

INFORMAL UNPAID WORK AND SOCIAL PROTECTION

Unpaid work is invisible and uncounted in the system of National Accounts and this invisibility leads to non recognition of the unpaid workers while designing programs, policies and resource allocation decisions benefiting paid workers. Men and women engaged in unpaid work are deprived of the development opportunities available to paid workers. In the informal sector, where individuals are engaged in production activities contributing to the family income working either as self-employed, piece worker, salaried employee working for a 'middle man' or unpaid worker in a family enterprise, are not recognized as a worker to entitle them to benefits and protection of their rights as available to workers in the paid formal sector. They are either primary caregivers in the household who have mobility constraints and cannot go out in the market due to their responsibilities or those who cannot enter the formal labor market due to lack of information or some disability.

Empirically, it is observed that informal sector has an inverse relationship with economic growth and employment opportunities. Lower growth is associated with greater activity in the informal sector as jobs shrink. Unregistered micro enterprises tend to do better in higher economic growth but the categories of home based work and unpaid family work appear to be anti-cyclical. In Pakistan, a myriad of problems including macroeconomic as well as those caused by influx of migrants to cities in search of jobs over the last many years, force many to end up as informal workers due to lack of employment opportunities in the formal sector. In national human resource and economic policies, unpaid informal sector work is largely ignored due to statistical invisibility. Informal sector workers lack financial resources and they do not have access to basic needs such as education and health. They are skill deficient and their poor life standard undermines their capabilities limiting their chances to secure gainful employment. They clearly lag behind in various areas including access to information about

microfinance schemes, skill development programs, business skills, marketing and product designing.

Women dominate the informal sector as this allows them to increase household income while fulfilling the family responsibilities. More than half of home-based workforce across the world is female, estimates range from 64% to over 90% compared to 40% of non home based workforce' (Wendy Cuunigham and Carlos Ramos Gomez, 2005). The females engaged in informal work prefer the flexibility of working from home but in most cases are less educated and belong to poor, vulnerable households attempting to supplement the income of their families. For most of such women, informal sector work is the only employment. The flexibility has its premium in the form of lower wages for long hours as compared to equivalent work in the paid sector. If they are working on piece rate basis through a contractor, they are at the mercy of middle men as having little or no information about the market alternatives.

In Pakistan, women working in informal sector are engaged in sectors like garments stitching, bangle making, shoe stitching, embroidery or carpet weaving. The middle men who set deals with these workers exploit them and use their skills for their own benefits. Business or contracting is mostly done through verbal transactions and personal contacts excluding such market activity to be regulated by any regulatory or legal protection.

In Pakistan Time Use Survey, the dichotomy between men and women in the informal sector emerges most sharply in the category of unpaid family workers. In a sample of 19,600 households and 37,800 individuals, females appear to dominate the group of unpaid family workers; 50% of the female as compared to 14% of males are unpaid family workers. While 39% males dominate the category of own account workers as opposed to 13% females. In rural areas, this trend is even more accentuated with 59% females engaged as unpaid family

helpers as compared to 17.8% of male. Urban areas also record higher share of female participation as unpaid family workers (15.1%) than male share (5.5%).

Disaggregation by occupational status as white, brown and blue collar workers, reveal that women constitute the major proportion 65% of unpaid family workers in brown jobs respectively. Both urban and rural areas have far higher share of women working as unpaid workers in brown and blue collar jobs.

The trends emerging from the employment status of male and female in three job categories clearly demonstrate the need to explore the characteristics of females engaged in all three sectors, their educational and skill levels, their income class and their demographic statistics. The analysis is pertinent to identify the dynamics of informal sector and the role played by informal workers but without much recognition in terms of receiving any direct returns or status.

Empirical analysis of unequal distribution of unpaid work in the informal sector and its underlying factors may lead to integrating this informal work into labour market and employment policies. Unpaid workers contribute to the economy as productive members but do not have social protection provided to paid workers, the analysis can have implications in terms of incorporating social security entitlements or some form of social protection to unpaid workers. Social programs promoting human resource development, skill formation in non-traditional skills for unpaid workers in the informal sector can equally benefit men and women having positive effects on their well-being. Improving situation of unpaid workers in general, can support a healthy economy.

With the time use survey, it is possible to identify and distinguish the time spent on market and non market activities. Analysis focused on home work can document the informal workers, extent of sex segmentation and their demographic characteristics leading them to working away from market and at home establishments. Through this analysis, the gender tilt of informal sector,

educational and income levels of informal workers as well as the involvement of children in the informal work can lead to policy recommendations and programs to protect their rights and acknowledge their valuable contribution to national economy. The analysis of underlying determining variables can point towards some form of social action needed to promote workers in general and women workers in particular in self-employment and informal sector. The support may take either form; improved access to credit, finance and facilities, access to skill formation or upgrading or providing information about the labour market situation. Social security in the form of pension or any social support is not available to unpaid workers or to women engaged in domestic work. Providing social protection and security to informal sector workers would recognize their contribution to society and will have enormous ramification in improving the plight of their households.