8 Social protection and informal construction worker organizations in Tanzania

How informal worker organizations strive to provide social insurance to their members

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Introduction

Tanzania is on a path of moving from being a low-income to a middle-income country with industrialization as a key priority. During the last ten years, Tanzania has experienced relatively high economic growth, averaging 6–7 percent a year (World Bank, 2018). Among the contributors to growth, the construction sector has played a key role contributing 13.2 percent to GDP as of the first quarter of 2019, making it the largest driver of GDP in the country (NBS, 2019). According to Mkenda and Aikaeli (2015), the growth of construction activities in Tanzania is a result of two factors, the increase of government budget allocation to infrastructure development and the increase of private investors in the real estate business and cement production.

Most construction activities in Tanzania, as it is in other developing countries, remain labour-intensive requiring less technical skills, thus allowing unskilled and low-skilled labour to enter the sector (Wells & Jason, 2010). A substantial part of construction activities within the country is undertaken by informal micro and small private entrepreneurs (Wells & Jason, 2010; NBS, 2013), who are subcontracted to perform construction work by large contractors who bid and win the tenders. As a result, most workers in the construction sector in Tanzania are working informally on different projects from high-rise buildings to bungalows, roads, and bridges, among others. Due to the nature of these activities, workers are subjected to various occupational risks and have very minimal or no social protection. As noted by Jason (2007), 95 percent of serious accidents in construction sites involve Informal Construction Workers (ICWs) who mostly perform the work without contracts or with temporary/verbal contracts, leaving the liability for ensuring health and safety on their shoulders.

The construction sector in Tanzania contributes to about 25–45 percent of all the occupational fatalities in the country (Mrema, Ngowi & Mamuya, 2015), and it is the leading sector in terms of fatalities with a rate of 23.7 percent. To ensure that workers are safe in construction sites, Tanzania has established various

institutional machineries that regulate the construction sector, register the contractors, and provide different rules and regulations that govern construction activities in the country. These institutions include the Contractors Registration Board (CRB), the Occupational Safety and Health Agency (OSHA), and the Workers Compensation Fund (WCF) among others. These institutions are mandated to oversee the operations of different activities within the sector ensuring that policies, rules, and regulations are adequately followed; yet, many ICWs continue to operate without well-defined rights and in precarious environments without social protection measures (ILO, 2017).

The construction sector in Tanzania falls under the Tanzania Mines, Energy, Construction and Allied workers union (TAMICO) which deals with workers' rights in the sector. The trade union currently serves only formal employees in the construction sector but is open to own-account or informal workers who contribute the union fees from time to time. However, TAMICO has shown a significant deficiency in dealing with workers in the informal sector (Jason, 2007; Wells & Jason, 2010) since there are no employers for the informal sector workers and therefore making it difficult for collective bargaining. An established construction sector union for informal workers (TAICO) was formed as part of a UNDP project implemented between 2002 and 2008, where a total of about 43 groups of informal workers joined and were expected to operate under the umbrella of TAMICO. However, the association collapsed after the UNDP funding was over, and TAMICO has not made efforts to revive the association (Jason, 2007).

This chapter analyzes how ICWs organize their associations, and how associations facilitate the provision of social protection measures to their members. There is limited knowledge on ICWs associations, and this chapter aims at filling the gap as well as contributing to the body of knowledge on social protection.

Methodologically, the chapter draws on both quantitative and qualitative methods, and the respondents included in the study were both wage workers and own-account workers, employed directly by construction site managers or indirectly via intermediaries such as gang leaders working on large and medium building sites.¹ The study focused on public and private buildings excluding residential housing sites. A total of 212 respondents across two regions (Dar es Salaam and Dodoma) were interviewed. However, after data cleaning, a sample of 205 respondents was used for analysis. As for the qualitative data, 14 key informants who are leaders of worker associations were interviewed, seven from Dar es Salaam, five from Dodoma, and two trade union leaders. In addition, four focus group discussions with members of worker associations involving six to eight people were conducted across the two regions.

Apart from this introductory part, Section two is key worker characteristics which provides a brief synopsis of key characteristics of respondents involved in the study highlighting their various characteristics such as education, age, and construction skills. Section three is association landscape for informal construction workers introduces the associational landscape followed by brief histories of associations in the study areas discussing reasons for formation, membership

criteria, and services offered. Section four is powers of informal construction workers associations that discusses various powers of associations such as associational, institutional, societal, and structural powers. Section five is services offered by associations and it covers the various services offered by associations followed by a discussion in Section six titled access to associations where entry conditions, and barriers to entry are discussed. Section seven is access to formal social insurance and focuses on access to formal social insurance of informal workers, detailing those enrolled and the reasons for not enrolling followed by a conclusion.

Key worker characteristics

Table 8.1 presents some of the key characteristics of the 205 ICWs interviewed across the two geographical locations, 44 percent from Dar es Salaam and 56 percent from Dodoma. Almost all workers (99 percent) were male with an average age of 36 years and 68 percent were married. In terms of education, 56 percent of the workers had completed primary education, while 23 percent had completed secondary education. In terms of training, 39 percent of the workers got the construction skills through being self-taught, while 35 percent acquired the skills on the job and 26 percent attended a training course in construction skills.

Table 8.1 Key worker characteristics

	<i>All</i>		<i>Dar</i>		<i>Dodoma</i>	
	<i>Mean</i>	<i>SD</i>	<i>Mean</i>	<i>SD</i>	<i>Mean</i>	<i>SD</i>
Member*	0.19	0.40	0.11	0.32	0.26	0.44
Social insurance enrolment	0.18	0.39	0.14	0.35	0.21	0.41
Health insurance coverage	0.17	0.38	0.12	0.33	0.21	0.41
Gender (male = 1)	0.99	0.10	0.99	0.11	0.99	0.09
Age	36.38	9.43	36.21	9.06	36.51	9.74
Married	0.68	0.47	0.63	0.48	0.72	0.45
Local born	0.40	0.49	0.26	0.44	0.52	0.50
Mean daily earnings (current USD)**	14.76	22.30	10.72	13.64	17.92	26.87
Assets (house and/or land)	0.50	0.50	0.41	0.49	0.57	0.50
Primary incomplete	0.07	0.26	0.07	0.25	0.08	0.27
Primary complete	0.56	0.50	0.53	0.50	0.58	0.50
Secondary and above	0.37	0.48	0.40	0.49	0.34	0.48
Professional training course	0.26	0.44	0.23	0.43	0.28	0.45
Training on job	0.35	0.48	0.26	0.44	0.43	0.50
Self-taught	0.39	0.49	0.51	0.50	0.30	0.46
Wage-worker	0.32	0.47	0.40	0.49	0.26	0.44
Own-account	0.50	0.50	0.51	0.50	0.50	0.50
Micro-business	0.18	0.38	0.09	0.29	0.24	0.43
Observations	205		90		115	

Source: Author's elaboration based on the project survey data.

Notes: * Based on the random sample consisting of 151 workers. ** The median wage is USD 9.0 overall, USD 7.7 for Dar es Salaam, and USD 10.8 for Dodoma.

Informal workers in the construction industry generally conceptualize themselves as both workers and businessmen, since once they are hired in big construction projects, they work under an employer, but sometimes, they secure their own assignments and thus work as own-account. Often, employers do not really care about their identity but rather concentrate on their specific skills and how fast they can fulfil the assigned tasks. From the survey data, the majority of ICWs in Tanzania regard themselves as own-account workers (50 percent), while 32 percent regard themselves as paid workers, and around 18 percent indicated that they were engaged in micro-business with some variations across the two locations.

The survey also revealed that, of all the respondents interviewed, only 19 percent had enrolled in various forms of worker associations though this differed across locations with association membership being 26 percent in Dodoma and 11 percent in Dar es Salaam. The percentile in Dodoma is higher because the majority are local born, and it is easier for them to organize unlike in Dar es Salaam where the majority have moved in to search for jobs. As for social insurance (SI), overall 18 percent of workers contributed to formal schemes, out of which 11.2 percent were contributing to a health insurance, 2.9 percent are contributing to a pension fund, and 3.9 percent to other kinds of insurances. Interestingly, the overall enrolment was higher in Dodoma at 21 percent compared with Dar es Salaam, where 14 percent of workers are enrolled. As discussed above, the difference between Dodoma and Dar es Salaam is related to place of domicile, as the majority of those who live in Dodoma are local born. This is most probably related to the existence of the Community Health Fund in Dodoma as discussed below. As for actual health insurance coverage, the figures are more or less in line with SI enrolment.

ICWs in Dar es Salaam and Dodoma have some distinctive differences. For instance, in terms of origin, 52 percent of the workers in Dodoma were local born, while in Dar es Salaam, it is lower at 26 percent. This could be due to rural–urban migration, where workers move from their home areas to the main city in search for jobs. Also, the mean income which is around 15 USD is lower in Dar es Salaam compared to Dodoma because Dar es Salaam has many construction workers competing for the same construction sites, and workers are willing to work on prices decided mostly by the site engineers and workers hardly negotiate the terms. Furthermore, the nature of the respondents interviewed in Dar es Salaam had more helpers who earn less than the masons who hire them while Dodoma had more masons who hire the helpers. It is also revealed that, in Dodoma, construction workers are few, and thus, they dominate the construction works available. Thus, the median wage is lower than the mean due to the right skew of the distribution with a few heavy earners at the top pulling up the mean. For this reason, the median is a more accurate measure of the general wage level. Finally, in terms of ownership of assets, 50 percent of the respondents had assets such as land or a house, slightly higher in Dodoma at 57 percent compared to 41 percent in Dar es Salaam.

Associational landscape for informal construction workers in Tanzania

Informal construction workers (ICWs) as compared to informal workers in other sectors such as trade and transport in Tanzania have lower representation in associations. Data from other sectors reveal that, in trade, 34 percent are members of associations, while, in transport, it is 50 percent compared to 19 percent in construction. The notion of coming together and forming associations is somewhat a new phenomenon for the ICWs. This may partly explain the relatively low share of association members as revealed in the survey. Table 8.2 below provides insight into the types of associations ICWs belong to.

Table 8.2 shows that, in terms of association type, 22 percent of ICWs were in either Saccos/Vicoba or Chama, 76 percent were in worker associations, and 2 percent in other associations such as religious, youth, and women, while, in benefit type, the study revealed that 54 percent were in specific work-related associations, for example, masonry, carpentry, or plumbers. In addition, 19 percent receive social cushioning, and only 20 percent of the members have enrolled in social insurance which is average across all workers. Association members also receive loans, 27 percent, and 60 percent pay membership fees to associations.

The ICWs in Tanzania perform their construction activities very independently. Most workers meet at construction sites waiting to be hired independently by

Table 8.2 Key worker characteristics, association members

	<i>All</i>		<i>Dar</i>		<i>Dodoma</i>	
	<i>Mean</i>	<i>SD</i>	<i>Mean</i>	<i>SD</i>	<i>Mean</i>	<i>SD</i>
Social insurance enrolment	0.20	0.41	0.19	0.40	0.21	0.41
Health insurance coverage	0.22	0.41	0.22	0.42	0.21	0.41
<i>Association type</i>						
Sacco/vicoba/chama	0.22	0.41	0.07	0.27	0.29	0.46
Worker association	0.76	0.43	0.89	0.32	0.70	0.46
Other association	0.02	0.15	0.04	0.19	0.02	0.13
<i>Benefit type</i>						
Work-related	0.54	0.50	0.74	0.45	0.45	0.50
Social cushioning	0.19	0.40	0.07	0.27	0.25	0.44
Voice and representation	0.00	0.00	0.00	0.00	0.00	0.00
Loans	0.27	0.44	0.19	0.40	0.30	0.46
Barriers	0.70	0.46	0.70	0.47	0.70	0.46
Fee	0.60	0.49	0.67	0.48	0.57	0.50
Observations	83		27		56	

Source: Author's elaboration based on the project survey data.

the site engineers. Associations in construction, therefore, have been lagging behind compared to other sectors.

Histories of informal construction workers associations²

To understand ICW associations, two association cases are presented to provide a holistic view of different types of organizations, their formation, and organizing principle – including membership structure and contributions, how they have been able to support their initiatives, success stories or lack of, as well as the challenges they face. The associations are similar in some respects, but different along other dimensions such as how they are organized, services offered, challenges, as well as their potential for growth. In general, they are quite representative for the associations encountered in this study.

Upendo Group³

Upendo group (translated as Love group) is an association of informal construction workers which was established in 2015 in Dar es Salaam. It is an informal group, not yet registered but operating in the Pugu area with 42 members. During the research, they were in a process to apply for a license to register the association formally. The group was established with the intention of seeking job opportunities together, seeking recognition from the local authorities, and attracting employers such as engineers and house owners for job opportunities. The group has a hierarchical leadership structure, with a Chairman, Vice Chairman, Secretary, and Treasurer who are elected by the members every five years.

Membership to this group is open to all ICWs residing in Dar es Salaam. Requirements to become a member of this association include filling in the application form and being interviewed by the Secretary and Chairman. According to the Chairman of the association, the group operates by the highest standards of Integrity, Discipline, Honesty, and Love.

Discussions revealed that the group had grown to perform various projects including building schools, hospitals, and dispensaries for the local government after getting the tender together with other informal construction workers. It was noted that it was the responsibility of the group members to seek for jobs and bring them to the group so that the group assigns workers to the different tasks. The Chairman revealed that other employers and site engineers approach the group and request for their labour.

The chairman further reported that it is the responsibility of the association to take care of the members when they fall into trouble. The association represents them to the authorities or when they are demanding their rights such as payments. Also, in case, a member is sick, or a close family member is, the group contributes to solve the challenge. A certain amount is drawn from the account depending on the balance while the remaining amount is contributed by the members. They do not have a limit. Cushioning mechanisms during difficult times is the most important achievement of the association and something that

the members did not think about when they first organized. Each member contributes TZS 5,000 every month. Another source of income is generated from the work that is done; a certain percentage of the individual profit is deducted and retained by the association. For example, one association leader noted:

Understanding that there is potential risk of being injured while working, we have built a habit of putting some money as a reserve to take care of such situations. For example, when our fellow member suffers an injury while at work, we would be compelled to take care of him. So, to address that noble mission we decided every member to contribute TZS 10,000/= every month so that, when our fellow member feel unwell, we take him to the hospital and take care of his needs.

(KII respondent)

Although they have organized and made certain achievements, they feel that they are yet to be recognized properly, they cannot access external loans, perform larger jobs, nor have a strong voice because they are not formal.

*Dodoma Construction Workers Association 'Chama cha Mafundi Ujenzi Dodoma'*⁴

This association was established in 2008 and has been operating in the Dodoma region for more than 11 years. Founded by four members and now with a total number of 11 members who are all ICWs. The association is not registered, and its operation relies on the availability of jobs. The association was established to secure jobs and work as a team to accomplish construction assignments. The association has leaders who were appointed when it was formed, and to date, they have not done any election of new leaders.

Interested members pay a fee before joining, and they have a monthly contribution of TZS 10,000. The association is open to all construction workers in Dodoma. There are no restrictions to join the association if one is a construction worker and able to perform their duties. The Chairman noted that it was difficult in the past to secure a job. Most workers were from different areas, and sometimes, the working environment was not harmonious once a job is secured. He further observed that the establishment of the association had improved the synergy of members, and there have been success stories of members working together, including jointly deciding how to perform the work activities and assisting each other if need be.

According to the Chairman, the association represents the members towards the authorities when they face a challenge that requires support such as harassment from the employers or authorities. They do also provide support services to members including loans when a member faces a challenge like a family member is sick or passes on.

He noted that they have been facing challenges of members moving to other towns and regions. This has been a reason for low membership and hindrance to

organizing, including inability to meet and conduct elections. The entrance fee and monthly contribution was also viewed by the Chairman to be a contributing factor to the exit of members. There are cases when construction workers do not get jobs at all and are unable to contribute. The association feels isolated due to informality, the workers are not recognized, and they feel that they do not have a place to air their issues to get attention. They also see opportunities to grow, but again, they do not have capital or capacity to borrow or buy work tools and equipment.

Overall, the association is not very active, and members are equally not active. It seemed that the leaders have not been very keen to attract more construction workers.

Powers of informal construction worker associations

The Power Resource Approach (PRA) as it has been used by researchers (Wright, 2000; Silver, 2003; Schmalz, Ludwig & Webster, 2018) contends that, with different power resources (associational, structural, institutional, and societal powers), workers are able to collectively mobilize and advance their issues or interests. This section discusses how this framework applies in the context of ICWs.

Associational power

Associational Power entails workers in the informal sector coming together and forming collective organizations that address their common interests. The ICWs associations in Tanzania have demonstrated the presence of associational power in terms of coming together for common interests, infrastructural resources, member participation, and organizational efficiency. Although only 19 percent of ICWs are members of associations, during interviews, it was noted that the association have assisted the informal workers in various ways.

Associational power for construction associations differs a bit from the traditional understanding of associational power as discussed in the literature (e.g. Schmalz, Ludwig & Webster, 2018) where it is expected that the collectivizing of the workers would give them more bargaining power against the employers, for example, pressuring employers into providing social protection measures or salary increase. However, ICWs use association power more to tackle issues that directly affects them such as welfare issues and recognition by the authorities as well as for joint action to improve their job opportunities and increase efficiency and productivity.

An association such as Upendo Group has been recognized by the local government authorities to the extent of being awarded small government tenders such as building or renovation of hospitals, schools, and dispensaries. This is an example of organizational efficiency as shared by one of the leaders:

We were not recognized, and we got so many challenges in getting jobs, thus we organized with my fellows and we started a group so that it can be easy to be recognized and get jobs.

The same was observed by Sinza Kijiweni Construction Group that came together and paid for an office space through a fee to the local government. Various potential employers with construction projects come to their office location and hire construction workers.

The associations have also been able to facilitate various social welfare issues affecting their members such as life tragedies as sickness, death, financial support/loans for schools' fees. These are forms of informal social protection schemes that, through associational power, members have been able to access. They happily operate in their offices and are able to receive visitors as reflected in Photo 8.1 below.

Those who are operating solo in the sector must face life contingencies such as sickness, death, or financial difficulties by relying on other mechanisms. In a discussion with one leader of the Nkurabi Construction Association in Dodoma, the leader noted that a key strength for them was the responsibility of the association to stand for their members during such moments.

Representation and voice did not come out among the benefits in the survey for those who are members of associations. However, from some of the Focus Group Discussions and Key Informants, it was noted to be an important benefit. Some of the associations such as Keko Carpentry, Sinza Kijiweni construction association in Dar es Salaam through associational power, have managed to represent all the carpenters and masons among others to raise voices in demand for their rights including workspaces or against harassment by authorities. This is

Photo 8.1 Members of Sinza Kijiweni Construction Group posing for the picture at their office location in Dar es Salaam.

also evident in other groups, such as Msigani construction group and Mpunguzi construction group in Dodoma where they had both managed to represent members although in a very low scale such as demanding to be paid their money after they had worked for the local government.

Member participation has also been a key importance for the associations. It is evident where members have respected the association rules and regulations and participated in meetings organized by the leaders, such associations have proved to be progressive unlike those where members are not fully participating in the association issues. This is backed up by association leadership efficiency in organizing members. Examples could be drawn from Dodoma Construction workers, although present for over ten years, they still have few members, and low participation in association meetings. Upendo group on the contrary is only five years, but has attracted over 42 active members who are fully participating in association activities.

It was also interesting to note that, most of the older associations were not as strong as the younger associations in terms of organizing, but rather, they seemed to be dormant. This scenario could perhaps be associated with younger associations setting up with a specific purpose, whereas old ones, once the purpose was met such as being known by the potential clients, the organizational power fizzled.

Institutional power

Institutional power is slowly coming out as an area among informal construction workers as some associations try to formalize the relations between the informal worker associations and the authorities through performing tendered government projects. This was specific to one association (Upendo Group) where we see an association performing construction projects linked directly with the local government authority. Local government authorities seem to appreciate the services offered by this construction association as noted by a KII:

After coming together at least we were recognized even local government offices recognized us. If the local government have any construction job such as building school, they call us, and we get paid by the government.

(KII, Dar es Salaam)

However, most of these associations are mainly for joint job seeking and welfare for the workers. The primary goal had not been to institutionalize their activities because that seems to be a dream for the future.

Structural power

For ICWs, structural power is not evident. Workers, due to the nature of their activities, are not able to bargain due to tightness of the labour market and qualification demands of the employers prior to employment. This is also the case

when workers' rights are infringed, there is little or no possibility for them to demand their rights. As a key informant in Dodoma explains:

Sometimes we enter into agreement with a company boss to perform a specific task, but at the end the employer decides not to pay you as agreed claiming that your work was substandard, sometimes you might not be paid at all. You decide to quit but others will continue working, we need the money for survival.

(KII, Dodoma)

The KII point was corroborated with the survey data. For example, when members were asked if they had ever participated in blocking construction sites, strike or work stoppage, 91.6 percent said no and only 8.4 percent said yes. This suggests that the associations are not yet strong in teaming up and demanding for their rights, although they may be using other negotiation tactics.

As noted from Keko Carpentry association and Dodoma Construction Workers Association, members receive support from the groups to take care of their injuries after they have failed to secure their rights from the employers, instead of going to the employer and demanding for employment injury support.

Societal power

Regarding societal power, it is again not evident in Tanzania unlike in Kenya, for example, where construction associations have managed to work with NGOs and other international platforms. Most construction associations are inward looking, concentrating more on their immediate needs. Since the employment relation is not very transparent and the associations are not under any umbrella organization or trade union, they tend to take care of their issues within the associations.

The findings revealed that associational power seemed to be the dominant form of power amongst ICWs both in Dar es Salaam and Dodoma. For these workers, organizing meant coming together to search for jobs and cushioning themselves during depriving life situations.

Services offered by associations

The following section draws on the social protection framework by Devereux and Sabates-Wheeler (2004), as outlined in Chapter 1, focusing on preventive, promotive, and transformative measures.

Preventive measures

Preventive measures are a type of social protection as derived from the Sabates-Wheeler framework that includes formal social insurance for economically vulnerable groups for coverages such as health insurance and pension. This type

of social protection seems to be unavailable for informal construction workers due to the nature of their jobs. The construction sector is very hazardous, and workers are prone to accidents. On occupational health and safety, the findings from the survey revealed that at least 66.8 percent of the respondents had been injured or suffered an occupational illness.

Figure 8.1 shows that, of the injured workers, 69 percent had to pay for their medical bills, and only 14 percent of the bills were paid by an employer. There is a small percentage (4.4 percent) who used their insurances while others depended on relatives, work colleagues, and associations. Chances that the employer would take care of the injured person when the accident occurs to full recovery were very limited. This came out as a key concern of workers during the interviews. They noted that the employer would only give you first aid treatment or take part of the initial hospital bill and afterwards leave you to friends and relatives.

Safety for workers is guided by the Tanzania Occupational Safety and Health Act (OSHA) Number 5 of 2003 and other legal mandates such as Building and Construction Rules, 2015 among others. The findings from this study however reveal that workers are still complaining about issues regarding health and safety at work. The perception from workers is that most contractors (employers) are not concerned about their health and safety.

In terms of confinement to the law and regulations, OSHA's definition of an employee, it is whoever works in the building whether on short- or long-term contract. OSHA, however, does not recognize people without contracts. Of those who perceived themselves to be paid workers, 39 percent had no contract, while 24 percent had informally agreed contracts, and 10 percent had contracts of more than six months. Those who perceived themselves to be own-account workers most likely offer their labour at their own risk in the construction sites (see Photo 8.2). The findings are also in line with a study done by Mkenda and Aikaeli (2015) in Tanzania where the results showed that about 82 percent of

Figure 8.1 Responsibility of medical bills after injury.

Source: Author's elaboration based on project survey data.

formal firms use informal construction workers for all their projects and 76 per cent of all those surveyed did not sign any contracts.

All the associations covered in the research were very strong in the provision of preventive measures as an aspect of informal social insurance. It came out strongly that the associations have succeeded to cushion the members during difficult times, as observed by one member:

We have one hope only, and that is our associations. That is why we call our group, 'Our Hope'. When we get jobs to perform, we inform our leader and then contribute to the association a certain percentage depending on the amount received but not less than TZS 5,000. This contribution is the one that would help me or others during difficult moments. That is how we assist each other.

(FGD, Dar es Salaam)

It was revealed during discussions that some members may not contribute willingly to the association, but they could be the first ones to seek for help when in trouble. Therefore, all the associations have a mechanism in place to track the contributions of each member and how that member has socially engaged with others when they get problems. For example, Sinza construction group has a unique mechanism for tracking members' contributions. Once a member gets a problem such as an accident resulting from work, sickness, or death of a family member, a special book (Photo 8.3) is bought for that specific member. All members contribute, and their names and amount contributed are recorded in the book which acts as a receipt.

Photo 8.2 Dar es Salaam. A picture showing a group of informal construction workers working at height without any form of PPE while the site housekeeping is not well arranged.

Other groups such as Ten brothers, Love group, Msigani group, and others have one counter book, where members' contributions are recorded. The amounts contributed vary from one group to another, for example, group members from the Nguvu Kazi and the Accident and Death Group noted the following:

If you have lost your beloved ones (wife, kids, father and mother) i.e. only these four categories of people, as a group we provide TZS 500,000 and every member contributes TZS 30,000 on top of that.

(FGD, Dar es Salaam)

Other associations have different mechanisms of support. It was noted that some associations could support any family member who has been living with a member for years in their household. This is different from formal SI measures which only

Photo 8.3 Special textbook for contributing to members who got challenges from Sinza Construction Group, Dar es Salaam.

apply to a certain number of named dependents. With this informal SI measure, the informal workers are not left to take care of life burdens individually.

It was also interesting to note that, once a member had an occupational accident and he cannot work for some time, some associations, in addition to covering the medical bills, would go on assisting the member by sending some monetary allowances every week until the member is able to resume work. This support is not a loan to be returned, but like a sick leave allowance as noted by one FGD participant (Photo 8.4):

I got an accident when I was working at height in a construction site and I broke my leg after falling from a scaffold, my employer never supported me and thus my association took the liberty of taking care of me. After I was released from hospital, my association continued to support me. Every Sunday they bring TZS 30,000 for me and my family, it is now six months.
(FGD Respondent)

However, it was noted that the ICWs associations had not been active in terms of facilitating members to join the formal insurance schemes. Among others, members noted the reasons for being in the infant stages of formation of the

Photo 8.4 An informal construction worker who broke his hip after a work accident using a self-bought crutch to walk six months after he got the accident.

associations, the associations were struggling to grow first, before they could embark on facilitation of such services to the members.

Promotive measures

These are measures that aim to enhance the livelihood of workers through, for instance, income stabilization, thus including access to micro-credits/loans/saving and opportunities for training.

Informal construction workers associations both in Dar es Salaam and Dodoma have been trying to implement promotive measures in a small scale. As presented in Figure 8.2 below, when association members were asked what they considered to be the most important benefit of being a member of an association, 26.5 percent considered the opportunity to save and receive loans as the most important benefit of being a member of an association, while 18.1 percent mentioned social/financial support such as school fees, weddings, funerals, and sickness, and 10.8 percent each mentioned enhanced information on new jobs and higher income. The data indicates that quite some associations engage in savings, loans, and financial support and that this is considered key benefits by many. Since most of the construction associations are considerably young, some forms of promotive measures such as facilitating access to micro-credits were the future wishes of many of the associations.

Figure 8.2 The most important benefit of being a member of an association.

Source: Author’s elaboration based on project survey data.

Respondents from KIIs and FGDs considered the associations to be of benefit when in life emergencies. Most of the associations have saving mechanisms and provision of small loans with very minimal interest for the members. For example, when in a focus group discussion, one participant responded:

This is very important for us, myself before coming here I came from collecting a TZS 25,000 from my association because I had a family emergency, and I will pay TZS 30,000 so the interest is TZS 5,000 only.

(FGD participant)

For the informal construction workers, these associations act as a very fast and very reliable source through which one gets financial assistance urgently. It was also revealed from one strong group that workers could approach the group and take a loan to buy properties such as land, if a member is trustworthy, the group provides them with a loan, and they repay with interest as noted below:

For example, the past six months one member asked for a loan to buy a piece of land, we sat and agreed on how he will repay and was given the money and he bought the land. That is in our constitution to help our members.

(KII)

Since most of informal construction workers do not get jobs every day, as construction work is mostly irregular, the presence of associations makes their lives a bit more secure. Work in the construction sector does not necessarily require expert skills; thus, there are many people joining the industry to search for jobs. When these kinds of people join the association, they are informally trained (on the job training) by those who have been in the industry for years. The majority of these enter the construction sector as ‘helpers’, and with time, they become experts themselves. However, one association in Dar es Salaam that has been in existence for ten years would like to facilitate their members to go for formal training. They believe that the construction industry is changing, and the younger generation (who are their members) need training in new skills so that they can help others.

Yes, for example, currently during the last meeting we agreed that after every three months one member within our group will be supported to go for further training at Vocational Education Training Center (VETA) or any other place just to increase their skills in the areas of their choice.

(KII)

Transformative measures

According to the Devereux and Sabates-Wheeler (2004) framework, transformative measures seek to address concerns of social equity and exclusion, and this includes collective action for workers’ rights among others. For the purpose of this research, transformative measures include voice, representation, and advocacy.

Discussions in FGDs that had a representation from many different associations as well as the KIIs showed some aspects of voice and representation. These

transformative measures appear not to be the most important organizing factor, perhaps because the associations are young, sector-specific and mostly not registered. From KIIs and FGDs, we see association leaders representing their members in various meetings regarding tenders and other infrastructural development projects that are tendered by the local government leaders but few representations when a member faces a challenge like being in police custody or in employment negotiations. This is seen as a more personal issue that the associations should not be involved with. Association leaders agreed that it was only when the matter involved the association directly that it is taken on board. There have also been circumstances when the association gets a construction assignment and payments become a problem; in such cases, we see association leaders taking charge to follow up as narrated by one KII:

There was a manager who gave us a job but at the end he didn't pay us when we completed the job, we then had to appoint representatives amongst us who went to the local government leaders to report so that we can be paid our money. It also happened once, a member of our group disappeared with our working tools, we also had to report to the authorities, and we got the support and our tools were returned. In all the situations, the authorities stood for us and we gained our rights.

(KII)

Access to associations

Worker characteristics by association membership

Membership to associations is commonly open to only people within the sector, as confirmed by 76 percent of the respondents who noted that, for one to join the association, he/she must be a construction worker. Findings regarding various characteristics by association member status are presented in Table 8.3 below which shows the comparison between members of associations and non-members. Discussing the key characteristics such as formal social insurance enrolment reveals that there is no statistical significance between being a member or a non-member. Thus, although the incidence is higher for association members, membership does not seem to be a key factor for one to receive social insurance among ICWs. There was, however, a statistical significance in membership to association for those who lived in Dodoma as compared to Dar es Salaam, with only 33 percent of the members living in Dar es Salaam, compared with 67 percent earlier in Dodoma. The findings reflect the reality comparing the two locations. As seen in Table 8.1, most of the people living in Dar es Salaam have migrated to Dar es Salaam from other regions, whereas Dodoma is still a region dominated by locally born workers. Hence, it can be that being a local born in a somewhat semi-urban region means that people are more likely to join associations.

Table 8.3 Differences in key workers characteristics by association member status

	<i>Member</i>	<i>Not Member</i>	<i>Difference</i>	<i>t-Value</i>
Social protection enrolment	0.20	0.16	0.04	0.74
Health insurance coverage	0.22	0.14	0.08	1.45
Dodoma	0.67	0.48	0.19	2.74***
Dar	0.33	0.52	-0.19	-2.74***
Gender (male = 1)	0.98	1.00	-0.02	-1.73*
Married	0.67	0.69	-0.01	-0.21
Local	0.46	0.37	0.09	1.27
Age	39.07	34.55	4.52	3.46***
Mean daily earnings (current USD)*	11.22	17.17	-5.95	-1.89*
Assets (house and/or land)	0.60	0.43	0.18	2.50**
Primary incomplete	0.06	0.08	-0.02	-0.58
Primary complete	0.58	0.55	0.03	0.41
Secondary or above	0.36	0.37	-0.01	-0.11
Training course	0.31	0.22	0.09	1.48
Training on job	0.35	0.35	0.00	-0.04
Self-taught	0.34	0.43	-0.09	-1.28
Wage-worker	0.20	0.40	-0.20	-3.01***
Own-account	0.60	0.43	0.17	2.38**
Micro-business	0.19	0.16	0.03	0.53
Observations	205			

Source: Author's elaboration based on the project survey data.

Notes: <0.01***, <0.05**, <0.1*.

Membership to associations is also statistically significantly correlated with the age of the worker as members of associations have a slightly higher mean age (39 years) compared to those who are not members of associations (35 years). The results signify that, perhaps as one grows older, the need for associations becomes a crucial factor due to different factors such as family responsibilities, saving, and access to micro-loans which are not the most crucial needs for the younger people in the sector.

Furthermore, and interestingly, in terms of mean wage, those who are not members of association have a higher mean wage (USD 17) as compared to those who are members (USD 11). The reason could be that non-members are likely to be experienced workers working as gang leader *fundi mkuu* who have been in the job for long time or have established many connections with employers while association members are coming together forming association to search for jobs. This can also be explained by possession of assets, where members of associations are more likely to own a house and/or land compared to non-members. This is because members of associations have less worry on spending money on medical bills and other contingencies since they have opportunity for cushioning and loans.

Findings also shows that wage workers are more likely not to be members of associations, whilst own-account workers are more likely to be members, possibly related to the higher income earned by the latter compared with the

former worker type. Although the distinction might not always be clear-cut, observation done by the researcher during the study noted that, for those who had worked in large construction sites (above 10 storey), the majority regarded themselves as wage-workers. While those members and non-members who have worked on medium construction sites (3 storey to 6) considered themselves to be own-account. The latter group of workers go to the construction sites with their own tools sometimes and thus feel that they are more own-account, offering their labour to the contractors and site engineers.

Entry conditions, engagement, and trust

As already explained, every association has different conditions to be fulfilled before being accepted as a member. For informal construction workers, the demonstration of commitment to membership and being active is through contribution to welfare funds; in some associations, this is independent from the monthly contributions. Some associations due to provision of micro-loans to members are constrained with resources when a member needs immediate financial assistance. In such cases, members are required to contribute from their pockets to subsidize the contribution that could be provided by the association.

Honesty and good character are also among the top qualities for being accepted to be a member because associations operate on goodwill. They are yet to have formal mechanisms of handling issues such as having formal bank accounts. In some groups, one member is trusted and elected to be a treasurer and thus entrusted with all group finances. Such members are trusted, and that is why, it is a requirement of all the associations that, before being invited, a member should be introduced by an older member who knows them well. Other characteristics such as participation in groups' activities as they arise, following the rules and regulations stipulated by the group or group's constitution were also important factors because members consider togetherness as the key strength of their associations. Hence, one exclusion criteria is deviation from rules as members can be expelled from the association if they are considered not serious.

Access to formal social insurance

Different institutional arrangements have been made available for workers in the informal sector to enrol in formal social insurance schemes voluntarily. However, it is evident that construction associations are not primarily geared towards issues regarding facilitating access to these schemes. As seen in Table 8.1, the survey indicated a very low enrolment rate to formal social insurances of only 18 percent, yet with some variation by location. When looking at which parameters differentiate SI contributors from non-contributors, Table 8.4 reveals that those receiving SI are more likely to be married, locally born, have higher earnings and assets, and be a micro-business. Married workers have more family responsibilities that might demand them to have a means of cushioning when faced by life challenges.

Table 8.4 Differences in key workers characteristics by social insurance enrolment

	<i>Social Insurance</i>	<i>No Social Insurance</i>	<i>Difference</i>	<i>t-Value</i>
Association member	0.46	0.39	0.07	0.74
Sacco/vicoba/chama	0.05	0.10	-0.04	-0.80
Work-related association	0.41	0.29	0.12	1.43
Women/youth/religious	0.00	0.01	-0.01	-0.66
Work-related	0.30	0.20	0.09	1.26
Loans	0.11	0.11	0.00	0.02
Voice and representation	0.00	0.00	0.00	
Social cushioning	0.05	0.08	-0.03	-0.60
Dodoma	0.65	0.54	0.11	1.19
Dar	0.35	0.46	-0.11	-1.19
Gender (male = 1)	1.00	0.99	0.01	0.66
Married	0.81	0.65	0.16	1.85*
Local	0.57	0.37	0.20	2.24**
Age	37.51	36.13	1.38	0.81
Mean daily earnings (current USD)	20.71	13.45	7.27	1.80*
Assets (house and/or land)	0.62	0.47	0.15	1.67*
Primary incomplete	0.00	0.09	-0.09	-1.90*
Primary complete	0.57	0.56	0.01	0.09
Secondary or above	0.43	0.35	0.08	0.93
Training course	0.27	0.26	0.01	0.18
Training on job	0.24	0.38	-0.13	-1.52
Self-taught	0.49	0.37	0.12	1.32
Wage-worker	0.32	0.32	0.00	0.03
Own-account	0.41	0.52	-0.12	-1.30
Micro-business	0.27	0.15	0.12	1.67*
Observations	205			

Source: Author's elaboration based on the project survey data.

Notes: <0.01***, <0.05**, <0.1*.

Due to the risky nature of construction activities, one would think that most workers would be tempted to enrol in formal insurance schemes, or the association could facilitate the move to join the schemes. When asked why they do not contribute to an insurance scheme, at least 25.4 percent said that it was too expensive, while 20.5 percent said that they had no knowledge of insurance. Others noted that the services were poor (11.7 percent), while about 9.3 percent said that they have never given National Health Insurance Fund (NHIF) registration attention. There was also a small percentage (2.9 percent) of people who preferred to save by themselves, among other reasons, as reflected in Figure 8.3.

However, findings from KIs and FGDs suggest that, although workers are aware of the presence of these social insurance schemes and consider it to be important, most respondents point to the issue of irregular incomes and how to manage the same as a key hindrance. They also noted financial management illiteracy as one of the reasons for not contributing to these schemes. They therefore

Figure 8.3 Reasons for not contributing to an insurance.

Source: Author's elaboration based on project survey data.

have mixed feelings as to why it is important to enrol in an insurance scheme as noted in in one FGD:

...The issue of insurance especially health insurance is very important, but we have not been educated on its importance. I think we need more education on how we can manage our little incomes and be able to contribute. I think every 'fundi' can manage but there is little awareness of its importance.
(FGD, Dar es Salaam)

The FGD revealed the high premium costs as a key reason why workers do not enrol. Due to the irregularity of construction activities, workers are not sure on the availability of jobs and therefore scared to commit resources to insurance contribution as highlighted below:

For example, our incomes are not secured, you can have money today but stay for a month without a job, how do we manage this...
(FGD, Dar es Salaam)

However, there is also among some a very positive view on the importance of insurance, especially health insurance which is seen as very important. Workers acknowledged that when one has a health insurance for themselves and their families, people are able to manage their incomes to run other family needs instead of spending it in hospitals.

There is a widespread feeling that informal construction workers cannot benefit from pension schemes because the schemes were designed to benefit workers from the formal sector only. They feel that it would be difficult for a worker in the informal sector to contribute to a pension fund waiting for retirement, as it is noted in a focus group discussion.

Pension issue is very difficult because it is mainly in companies or institutions which are formal and we are informal, so it's impossible to have it as it was designed and created for formal sectors.

(FGD, Dodoma)

This suggests that more intervention is needed in addressing the inadequacy of the schemes, but also educating the informal construction workers on how they can benefit by being part of the schemes. For example, when workers were asked to respond to how they came to know about NHIF, 48 percent responded through media, 19.5 percent through relatives and friends, while 12.7 percent responded it was through NHIF officials. The latter source is a considerably low percentile since the locations of the informal construction workers are known, and the officials could locate them easily or organize a workshop and invite them.

Conclusion

Formal social insurance interventions are an important factor that enables individuals to deal with life vulnerabilities around the world. Evidence from this study has revealed that informal construction workers in Tanzania are lagging behind in accessing formal social insurance measures. There is a need for more comprehensive and inclusive mechanisms of enrolling ICWs in insurance schemes in order to address the challenges they face. Findings from this study have shown a considerable level of awareness of the presence of formal social insurance, which could be a significant entry in designing a more focused scheme that allows workers with unpredictable and irregular incomes to enrol and benefit. Additionally, it could be a point for the officials to provide critical education on the benefits of social protection measures.

Informal construction workers seem to have an alternative to formal social insurance interventions. Some of the associations provide a strong cushioning mechanism which is flexible and seems to fit well with workers' needs. This could explain, to some extent, the low enrolment into formal schemes. As noted, worker associations appreciate the availability of formal social insurances such as the health insurance and pension. However, there is a need for capacity building to association leaders to be able to formally register the associations, link up with the formal systems, and create favourable mechanisms that would suit the needs of the informal construction workers and their associations.

Informal construction workers are not able to demand rights when working on construction sites. Partly because of the large pool of people with the same skills – thus, if you are not able to work, you can easily be replaced. Serious

injuries and other occupational accidents have been prevalent in the sector, but still findings show that it is rare that the contractor, client, or site engineer takes full responsibility of the injured person. There has been evidence where the site engineer/owner/contractor have taken the initial steps such as first aid and initial hospital costs, but, thereafter, it is relatives, friends, and associations that take the responsibility. The lack of contracts and formal agreements to hire labour is also a contributory factor. Due to lack of contracts, liability is to a great extent removed from the hands of the so-called employers.

Associations are generally very informal, not registered, and thus lack the power to represent their members fully. They are organized mostly to deal with welfare issues such as occupational injuries and accidents, funerals, and assisting members on other social welfare issues as well as getting jobs. They therefore lack the potential power to influence decisions that would benefit or otherwise affect them such as being able to have a representation in the decision-making bodies. Moreover, the trade union (TAMICO) has not prioritized the issues of informal construction workers and their associations.

The government of Tanzania, through the current pension fund (NSSF), has established a voluntary scheme that members of the informal sector, including construction workers, could join, but workers in the informal sector are not enrolling in the scheme. The current study revealed that access to formal SI schemes is tedious to members. The lump-sum premium is expensive, and workers have no education on what the benefits are; however, there was indication that if given education they could join. An easier set mechanism could assist in the promotion of awareness, registration, and follow up of how workers in the construction sector could directly benefit through the established voluntary schemes.

Notes

- 1 For more detail on the overall methodology, refer to Chapter 1 and Chapter 3 appendix.
- 2 There were no variations in terms of association services and activities across Dar es salaam and Dodoma.
- 3 Based on interview with the Chairman.
- 4 Based on interview with the Chairman.

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