

Many jobs are low-paying, youth unemployment remains high, and the economy is still struggling to create enough decent opportunities.

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**S**arah Kamuge (not real name) could be forgiven for not having been of great cheer during Friday's International Labour Day celebrations.

A graduate of Mbale College of Health Sciences, she spent a minimum of Shs15m across two and a half years to give herself a chance to be certified as a nurse by the Uganda Nurses and Midwives Council.

Convinced that her efforts would not be in vain, Kamuge dreamed of landing a well-paying job in Kampala. She landed a job alright, but it was in Mukono District. The starting salary was a paltry Shs400,000.

"I had nothing to do but to take up the job since even securing a government job required me to pay a minimum of Shs5m to some people and yet I was not even sure that I would get it," she says.

The 2024 National Population and Housing Census (NPHC) categorises employment into five major categories: employees; paid apprentice, intern, trainee; employer (with hired employees); own-account worker (without hired employees); and helper (without pay).

Employees, according to the report, encompass all types of hired individuals in various categories of permanent, fixed-term, short-term, and casual employees.

Kamuge qualifies as one. She is expected to do a lot with her meagre salary including contributing towards her two siblings' school fees, financing her daily needs, and saving to fund her Diploma Course.

"It's a scam," Kamuge whines.

The census report also defined the paid apprentice, intern, trainee as an individual who is gaining work experience or training in a specific field while receiving compensation.

Elsewhere, an employer, per the report, is an individual who owns corporations. An employer could also operate household market enterprises.

Meanwhile, the own-account worker category includes owner-operators of corporations that do not have employees and own-account workers in household market enterprises without hired.

A helper (without pay) is the last category, and these work in a family business by providing unpaid services.

#### Not a rosy picture

On the surface, Uganda's labour statistics paint a rosy picture with the likes of Kamuge getting into a job. The Uganda Bureau of Statistics' Human Resource Survey shows that the number of Ugandans employed has increased by 900,000 from May 2024.

The dataset, however, shows that only 9.6 million out of the total 25.1 million Ugandans in the 14 to 64 age working population were employed.

About 700,000 unemployed Ugandans who are in the working age population spent more than a year looking for work or trying to start a business, the dataset further indicates.

Youth aged between 18 and 30 years are among the most unemployed population affected, because 5.2 million

# Is labour market giving Ugandans a raw deal?



Food vendors by the roadside in Fort Portal City on February 23. Youth aged between 18 and 30 years are among the most unemployed population affected, because 5.2 million youth (42 percent) were either Not In Employment, Education, or Training (NEET). PHOTO/ALEX ASHABA

youth (42 percent) were either Not In Employment, Education, or Training (NEET).

NEET, according to the NPHC report, refers to youth who are not engaged in any form of employment, formal education, or vocational training.

It is often used as an indicator to measure the socio-economic challenges faced by youth. This is because it highlights those who may be disconnected from opportunities for personal and professional development (ILO). I.e. youth who are idle and disconnected from economic opportunities.

Karamoja Sub-region, the report noted, had the highest number of NEET, standing at 57.1 percent of youth aged between 15 and 24 years. Kigezi had the lowest NEET at 31.4 percent.

To get a picture of the number of Ugandans in employment, the State of Human Resource survey proves to be handy.

It shows that 1,192,077 employees (750,790 males and 441,287 females) are employed on a fixed-term basis; 939,259 (529,194 males and 410,065 females) on a permanent basis; and 73,282 (46,841 males and 26,741 females) are casual workers.

By age, workers aged 31 to 64 years dominate at 74.2 percent, followed by youth (18 to 30) at 24.7 percent, with those aged 65 years and above accounting for 0.9 percent.

The dataset further shows that, between 2023 and 2025, the economy is estimated to have created 618,503 new jobs, as formal private establishments increased from 1,701,180 in 2023.

The informal non-household establishments, dominated by women, mustered 4,724,768 self-employed workers. Of these, 2,547,199 were female.

The male, however, dominated paid employment jobs, accounting for 1,028,404 paid employees. Elsewhere, contributing family workers account for 704,852, with 499,292 females.

"Uganda continues to produce hundreds of thousands of new job seekers

## 900,000

Employment increased by 900,000 since May 2024, suggesting more Ugandans are finding work.

## 9.6 million

Only 9.6 million out of 25.1 million working-age Ugandans have jobs, meaning the majority are not employed.

## 700,000

About 700,000 people have spent over a year searching for jobs or trying to start businesses without success.

annually, but the economy is struggling to absorb them into meaningful employment," Mr Julius Mukunda, the executive director of Civil Society Budget Advocacy Group (CSBAG), tells *Weekend Monitor*.

#### It's not that bad

Ms Esther Davinia Anyakun, the junior Labour minister, nevertheless notes that the labour outlook is not as bad as the figures seem to imply. She reasoned that many individuals create jobs within their homes or small enterprises and employ workers without the knowledge of authorities, making it hard to track and regulate wages.

"Some employers are paying workers peanuts under conditions they themselves would not tolerate. This must change if we are to achieve decent work for all."

serves.

Mr Thaddeus Musoke, the executive director of the National Entrepreneurs and Traders Association (Neta) Uganda, says seen through any other lens, the picture of Uganda's employment landscape is grim.

He describes unemployment in the country as a "very big challenge" compounded by high operational costs that are forcing companies to underpay workers or fail to meet statutory obligations such as National Social Security Fund (NSSF) contributions.

But could Uganda be about to turn the corner?

On Wednesday, President Museveni signed into law the Employment (Amendment) Act, 2025.

The legislation guarantees labour protections by strengthening and expanding safeguards for domestic workers, casual labourers, and migrant workers—sectors often cited as vulnerable to exploitation.

Mr Musoke said the legislation will only make sense if the implementers enforce it in a stricter way and conduct regular engagement between the government and the private sector to address underlying issues affecting businesses and workers.

The latest Uganda Bureau of Statistics 2023/2024 National Human Resource (manpower) Survey report indicates that more than 1.7 million Ugandans are formally employed in the private sector compared to the half a million in government.

The survey further indicates that workers in the education sector form the majority at 1,304,815, followed by trade with 218,770 employees, manufacturing with 180,216 as well as finance and insurance activities with 127,931 employees.

Other sectors include those termed as 'others' with 101,852 employees; hotels, restaurants, and eating places with 79,767; human health and social work with 79,767; human health and social work with 79,767; human health and social work with 79,767.

(54,810); administrative and support activities (45,193); as well as information and communication with 10,216 employees.

#### Bumpy road ahead?

Dr Fred Muhumuza, a lecturer at Makerere University Business School, notes that the employment crisis being experienced in Uganda is structural weaknesses in the economy.

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"Even when young people are trained, they still need markets, which are currently limited, adding that struggling businesses are unable to offer competitive wages or sustain employment," he said.

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President Museveni has taken exception to claims that Uganda is experiencing unemployment, noting that his 40-year government has created jobs and is continuing to lay strategies that will see jobs superseding the jobless.

During the national celebrations for Mak International Labour Day in Kapiripiri District last year, Mr Museveni said his government has created more jobs compared to the period when he rose to power in 1986.

"The issue of jobs, the pessimism spread by groups like [the] Monitor is wrong and they are going to be ashamed... Agriculture alone will create so many jobs as [Labour] Minister [Bernard] Amongi was beginning to explain to you when somebody gets money from Parish Development Model (PDM), he creates wealth and its wealth that creates jobs," he said.

Mr Museveni, who said his government is solving the unemployment rate steadily, noted that two programmes—the PDM and the four-acre model—are key in driving Ugandans not only out of unemployment but poverty as well.

"Uganda has 40 million acres of arable land, if seven million people were utilizing it well, applying the four-acre model like the people I have shown you, we would have created 105 million jobs, and there would be so many jobs that we would not have enough Ugandans to work on," he said.

"We want to create wealth and wealth will create jobs, and to create wealth, we need four things, including low cost of