



Republic of Zambia

The Monthly

Central Statistical Office

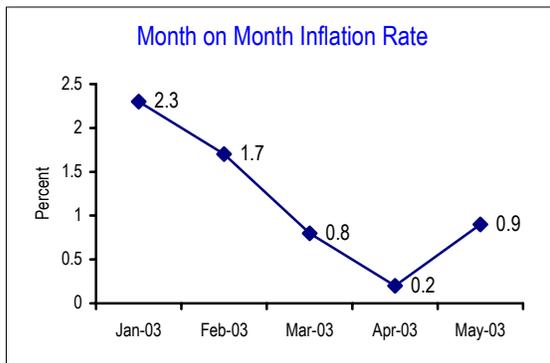
Volume 2

May 2003

“The Economy this Month”

Inflation up by 0.7 percent...

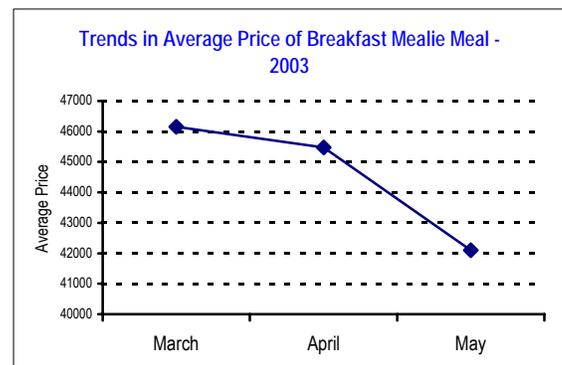
The month of May has recorded a 0.7% increase in the monthly rate of inflation, breaking the declining trend obtaining in the first quarter of the year. The month on month inflation for the month of May stood at 0.9%, while the annual inflation rate stood at 23.7%



The increase in the monthly rate of inflation was a result of increased cost of transport from 0.7% to 6.1%. Increases in price of other non-food items were noted in clothing, footwear and household furniture.

Despite the increase in the monthly rate of inflation, there were significant declines in the prices of food items especially in the prices of Mealie meal and Maize grain. The average price of a 25 Kg bag of Breakfast Mealie Meal (fine meal) dropped from K45,475.00 in April to K42,104.00 in May. Comparatively, the price of a 25Kg bag of Roller meal (semi-fine meal) decreased by 11.4 percent, from K36,831 to K32,620 during the same period.

Other food items that registered declines in prices were dried kapenta and beans, shelled groundnuts and sweet potatoes.



However, the decrease in the prices of food items such as Mealie meal and Maize grain could not significantly affect the overall food index. This was due to notable increases in the prices of Cereals and Cereal products, Meat, Milk and Eggs, Fresh Vegetables, Oils and Fats and other processed food commodities.

Overall, the food index recorded an increase of 0.3% in May 2003. Measured on a 12-month basis, food inflation stood at 24.9% as at May 2003, declining by 2 percentage points on the April rate of 26.9%.

Your Monthly Food Basket

The food basket as of May 2003 was K478,519 for a family of six. The same family on average was expected to live on K687,147 for all their food & basic needs.

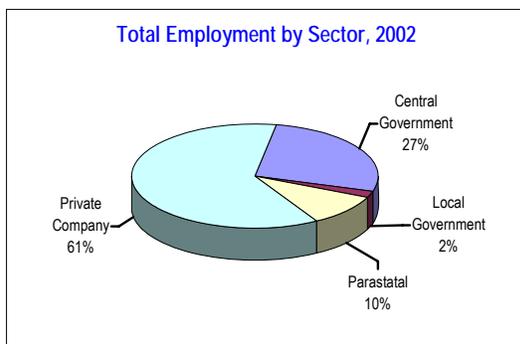
Serving Your Data Needs

Economic News

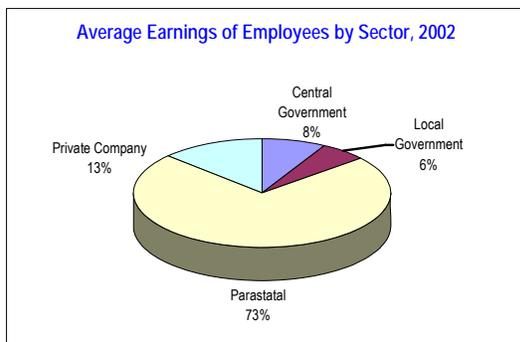
Employment

Parastatals pay out hefty salaries...

In spite of being among the sectors with the lowest number of employees, parastatals were the highest remunerators in the country, reveals the Labour and Manpower Survey by CSO, for the first quarter of 2002. Parastatals alone accounted for more than two thirds of the total national wages, despite accounting for only 10% of the employment sector representing a total of 45,853 employees in the country.

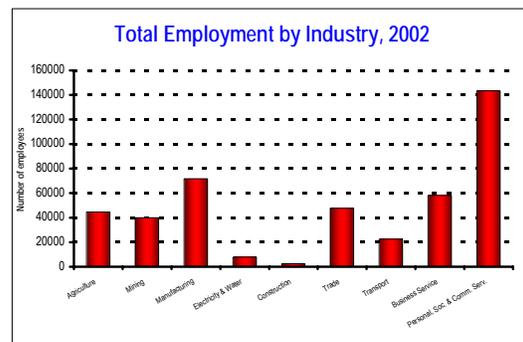


Parastatals paid nine times more than the Central Government, which was the second largest employer with 117,971 accounting for 27% of total employees. The Private Sector was the largest employer with 264,765 representing 61% of total employees but Parastatals paid their employees 5 times more than the Private Sector. Local Government however, employed the least number of people and paid the lowest wages.

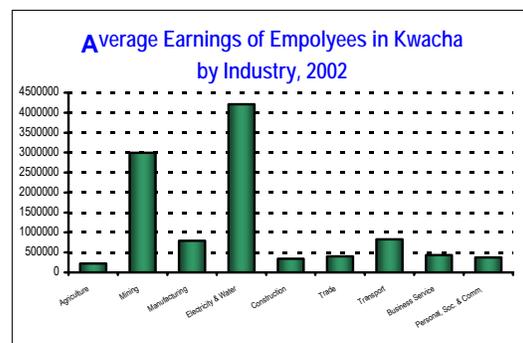


The average earnings (salaries and allowances) for the Local Government employees were pegged at K265,215 per month representing only 6% of total earnings.

Conversely, parastatals had the highest average earnings at K3,103,399, accounting for 73% of the total earnings followed by the Private Sector which paid K573,717 representing 13% of the total earnings and the Central Government K340,796 accounting for 8% of total average earnings in the formal sector.



The personal, social and community services industry employed the biggest number of people with 143,436, followed by the manufacturing industry with 71,706 employees, while the construction industry had the least employment levels at 24,961. The electricity and water industry was the second lowest employer.

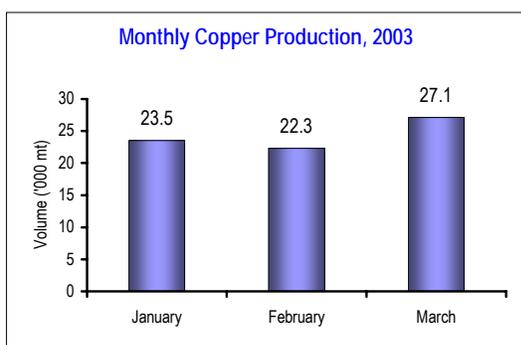


The highest paid employees were those in the electricity and water industry at K4,210,556 per month followed by those in the mining industry at K2,996,463. On the other hand, workers in the agricultural industry were the least paid at K223,221 per month. The construction industry had the least number of employees and was also among the two least paying industries.

Mining

Will production in the mining sector continue to grow in 2003?

During the year 2002, Copper production amounted to 337,742.69 tonnes as compared to 298,150.00 tonnes in the year 2001, representing a growth of about 13.2%. However, the average price of Copper declined slightly from \$1,708.58 per tonne in the year 2001 to \$1,544.72 per tonne in the year 2002. Between 2001 and 2002, Cobalt production declined by about 9%.



During the 1st Quarter of 2003, production for both copper and cobalt kept fluctuating. Copper recorded a slight drop from 23.5 thousand tonnes in January to 22.3 thousand tonnes in February but rose to 27.1 thousand tonnes in March. A similar pattern was recorded in cobalt production during the same period with 0.27 thousand tonnes in January, 0.21 thousand tonnes in February and 0.28 thousand tonnes in March.

Transport

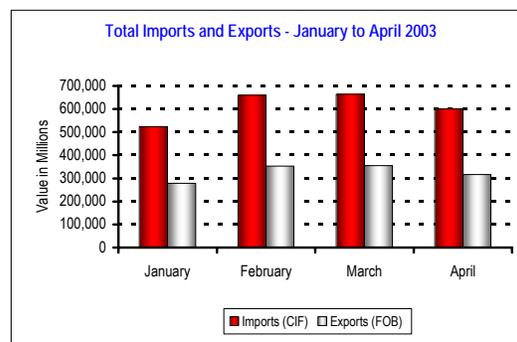
Statistics on air transport in Zambia showed signs of improvement in 2002. In 2001, a total of 492,696 passengers were carried as compared to 499,989 passengers in 2002, representing an increase of 1.5%. Of the total number of passengers carried in 2002, 16.3% were carried on domestic flights. This improvement is attributed to an increase in tourist arrivals in the country. Following this, the number of domestic and international flights also increased from 30,623 in 2001 to 33,658 in 2002.

Year	Aircraft Movements			Passenger Movements		
	International	Domestic	Total	International	Domestic	Total
2000	-	-	-	345,281	95,011	440,292
2001	18,165	12,458	30,623	396,698	95,998	492,696
2002	19,067	14,591	33,658	418,273	81,716	499,989
2003 Jan-Mar	3,270	2,187	5,457	94,151	15,936	110,087

International Trade

April experiences a drop in both imports and exports...

Total exports increased by 27% from K278,224 million in January to K352,888 million in February, and marginally by 1% to K355,655 million in March, before falling by 11% to K316,290 million in April.



Total imports exhibited a more or less similar trend during the four months of the year. They increased by 26% from K523,343 million in January to K659,626 million in February. During the month of March, imports stood at K664,054 million, representing a marginal increase of 1% over the February figure and then dropped by 10% to K599,810 million in April.

Total Exports by Standard International Trade Classification - January to April 2003

Commodity Description	January	February	March	April
	(Kwacha million)			
Food & live animals	16,706	28,694	26,567	23,006
Beverages & tobacco	1,092	1,827	2,160	9,619
Crude materials	23,536	28,234	28,146	23,275
Mineral fuels, lubricants	3,406	3,506	5,513	5,839
Animal & Vegetable oils, fats & waxes	4	56	0	50
Chemicals	8,265	1,290	2,011	2,129
Manufactured good classified by materials, of which	205,497	223,815	245,033	244,226
(Cobalt products and refined copper)	191,681	223,815	245,033	203,932
Machinery & transport equipment	5,805	56,679	2,206	3,081
Miscellaneous manufactured articles	6,423	5,736	11,634	3,091
Other commodities & transactions	7,489	6,165	2,032	1,975
TOTAL	278,223	352,888	355,665	316,291

Revised figures for exports

During the four months, January to April, the major exports were manufactured goods, which accounted for over 70% of total exports for the period under review. On the other hand, copper products and refined copper accounted for about 66% of the total exports from January to April.

Total Imports by Standard International Trade Classification –January to April 2003

Commodity Description	January	February	March	April
	(Kwacha million)			
Food & live animals	53,024	117,149	117,096	90,306
Beverages & tobacco	625	1,118	530	518
Crude materials	17,640	22,166	32,097	16,073
Mineral fuels, lubricants	36,650	54,208	38,978	55,896
Animal & Vegetable oils, fats & waxes	8,750	8,750	12,158	12,040
Chemicals	96,306	145,373	91,153	109,250
Manufactured good classified by materials	59,317	75,635	90,266	69,010
Machinery & transport equipment	153,664	171,346	193,791	162,441
Miscellaneous manufactured articles	96,978	63,515	87,868	84,086
Other commodities & transactions	389	366	117	190
TOTAL	523,343	659,626	664,054	599,810

Revised figures for imports

On the imports side, importation of machinery and transport equipment totalled K153,664 million, K171,346 million, K193,791 million and K162,441 million for January, February, March and April respectively. Of the total value of imports, manufactured goods, machinery, transport equipment, miscellaneous manufactured articles and other commodities and transactions represented 59% in January, 47% in February, 56% in March and 52% in April.

The major source of Zambia's imports was South Africa, representing 44.5% of total imports during the four months. The second largest source was Zimbabwe, with an average supply of 28.7% of the total imports over the four months.

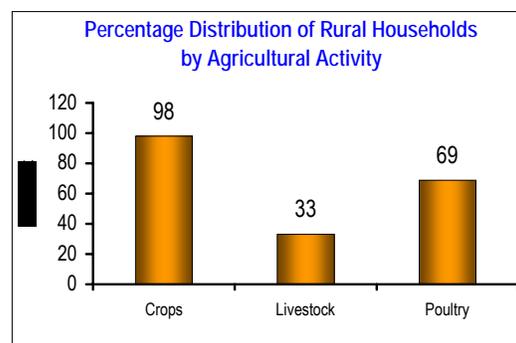
The major destination for Zambia's exports was the United Kingdom, accounting for 35%, 31%, 38% and 34% for January, February, March and April, respectively.

Note: *In the last issue, the exports and imports figures were preliminary and have since been revised.*

Agriculture

An overview of maize production by small and medium scale farmers in 1999-2000 farming season...

During 1999-2000 Agriculture season, there were 818,445 households in rural Zambia classified under Small and Medium Scale Farmers, out of that number of households, 24% were female-headed households. Western province had the highest number of female-headed households at 31%.



In the same period, 98% of households were engaged in crop production, 31% in livestock raising and 69% in poultry raising respectively.

Among the households engaged in crop production, 75% grew maize, with total area planted to maize accounting for 59% of the total 0.96 million hectares devoted to crop production.

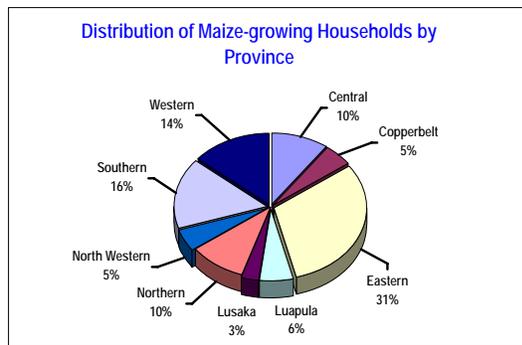
Twenty-three thousand metric tons of Basal fertilizers and 21 thousand metric tons of Top Dressing were applied to crops during the farming season, with 94% and 96% of Basal and Top Dressing fertilizers respectively applied to Maize.

Thirty-four percent of households that grew Maize used animal draught power during land preparation for Maize production. A total of 2,657.4 million kwacha was used on hiring animal draught power for land preparation, 91.4 million kwacha for planting and 188.4 million kwacha for weeding.

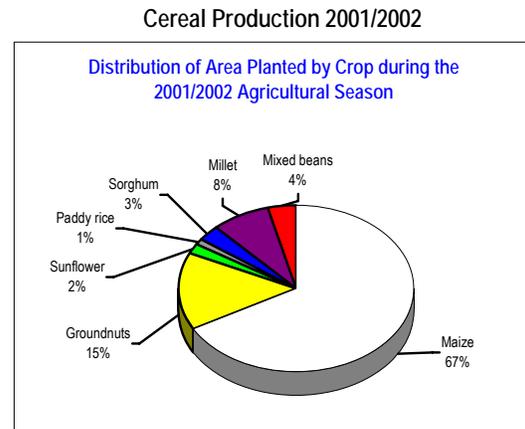
The largest amount spent on hire of animal draught power was used on land preparation for maize, accounting for 77% of the total cost of animal draught power used during the farming season.

Eastern Province Leads in Small and Medium Scale Agricultural Performance in 1999-2000 Season...

During the 1999-2000 agricultural season, the Eastern province had the largest number of crop growing households accounting for 23% of all crop-growing households. Eastern province also had the highest number of households raising livestock, accounting for 33%, as well as the largest number of households raising poultry, accounting for 23% of all households that reported raising poultry during the agricultural season.

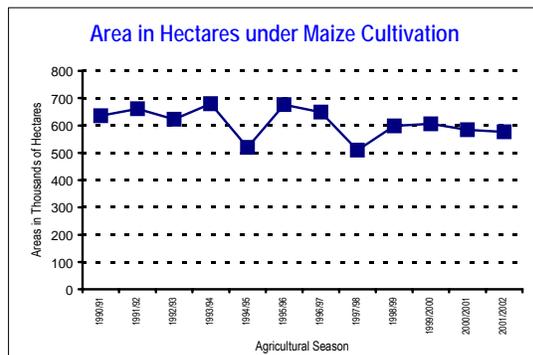


The Eastern province had the largest number of households that grew Maize, accounting for 31% of the total maize-growing households among the small and medium scale farmers during the 1999-2000 agricultural season.

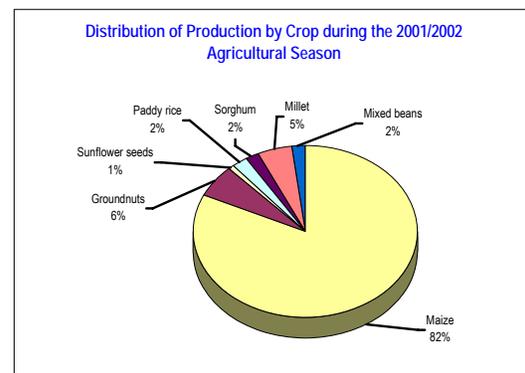


During the 2001/2002 Agricultural Season, maize recorded the highest area planted at 67% followed by groundnuts (15%). Sunflower and rice recorded the lowest area planted at 2% and 1%, respectively.

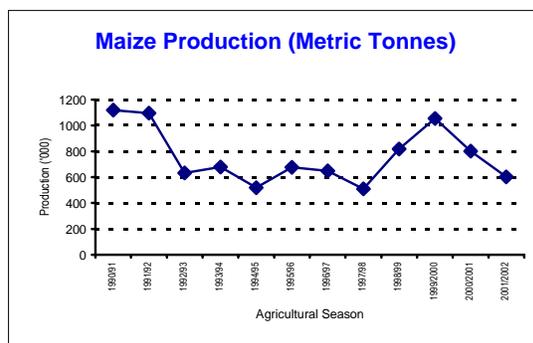
Trends in Maize Production, 1990/91 to 2001/02



Unlike crop production, area planted to maize has generally remained stable over the years. However there was a major decline in the area planted in 1994/95 and 1997/98 due to drought and the EL Nino phenomenon respectively.



Maize accounted for 82% of all cereals produced during the season with groundnuts (6%) being second.



In 1992/93, the drought covered almost the whole country and led to a drastic drop in maize production. Crop production during the ten-year period was prone to a lot of fluctuations due to adverse weather conditions as earlier indicated.

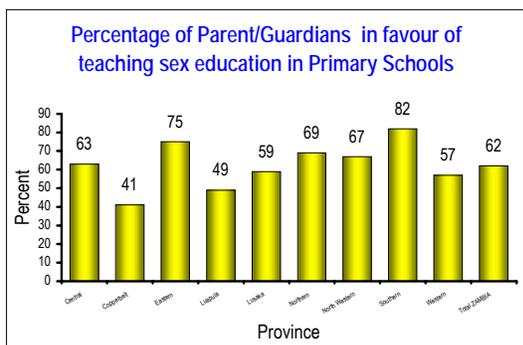
Education

Over 60% of Parents favour sex education in schools...

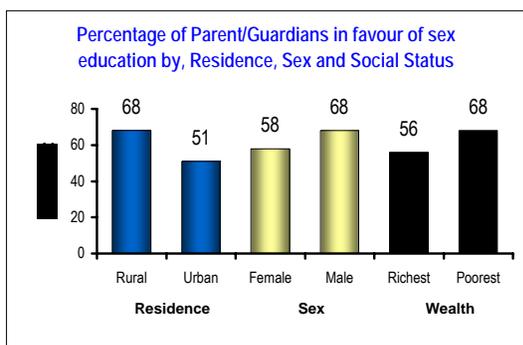
Results from the 2002 Zambia Demographic and Education Survey (ZDES) show that 62% of parents/guardians in Zambia are in favour of teaching sex education in primary schools. The findings of the survey show that parent/guardians are more supportive of sex education in schools. They were of the view that the best age for introducing sex education was 13 years.

Southern province with 82%, had the highest number of parents/guardians in favour of sex education, followed by Eastern (75%) and Northern (69%).

Surprisingly, Copperbelt (41%) was among the provinces with the lowest approval rates for sex education in schools.



The results also show that parent/guardians in rural areas are more supportive of sex education in primary schools than their counterparts in urban areas, 68% as opposed to 51%. Also 10% more male parents than female parents are supportive of sex education. Parents from the richest families are less supportive of sex education in primary school.



Children too young for sex education....

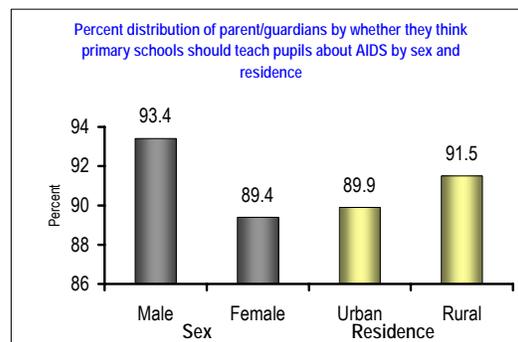
Survey results show that among those parent/guardians who were not in favour of teaching sex education in primary schools, 73% were of the view that children in primary school were too young to be taught sex education, with half suggesting that the teaching of children about sexual matters encourages them to have sex. One in four parent/guardian surveyed were of the view

that the teaching of sexual matters in primary school was not appropriate.



AIDS education gets overwhelming support...

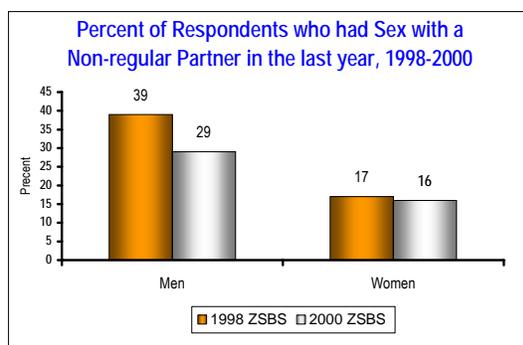
Over 90% of parents surveyed were of the view that AIDS education should be taught in primary schools. Like sex education, the majority of parents were of the view that AIDS education should be taught in upper primary grades (Grade 5 to 7).



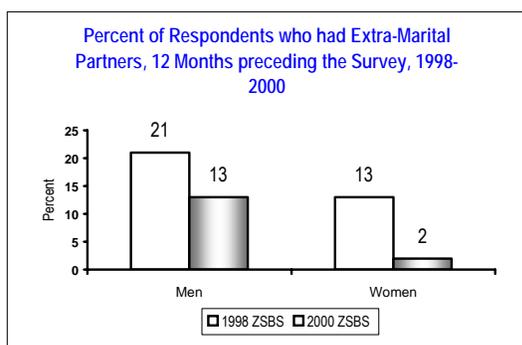
Health

High-risk sexual practices decline...

Results from the 2000 Zambia Sexual Behaviour Survey show that there was a noticeable decline in high-risk sexual practices. This was noted in the decline in the proportion of men and women reporting having sex with non-regular sexual partners. In 1998, 39% of sexually active men had sex with a non-regular partner and this declined to 29% in 2000. Among the women, the decline was marginal from 17% in 1998 to 16% in 2000.

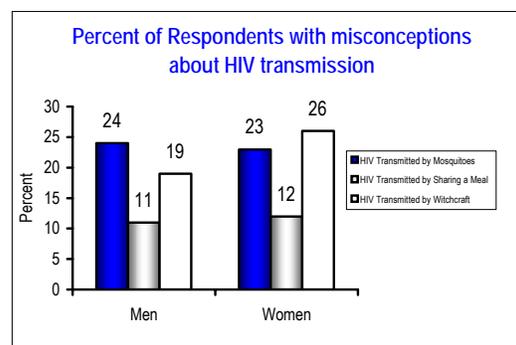


There was also a decline in the proportion of married women and men reporting to have extra-marital partners. In 1998, 21% of men and 13% of women reported to have had extra marital affairs compared to 13% and 2% in 2000 for men and women, respectively.



Myths surrounding HIV transmission high...

There are still some misconceptions about HIV transmission. Slightly less than one fourth of respondents (24%) thought that HIV could be transmitted by mosquitoes, and 19% of men and 26% of women thought it could be transmitted by witchcraft. Sharing a meal with an infected person was thought to be another means of transmission by slightly over 10% of the respondents. This misconception is highest among rural women (13%) and lowest among urban men (8%). Overall misconceptions were common among rural residents than among their urban counterparts.



Furthermore, stigma and discrimination against families and individuals infected and affected by HIV is an on going issue in Zambia. Among men only 21% had accepting attitudes towards individuals with HIV, and there was an even lower percentage of women (18%).

Adolescents – Positive change in their sexual behaviour...

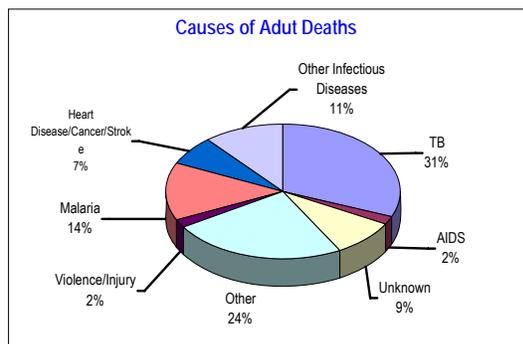
There are some positive indications in the sexual behaviour of young people. Adolescents (respondents aged 15-19) now (2000 ZSBS) have sex for the first time two years later than in 1998. Based on the proportion of adolescents who had sex in the 12 months preceding the survey the median age at first sex was 19 years for males and 18 years for females in 2000, compared with 17 years for males and 16 years for females in 1998. Furthermore the number of adolescent men who reported to have two or more sexual partners declined from 24% in 1998 to 8% in 2000.

Pre-marital sex more prevalent in rural areas...

In the 2000 (ZSBS) pre-marital sex was reported to be much more common in rural areas than in urban areas. This is a cause of concern as condom use is lower in rural areas than in urban areas among young people. 49% of urban young men and 48% of urban young women reported using a condom at the last sexual act compared to 32% of men and 28% of women in rural areas.

Results show a steady increase in the prevalence of orphan-hood...

As the AIDS epidemic reaches its peak, more and more young adults die or become very ill. This leaves increasing numbers of children without parents. The prevalence of orphanhood has increased from 3% in 1992 (ZDHS) to 7% in 2000 (ZSBS) for maternal orphans and 6% in 1992 (ZDHS) to 11% in 2000 (ZSBS) for paternal orphans. The prevalence of double orphans (children who have lost both parents) increased most as would be expected in the case of AIDS where both parents are more likely to die than in case of other causes of death. The ZSBS survey indicates that double orphans have increased from 1% to 3% between 1992 and 2000.



Tuberculosis is the most commonly reported cause of death in households (17%) and among adults it was by far the main cause (32%), followed by malaria (14%). AIDS was rarely mentioned as a cause of death, even though more than half of the deaths were reportedly associated with prolonged illness. It is likely that AID related deaths were reported under other causes such as tuberculosis.

Census Highlights

Zambia is one of the most urbanized countries in Sub-Saharan Africa, with about 36% of the population living in urban areas. The rest of the population (64%) live in rural areas. Zambia covers an area of 752,612 square kilometers. It is a sparsely populated country with an overall population density of about 13 persons per sq km. As expected Lusaka and Copperbelt provinces are the most densely populated provinces, 64 and 50

persons per sq km, respectively. North Western province, on the other hand is the least populated with only 5 persons per sq km. [NOTE: Refer to the map on the last page].

Zambia's population continues to grow at a decreasing rate...

The change in size of Zambia's population annually between 1969 and 2000 shows that it has been growing at a steady but decreasing rate, from as high as 3.1% in 1969, to 2.7% in 1990 and 2.3% in 2000. In the same reference period, Zambia's urban annual population growth rate also shows a similar trend though the decline has been drastic. In the 1969-1980 intercensal period, the urban population grew at 6.0% annually, this dropped sharply to about 2.6% in the period 1980-1990, and further dropped to 1.4% in the period 1990-2000. This implies that the proportion of people residing in urban areas is decreasing over time.

At provincial level Copperbelt registered the lowest average annual growth rate of less than one percent (0.7%) between 1990-2000, although it had the second highest growth rate in the period 1969-1980 of about 4%. This was at the time the mining industry was thriving. Northern and Luapula provinces are the fastest growing provinces at 3.3% annually between 1990-2000. This could be attributed to the influx of refugees from the great lakes region and Congo DR, especially for the districts such as Kaputa and partly to Chienje.

The Layman and Statistics

This section is aimed at helping the laymen understand some of the Statistical terminology and phrases in order to enhance understanding of the subject and the figures behind the terminology or phrase. In this issue we look at two important phrases, Inflation and Monetary Policy.

Inflation is the tendency for prices and wages to go either upwards or downwards. Business companies and individuals tend to pay attention to inflation mainly out of fear that the Central Bank will try to fight it by tightening the money supply through monetary policy.

Monetary policy is the actions taken by the Central Bank (in this case the Bank of Zambia), to control the money supply. In particular, monetary policy refers to efforts to fight inflation or otherwise control or stimulate the economy by controlling the availability of spending money to companies and consumers.

Sales Office

Whenever people hear of ‘Sales’ automatically their minds switch to profits, but that is not the case with the CSO Sales Office. The value of the publications on sale cannot compare with the prices at which they are sold. This is because CSO does not aim to make profits but to equip the Zambian people with information they very much need.

Are you in need of statistical information? then visit the CSO Sales Office and look at the various publications and information products in stock. We may be stocking just what you need for your informed decision.

‘REMEMBER STATISTICS ARE KEY TO NATIONAL DEVELOPMENT’.

How to obtain Information

Central Statistical Office insists on requests for information to be provided in writing specifying, as clearly as possible information required. The requests should be addressed to *The Director, CSO, P. O. Box 31908, Lusaka – ZAMBIA.*

Below are telephone numbers for both CSO Headquarters and Provincial Offices

CSO Headquarters: 260-01-251377/253468

Provincial Offices

- Central- Kabwe: 260-05-223655/223795
- Copperbelt - Ndola : 260-02-613624/613427
- Eastern - Chipata: 260-06-221340/221497
- Luapula - Mansa: 260-03-821114
- Northern - Kasama: 260-04-221214
- N/Western- Solwezi 260-08-821263/821577/8
- Western - Mongu 260-07-221252/221783
- Southern - Livingstone 260-03-323124

The Monthly is made available every last Friday of the month.

Special Note

Thank you for all your comments, suggestions and criticism in response to our first issue of ‘*The Monthly*’ newsletter which was launched on 30th April, 2003. We have taken *special note* of your comments and suggestions, which will be incorporated in issues to come. It’s our hope that your continued support, as users and stakeholders in the national statistical system, will strengthen the partnership that we have initiated through this newsletter.

As the saying goes, ‘*Information is power!*’ CSO maintains a huge pool of statistical resources, ranging from economic to social and even health. It is our sincere hope that you the users to the benefit of us all, will actively keep the dialogue initiated through this newsletter and make suggestions on how we can improve our service to you.

Once again, we would like to thank you for all your comments, suggestions and criticism. We need your feedback in order to help us improve our service of your data and information needs.

Editorial Team.

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