Action process

Source map





Context

Zambia has a population of approximately 19.5 million people.^[1] The country is relatively equally populated in its urban and rural regions, which account for 45%^[2] and 55%^[3] of the population respectively. Agriculture is a major source of employment for the country as it assumes 59% of the workforce.^[4] Yet, the sector accounts for only 3.4% of the national GDP.^[5]

The economy in Zambia is mainly dependent on copper. Although Zambia's agricultural sector employs more than half of the national workforce, its contribution to GDP has been gradually declining: in 2008, it was 12.2%. Smallholder yields have remained low since the beginning of the millennium, and sectoral growth averaged only around 2% annually for much of this period. The most commonly cited reason for poverty in rural areas is the inability to afford agricultural inputs and the lack of capital to start up or expand farms. The high cost of inputs, poor rural infrastructure, lack of oxen for ploughing, and the absence of rural financial services (apart from limited community-based schemes) make it difficult for smallholders to access needed resources.^[6]

The top produced commodities in Zambia are sugar cane, cassava, maize, soybeans and cattle milk.^[7] Zambia's top export commodities in terms of quantity are non-alcoholic beverages, soybeans, maize, and raw cane or beet sugar.^[8]

Wages

Minimum wage

The Zambian law allows the Ministry of Labour to set minimum wages by sector. The category of employment determines the minimum wage and conditions of employment. The minimum wage starts at 840.00 Zambian Kwacha (44 EUR) for domestic workers per month, but no value for agricultural workers is specified^[9]. Except for an updated minimum wage order for truck and bus drivers, minimum wages were last revised in 2019 and were at the official poverty income level.^[10]

Living wage

The Anker Living Wage Reference Value in rural Zambia is estimated at 2,483 Zambian Kwacha (130 EUR) per worker per month. This is the wage required for workers in a typical rural area of Zambia to afford a basic but decent standard of living. This value is higher than both the World Bank's international poverty line wage for low-income countries such as Zambia, as well as the country's national poverty line wage updated to 2022 by inflation. Furthermore, the Anker Rural Living Wage Reference Value is nearly 50% higher than the lowest non-agriculture minimum wage for comparison, and it is more than twice the lowest negotiated wage in 2022 for farm workers between the Zambia National Farmers Union (ZNFU) and the Zambia Farm Employers.^[11]

What's happening

RESOURCE

Living Wage Reference Value, Rural Zambia 2

Living income estimate for a typical family in rural Zambia to cover the monthly cost of a basic but decent standard of living. Global Living Wage Coalition.

Footnotes

- 1. World Bank (2021). https://data.worldbank.org/indicator/SP.POP.TOTL?locations=ZM
- 2. World Bank (2021). https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=ZM
- 3. World Bank (2021). https://data.worldbank.org/indicator/SP.RUR.TOTL.ZS?locations=ZM
- 4. World Bank (2021). https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=ZM
- 5. World Bank (2021). https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=ZM
- 6. [6] IFAD. Country Profiles: Zambia. https://www.ifad.org/en/web/operations/w/country/zambia
- 7. FAOSTAT (2021). http://www.fao.org/faostat/en/#rankings/commodities_by_country
- 8. FAOSTAT (2021). http://www.fao.org/faostat/en/#rankings/commodities_by_country_exports
- 9. Wage Indicator Foundation (2023). Minimum Wage-Zambia. https://wageindicator.org/salary/minimum-wage/zambia
- 10. U.S. Department of State. 2022 Country Reports on Human Rights Practices: Zambia. https://www.state.gov/reports/2022-country-reports-on-human-rights-practices/zambia
- 11. Global Living Wage Coalition (2022). Anker Living Wage Reference Value: Rural Zambia 2022. https://www.globallivingwage.org/living-wage-reference-value%e2%81%a0-rural-zambia/