDF	8	28.5
NMB	2	7.1
SIDO	5	17.9
SACCOS	5	17.9
CRDB	6	21.4
PRIDE	2	7.1
Purpose of the loans (n=28)		
Start new business	15	53.6
Expand existing business	10	35.7
Meeting children school fees	03	10.7

4.12 Record Keeping and Reasons for not Keeping IGAs Records

It was found that out of 120 respondents who were interviewed, 76.7% reported on not keeping IGAs records (Table 12). The rest, 23.3% of the respondents were keeping IGAs records. UDEC (2002) identified that those entrepreneurs who keep financial records of their business are more likely to be successful than those who do not. The respondents who were keeping records did it so that they could know the progress of their IGAs, for the future by assessing expenditure in the business and its revenue together with items/materials needed in IGAs. While on other hand, respondents who did not keep records for their IGAs gave a number of reasons for not doing so and these include: small size of the IGAs that lead to profits obtained being used the very same day; lack of skills on bookkeeping and do knowing how to read and write. Similar findings reported for farmers by Laisser (1997), identified that farmers do not keep records due to low level of education, lack of experience in record keeping and negligence. Lack of records exemplifies the poor and haphazard way of doing any form of economic business.

Table 12: Record keeping, reason for not keeping records of IGAs (N=120)

Category	Frequency	Percentage (%)
IGAs record keeping		
Yes	28	23.3
No	92	76.7
Reasons of not keeping IGAs records		
Small size of the business	31	16.7
Lack of skills on bookkeeping	87	46.8
Ignorance	6	3.2
Don't know to read and write	62	33.3

4.13 The Influence of Demographic Factors on Amount of Income Contributed by Women in Household income

The chi-square statistical test was used to determine the level of relationship between demographic factors and amount of income contributed to the household income in the study area. The demographic factors include age, marital status and education. The findings are summarized in Table 13. The chi-square test shows that there was a statistical significant ($P < 0.05$) between age of the respondents and the income they contribute in the household. Respondents 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).

Table 13: Relationship between demographic variables of respondents and amount of income contributed in their household

Category	Income contributed to household per month by women in Tshs.				Chi-square Value	P-value
	1 – 50000		> 50000			
	F	%	F	%		
Age of respondent (years)						
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 ($P > 0.05$)

When the chi-square test were analyzed to check if there is any significant relationship between amount of income contributed in 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 household income.

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). Furthermore, the analysis of chi-square test shows there is significant association between level of education of the respondents and the proportion of income contributed in their household income ($P<0.05$). 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).

4.14 Constraints Encountered by Women in Income Generating Activities (IGAs)

From the study, it was evident that women in IGAs encountered so many problems. It was found that about 32.1% of the respondents who were interviewed reported to have problems in accessing credit from credit agencies (Table 14). As a result of this, majority of women start their IGAs with very small initial capital. Having small initial capital is a disadvantage to most women who participate in IGA because it does not allow the expansion of the business activities.

Furthermore, the study reported that 16.2%, 9.7%, 28.2% 11.2% of the respondents complained about the poor infrastructure facilities, lack entrepreneurship skills, technical support and training, unreliable business premises and lack of reliable markets to be their major obstacle for their IGAs to flourish respectively. However, it was observed from the study area that, most of the women whose IGAs perform well have strong business skills with a vision. IGA operators also have high motivation to succeed as they pursue better livelihoods for themselves and their families. These findings are supported by UDEC (2002) who identified that most of IGAs that perform poorly have the following general features: - they tend to operate at very small scale with very little opportunity to invest, the operators often lack specific skills that relate to their IGAs, they are not diversified, often operating IGAs which provide similar products or services to consumer as their competitors, they use poor and inappropriate technology and they have poor technical and entrepreneurial skills, they tend to operate in much more localized market with very low marketing skills.

Table 14: The constraints that encountered in IGAs by the respondents

Category	Response	Percentage (%)
Availability of credit facilities	109	32.1
Poor infrastructure facilities	55	16.2
Lack of entrepreneurship skills	33	9.7
Technical support and training	96	28.2
Business premises	38	11.2
Lack of reliable markets	9	2.6

4.15 Summary of the Chapter

This chapter has explained demographic characteristics of the women undertaking IGAs in the study area. Generally it is noted that there are variations between age, marital status and education level of respondents participating in IGAs. The findings show that most women undertaking IGAs are youth, married and have primary level of education. The explanation for the variation has been given and they tend to conform to other studies carried out in other developing countries.

This chapter also presented types of IGAs undertaken by women in the study area which include food vending (mama lishe), selling of agriculture related products (spice, cereals, palm oil, fruits and vegetables), selling sardines/fish, charcoal and firewood, local brew, buns/doughnuts, used clothes and tailoring. The chapter further revealed that women engaged in IGAs in order to be less dependent to their husbands, support their husbands financially and as a source of income after retrenchment. The chapter also shows that most women in the study area started their IGAs with the start-up capital of less than Tshs. 50 000. Using Gross Margin (GM), it was noted that IGAs undertaken by women give positive Gross Margin Product. This implies that women operating IGAs are getting profit. Furthermore, it

was identified from the study area that women contribute significant amount of income to the household compared to other members. The chapter also identified that most households in the study area spent a large amount of income for purchasing food and only small proportion of household income used for savings. Finally, this chapter identified access to credit, infrastructure facilities, training and technical supports as constraints for development of IGAs undertaken by women.

CHAPTER FIVE

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Overview

This chapter presents conclusion and recommendations based on the findings of the study. The general objective of this study was to assess contribution of women's IGAs to the household income in Kigoma Urban District. Specifically the study identified types of IGAs undertaken by women, contribution of IGAs to household income and factors affecting the performance of women's IGAs. Furthermore, the study was aimed at providing recommendation on how to improve IGAs undertaken by women in order to increase productivity and ensuring sustainability of IGAs.

5.2 Conclusions

The following conclusions are made from the findings of this study:

- i. Majority of the women who undertook IGAs in the study area were youth with primary level of education.
- ii. IGAs undertaken by women in study area includes agricultural based activities (selling spices, cereals, palm oil and in fruits and vegetable) and non-agricultural based activities (Food vending, tailoring activities, retail shop business, selling of sardines/fish, firewood, buns/doughnuts, charcoal, used clothes, local brew).
- iii. IGAs undertaken by women in study area contribute significant amount of income to the household income.

- iv. Most of the women's operating IGAs in the study area started their income generating activities with very low start-up capital.
- v. Most women undertook IGAs had no habit of keeping business records and only few used part of their income for making savings.

5.3 Recommendations

In the light of the above conclusion, the following recommendations are made which might be useful to the development planners, policy makers and development agencies for improvement of economic activities undertaken by women in Kigoma Urban District and the rest part of the country:

5.3.1 National level

At national level, the following recommendations are made;

- It was found that IGAs undertaken by women played a greater role in household expenditure and empowered women socially as well as economically. Therefore, it is recommended that development planners, policy makers and development agencies at national level should strongly recognize 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.
- The findings from this study also show that most of the women operating IGAs were youth, with primary level of education. Education, skills and expertise are very important for rapid development of IGAs, the government

needs to formulate policies that will ensure that women are given priorities in education and training on entrepreneurship skills. This can be done by improving the existing colleges and training centers of Folk Development Colleges (FDC). The improvement should focus on amelioration of curriculum and general environment of training institutions.

- The government and other development agencies should concentrate on improving economic resources which are important for improvement of income generating activities as identified in this study. These include extension services, financial facilities, marketing system, technical knowledge/skills and transport facilities.

5.3.2 Community level

At community level, the following recommendations are made:

- Community, particularly men, should acknowledge women's contribution to the household as well as national economy. This will be done by appreciating, respecting and according women rights and responsibilities.
- Community needs to identify and fight against customs and traditions which oppress and deny women access to economic resources. Such customs are like those which deny women access and ownership to land, credit facilities and education
- Community needed to enter into budget system and spend their income carefully and develop the habit of placing their money in the bank. This is

because, savings can buffer expected and unexpected spikes in the household expenses like school fees, home repair and life cycle celebrations.

5.3 Recommendations for Further Research

The findings presented in this study are a result of micro and cross sectional survey design where data were collected at one point in time from six wards of Kigoma Urban District. The major problem of micro and cross-sectional studies is that they cannot be representative of the total population of Tanzania. In this case there is a dire need for more longitudinal studies on the subject in other parts of the country to enable generalization of observations.

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APPENDICES

Appendix 1: Respondents questionnaire

Questionnaire design on;

CONTRIBUTION OF WOMEN'S INCOME GENERATING ACTIVITIES TO HOUSEHOLD INCOME IN KIGOMA URBAN DISTRICT

Date of interviewName of interviewer

.....

Questionnaire number.

A: General information

(In this section let us discuss on the personal information)

1.Name of the Division.....

2.Ward.....Street

3. Age of respondent

4. Level of education

- | | |
|----------------------------|--------------------------|
| (a) None | <input type="checkbox"/> |
| (b) Adult Literacy classes | <input type="checkbox"/> |
| (c) Primary education | <input type="checkbox"/> |
| (d) Secondary education | <input type="checkbox"/> |
| (e) Post secondary | <input type="checkbox"/> |
| (f) I don't know | <input type="checkbox"/> |

5. Marital status

- | | |
|-------------------|--------------------------|
| (a) Never married | <input type="checkbox"/> |
| (b) Married | <input type="checkbox"/> |
| (c) Widowed | <input type="checkbox"/> |
| (d) Divorced | <input type="checkbox"/> |
| (e) Separated | <input type="checkbox"/> |

6. What work were you doing before you started your business?

- | | |
|-------------------------------------|--------------------------|
| (a) Housework | <input type="checkbox"/> |
| (b) Employed. Pleased specify. | |

7. What is the major source of income for your family?

- (a) Salary ☐
- (b) Farming ☐
- (c) Off – farm income generating activities ☐
- (d) Others(specify)

8. Who is the major income earner in the family?

- (a) Myself ☐
- (b) Husband ☐
- (c) Others(specify)

B: Income generating activities undertaken by women

(In this section let us discuss on the women income generating activities)

9. Which income generating activities are you engaged in?

- (a)
- (b)
- (c)

10. When did you start engaging yourself in income generating activities?

- (a) Two years ago (2005) ☐
- (b) Three years ago (2004) ☐
- (c) Four years ago (2003) ☐
- (d) Five years ago (2002) ☐
- (e) Others:Specify

11. What are other sources of your income?

- (a)
- (b)
- (c)
- (d)
- (e)
- (f)

12. How much do you earn from your income generating activities mentioned above?

No.	Type of activities	If daily (Tshs)	If weekly (Tshs)	If monthly (Tshs)	If yearly (Tshs)	Total cash (Tshs)	Total cost (Tshs)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							

13. Give the income generated from other sources apart from IGAs

No.	Type of activities	If daily (Tshs)	If weekly (Tshs)	If monthly (Tshs)	If yearly (Tshs)	Total cash (Tshs)	Total cost (Tshs)
1							
2							
3							
4							
5							
6							
7							
8							
9							

14. What was the initial capital (Tshs) of your business used to start your IGAs?

.....

15. What was the major source of your initial capital?

(a) Own savings ☐

(b) Borrow from husband/ relative/ friends ☐

(c) Government Institutions (specify)

(d) Others (Specify)

16. If own savings, what was the source of savings?

- (a) Sale of asserts ☐
- (b) Sales of crops/ livestock ☐
- (c) Inheritance ☐

17. Do you make any contribution to the household's monthly income

- (a) Yes ☐
- (b) No ☐

If the answer Yes, go to question 18

18. Please, state the amount of income that you contribute to the household monthly from your IGAs.

19. Give income earned by other members in your household

No.	Members	Type of activities	If daily (Tshs)	If weekly (Tshs)	If monthly (Tshs)	Total cash (Tshs)	Total cost (Tshs)
1	Head HH						
2	husband						
3	children						
4	relatives						

20 For each IGA that you engage in, kindly tell me who is the owner?

.....

21 Premises: Where do you operate your IGAs

- (a) Residential premises ☐
- (b) Non residential premises ☐

22 Do you pay rent for your business premises?

- (a) Yes ☐
- (b) No ☐

23 If you pay rent, how much is it?per shillings per week/month /year

24 Why have you located your business at the place where it is now is?

.....

.....

25. Why did you engage yourself in business?

- (a) To earn an income after retrenchment ☐
- (b) To earn own income and become less dependent on husband ☐
- (c) To assist husband financially in supporting the family ☐
- (d) Others. (Please specify)

26 Where did you get business skills before starting IGAs

.....

27 How did your husband contribute to the take off the business?

- (a) Provided the whole capital as loan ☐
- (b) Provided the whole capital as loan ☐
- (c) Provided part of the capital as loan ☐
- (d) Provided part of the capital free ☐
- (e) Gave insight on how to run the business ☐
- (f) Did nothing ☐
- (g) Don't know/Remember ☐
- (h) Others (Specify)

28 Employment status in IGAs

- (a) Unpaid family labour ☐
- (b) Paid labour ☐
- (b) Others (Specify)

.....

29 Are there times when you face labour shortages in your IGAs

- (b) Yes ☐
- (a) No ☐

30 If yes, does your husband give a helping hand?

- (a) Yes ☐
- (b) No ☐

31 If no, why do you think your husband does not help you?

(a)

(b)

32 What is the main source of income of your husband?

(a) Farm ☐

(b) Wage employment ☐

(b) Others (Specify)

C: Resource into businesses

(In this section let us discuss on the resource into businesses)

33 Where do you get the items sold in your business (es)?

(a) Farm ☐

(b) Purchase from somewhere ☐

(b) Others Specify).....

34 If you do purchase from somewhere, how much, on average do you spend on buying the item for your IGAs each day/week/ month?

(a) IGAs (Tshs/day)

(b) Amount spend

.....

.....

.....

.....

.....

.....

35 How much do you earn from your business per month?

(a) Business (es)

(b) Income (Tshs) per day

.....

.....

.....

.....

36 What was the initial capital (Tshs) of your business used to start your business?

.....

.....

.

37 What was the major source of your initial capital?

- (a) Own savings ☐
- (b) Borrow from husband/ relative/ friends ☐
- (c) Government Institutions (specify)
- (d) Others (Specify)

38 If own savings, what was the source of savings?

- (a) Sale of asserts ☐
- (b) Sales of crops/ livestock ☐
- (c) Inheritance ☐

39 What is the estimated monthly income from your income generating activities?

- (a) Less than 10,000/= ☐
- (b) Between 10,001 - 50,000/= ☐
- (c) Between 50,001 – 100,000/= ☐
- (c) Above 100,000/= ☐

40 Do you make any contribution to the household's monthly income

- (a) Yes ☐
- (b) No ☐

41 If the answer is yes; please state the amount of your contribution to the household's monthly income after starting business

- (a) Less than Tshs. 30,000 ☐
- (b) Tshs 30,000 – Tshs 40,000 ☐
- (c) Tshs 41,000 – Tshs. 50,000 ☐
- (d) Tshs 51,000 – Tshs. 60,000 ☐
- (e) Others. Please specify.

.....

42 Do you keep records of your IGAs

- (a) Yes ☐
- (b) No ☐

43 If Yes, give reasons

- (a)
- (b)

44 If No, give reasons.

- (a)
- (b)
- (c)

45 Is there a reliable market for the sale of your products?

- (a) Yes ☐
- (b) No ☐

46 If Yes, Who are your customers?

47 Who keeps money generated from the income generated activities?.....

48 Do you both (husband and wife) have equal access to surplus money?

- (a) Wife ☐
- (b) Husband ☐
- (c) Both ☐

49 If is Husband explain why?

.....

50 Would you like more control over income generated from the business

- (a) Yes ☐
- (b) No ☐

(b) Why?

.....

.....

.....

51 What is estimated expenditure of the household from generated income per week?

(a) Expenditure items for husband

Item	Amount spent (Tshs)/week
.....
.....
.....

(b) Expenditure items for women

Item	Amount	spent
(Tshs)/week		
.....
.....

52 Have you or your spouse ever received any loan/ credit

(a) Yes ☐

(b) No ☐

53 If Yes, who received, who received the loan

(a) Yourself ☐

(b) Your husband ☐

(b) Both ☐

54 For what purpose this loan / credit received?

55 From whom you received it?

56 What are your objectives in doing business (in order of priority)?

.....

57 Are there other business you would like to engage yourself in, if you would the

(a) Yes ☐

(b) No ☐

58 If Yes, indicate the type of business and resources required

Business	Resource required
.....

.....

.....

C: Enterprises bottlenecks

59 What major difficulties do you face when starting your enterprises?

.....

60 What major problems are still prevailing in your enterprises?

.....

61 What issues do you think need to be looked at in order to help you run your enterprises more successful?

- (a) Government policies ☐
- (b) Availability of credit facilities ☐
- (c) Reliability infrastructure ☐
- (d) Availability of resources ☐
- (e) Reliable information on entrepreneurship activities ☐
- (f) Technical support and Training ☐
- (g) Business premises ☐
- (h) Others (Specify) ☐

.....

THANKS VERY MUCH FOR YOUR COOPERATION