

## Anker Reference Value Update<sup>1</sup> Urban Tanzania 2022

Living Wage  
TZS 446,071  
(USD 192)

This report updates the Anker Living Wage Reference Value for urban Tanzania to 2022. The updated values for June 2022 are: (i) Anker Gross Living Wage of: TZS 446,071 (USD 192), comprised of a Net Living Wage of TZS 390,947 (USD 168), plus a social security contribution and an income tax of TZS 55,124 (USD 24). This was TZS 425,608 (USD 186) for 2020 in the original report,<sup>2</sup> comprised of a Net Living Wage (i.e. take-home pay) of TZS 361,338 (USD 158) per month plus TZS 64,270 (USD 28) which would need to be paid by law in social security contributions and income tax on the living wage. Inflation in this period was 8.20%<sup>3</sup> and it increased the net living wage. Without accounting for inflation, the living wage estimated in 2020 would not be sufficient for families to have a basic but decent standard of living in 2022, because the purchasing power of the living wage would have decreased. Social security contributions and income tax were calculated using the most up-to-date tax laws (e.g., income tax-free threshold was higher in 2022 than in 2020).<sup>4</sup>

**Table 1: Anker Living Wage Reference Value for Urban Tanzania, 2020 and 2022 (in TZS and USD)**

	2020		2022	
	TZS	USD <sup>c</sup>	TZS	USD <sup>c</sup>
Anker Net Living Wage Reference Value (1)	361,338	158	390,947	168
Social Security Contributions + Income Tax (2)	64,270	28	55,124	24
Anker Gross Living Wage Reference Value (3) (3) = (1) + (2) + (3)	425,608	186	446,071	192
Exchange Rate	2.292 <sup>a</sup>		2.329 <sup>b</sup>	
Inflation mid-2020 to mid-2022	8.20%			

<sup>a</sup> Average exchange rate from November 2019 to January 2020.

<sup>b</sup> Average exchange rate from May 2022 to July 2022.

<sup>c</sup> Notes: USD values are indicative only, since exchange rates are volatile.

<sup>1</sup> The Anker Research Institute engages in and disseminates high-quality research, analysis, and training related to living wage and living income (based on the Anker methodology) to inform and influence companies, empower working people, and shape public policy, thereby helping to enhance quality of life and sustainable livelihoods for working people and their families everywhere. Social Accountability International (SAI) is the institutional host.

<sup>2</sup> Smith, Prates, Anker and Anker (2020). Anker Living Wage Reference Value – Urban Tanzania, 2020.

<sup>3</sup> National Bureau of Statistics Tanzania: <https://www.nbs.go.tz/index.php/en/>

<sup>4</sup> <https://taxsummaries.pwc.com/tanzania/individual/taxes-on-personal-income>