

# Uganda: Type of Employment and Non-Wage Benefits by Education Level

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The focus in much of the literature on the labor market benefits from higher educational attainment is on wage earnings. However, beyond wage earnings, individuals with higher education levels tend to also enjoy a range of other benefits, some of which are associated with formal as opposed to informal employment. This brief provides estimates of the share of workers with various benefits in Uganda using data from the latest available nationally representative household surveys (a separate brief in this series considers earnings). Specifically, the brief explores data on (1) the type of employment of the adult population; and (2) the share of the workers enjoying various benefits. These benefits include annual leave or payment for leave not taken, sick leave, and social security contributions. As expected, workers with higher levels of education are more likely to enjoy these benefits.

## Workers with more education are more likely to work for a wage

Table 1 provides data on the type of work in which the adult population is engaged in based on data from the 2019/20 Uganda National Household Survey or UNHS (a more detailed analysis is available in Tsimpo and Wodon, 2023). The following categories are considered: (i) Work for a wage or salary with an employer; (ii) Self-employment; (iii) Work as unpaid family member; (iv) Work through an internship or apprenticeship; (v) Available and actively looking for work; (vi) Full-time education or training; (vii) Home duties (including childcare); and (viii) Did not work or seek work for other reasons.



**Background:** This brief was prepared for a KIX Africa 19 Hub national policy dialogue in Uganda with a focus on promoting meaningful Inclusive quality education. KIX (Knowledge and Innovation Exchange) Africa 19 contributes to education systems strengthening in African anglophone countries by bridging the gap between research and policy making. With support from the Global Partnership for Education and Canada's International Development Research Center, KIX Africa 19 is managed by UNESCO IICBA.

**Key findings:** This brief provides estimates of the type of employment held and the benefits associated with employment by education level based on data from the 2019/20 Uganda National Household Surveys or UNHS (a separate brief in this series looks at earnings).

- The focus of much of the literature on the labor market benefits from higher educational attainment is on wage earnings. However, wage earners with higher education levels also tend to enjoy other benefits, such as annual leave or payment for leave not taken, sick leave, and social security contributions.
- In Uganda as expected, workers with a higher level of education are more likely to work for a wage or salary with an employer. Self-employment and especially work as unpaid family member are more likely among workers with low levels of education.
- The correlation between receiving employment-related benefits and the education level of workers is even stronger than for the type of employment held. Three in four workers with a higher education receive sick leave and annual leave or payment for leave not taken, and more than on in two benefits from social security contributions. By contrast, at most one in ten workers with only their primary education completed receives such benefits. If other types of benefits were taken into account, such as maternity or paternity leave or medical benefits associated with employment, the results would be qualitatively similar.
- These results combined with the analysis of the returns to education in a separate brief in this series demonstrate that both wage and non-wage benefits in the labor markets from higher levels of education are substantial in Uganda.

As expected, workers with a higher level of education are more likely to work for a wage or salary with an employer. Self-employment and specially work as unpaid family member are more likely to be the employment status of workers with lower levels of education. Because there have

been changes in the way questions are asked in the surveys over time, Table 1 does not compare results for 2019/20 with previous rounds of the UNHS survey (for 2005/6, 2012/13, and 2016/17), but the data suggest that wage employment has been increasing over time.

**Table 1: Work Status for the Adult Population by Education Level, 2019/20 (%)**

	Work for a wage or salary with an employer	Self-employment	Work as unpaid family member	Work through an internship or apprenticeship	Available and actively looking for work	Full-time education or training	Engaged in home duties (including childcare)	Did not work or seek work for other reasons	All
No schooling or less than P1	38.2	33.7	21.2	0.4	5.3	0.0	1.2	0.0	100.0
Some primary	44.9	30.5	15.7	0.1	5.7	0.1	2.8	0.1	100.0
Completed primary	36.2	35.6	16.1	1.4	8.5	0.2	1.9	0.2	100.0
Some lower or technical secondary	39.9	39.9	11.8	1.0	5.5	0.0	1.9	0.1	100.0
Completed lower or technical secondary	50.6	30.4	9.0	0.6	8.7	0.0	0.6	0.0	100.0
Some or completed upper secondary	57.0	27.2	7.7	0.0	7.7	0.5	0.0	0.1	100.0
Post-primary specialized training	64.3	24.4	3.4	0.5	5.5	1.1	0.5	0.3	100.0
Post-secondary specialized training	68.0	20.8	2.7	2.9	4.6	0.4	0.5	0.0	100.0
Higher education	66.7	24.2	2.3	0.6	5.2	0.0	0.9	0.0	100.0
Missing education data	43.8	7.3	38.5	2.1	5.4	1.8	1.1	0.0	100.0
Total	46.4	29.8	14.6	0.8	6.4	0.3	1.7	0.1	100.0

Source: Authors' estimation using the 2019/20 UNHS survey.

## Workers with higher education levels are more likely to benefit from non-wage benefits

Table 2 provides data on selected benefits that may be associated with employment by education level. Three benefits are considered: annual leave or payment for leave not taken, sick leave, and social security contributions. The correlation between receiving these benefits and the education level of workers is even stronger than for the type of employment held.

For example, the shares of workers with a higher education receiving those three benefits are at 72.5 percent, 74.8 percent, and 56.3 percent respectively. For workers with only their primary education completed, those shares are at respectively 8.0 percent, 12.3 percent, and 3.0 percent. If other types of benefits were taken into account, such as maternity or paternity leave or medical benefits associated with employment, the results would be qualitatively similar (as can be shown with previous rounds of the survey).

**Table 2: Selected Benefits Associated with Employment by Education Level, 2019/2020 (%)**

	Yes	No	Don't know	Total
<b>Annual leave or payment for leave not taken</b>				
No schooling or less than P1	3.1	96.0	1.0	100.0
Some primary	3.0	96.6	0.5	100.0
Completed primary	8.0	91.5	0.5	100.0
Some lower or technical secondary	9.2	89.2	1.6	100.0
Completed lower or technical secondary	16.5	81.6	1.9	100.0
Some or completed upper secondary	20.1	78.6	1.4	100.0
Post-primary specialized training	50.4	48.2	1.5	100.0
Post-secondary specialized training	52.2	45.2	2.6	100.0
Higher education	72.5	24.9	2.7	100.0
Education data missing	11.8	86.2	2.1	100.0
Total	19.2	79.5	1.3	100.0
<b>Sick leave</b>				
No schooling or less than P1	5.2	93.6	1.2	100.0
Some primary	4.5	95.2	0.4	100.0
Completed primary	12.3	86.6	1.1	100.0
Some lower or technical secondary	15.3	83.3	1.5	100.0
Completed lower or technical secondary	25.9	73.2	0.9	100.0
Some or completed upper secondary	25.4	71.8	2.8	100.0
Post-primary specialized training	54.3	44.7	1.0	100.0
Post-secondary specialized training	62.9	33.9	3.2	100.0
Higher education	74.8	22.4	2.8	100.0
Education data missing	13.0	84.9	2.1	100.0
Total	23.5	75.2	1.3	100.0
<b>Social security contribution</b>				
No schooling or less than P1	1.1	98.0	1.0	100.0
Some primary	1.7	97.7	0.6	100.0
Completed primary	3.0	94.9	2.1	100.0
Some lower or technical secondary	3.4	94.6	2.0	100.0
Completed lower or technical secondary	12.5	84.4	3.2	100.0
Some or completed upper secondary	17.7	79.6	2.7	100.0
Post-primary specialized training	34.4	63.2	2.4	100.0
Post-secondary specialized training	36.2	58.6	5.3	100.0
Higher education	56.3	40.7	3.0	100.0
Education data missing	8.6	89.4	2.1	100.0
Total	13.2	84.7	2.0	100.0

Source: Authors' estimation using 2019/20 UNHS survey.

## Takeaways

Using data from the last Uganda National Household Survey for 2019/20, this brief provides estimates of the type of employment of workers by education level. It also considers selected benefits associated with employment, such as annual leave or payment for leave not taken, sick leave, and social security contributions. Not surprisingly, workers with higher levels of education are much more likely to enjoy these benefits than other workers. These results combined with the analysis of the returns to education in a separate brief in this series demonstrate that both wage and non-wage benefits in the labor markets from higher levels of education are substantial in Uganda.

## References

Tsimpo, C., and Q. Wodon. 2023. Estimates of the Returns to Education in Uganda Over Time. IICBA Discussion Paper 2023-2. Addis Ababa: UNESCO IICBA.

### Disclaimer & Acknowledgment

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