



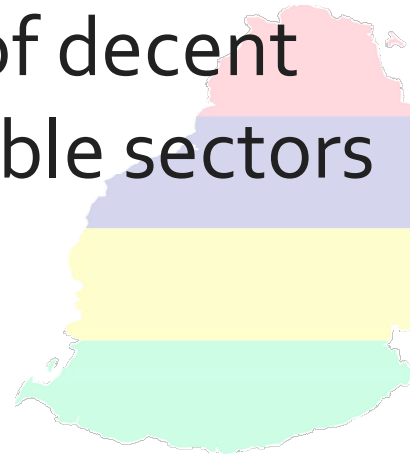
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“Mainstreaming Decent Work in the Vulnerable Sectors of the Informal Economy: A Zambian Perspective”

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Objective

- The Overall objective of the paper was to review the working environment of informal economy workers in the vulnerable sectors in order to establish the gaps in implementing decent work in the informal economy and to make recommendations on the extension of decent work to the majority of workers in the vulnerable sectors of the in the informal economy.



Context of the Paper

- ☐ The Study was commissioned by the Trade Unions
- ☐ The recognition to protect and safe guard the interests of and rights of workers particularly those in the vulnerable sectors who are excluded from realization of decent work in their work environment.
- ☐ The need for strategies that would enable the labour movement reach out to workers in the informal economy.
- ☐ The need to strengthen and improve the organisational capacity of Trade Unions to engage in evidence-based policy discourse on issues affecting workers in the informal economy, hence the commissioning of the study.



Methodology

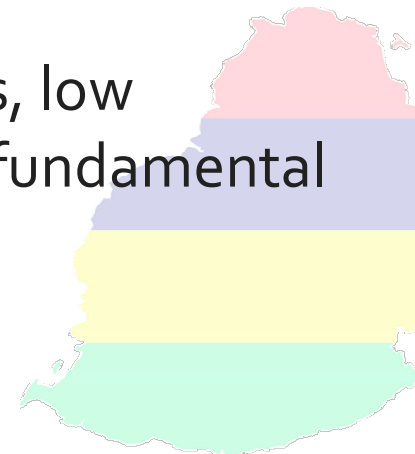
- ❑ The study methodology was inclusive and ensured participation of key stakeholders.
- ❑ The study used a multiple method approach that included secondary and primary data collection including key informant interviews and focus group discussions



Vulnerable Employment

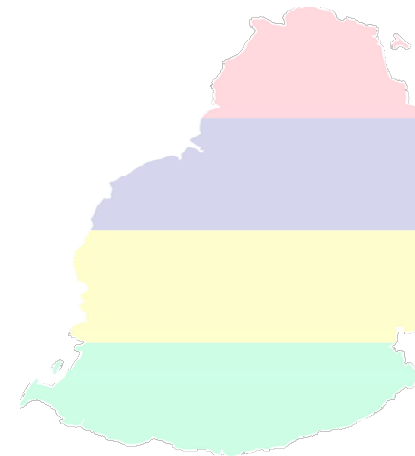
The ILO defines vulnerable employment as:

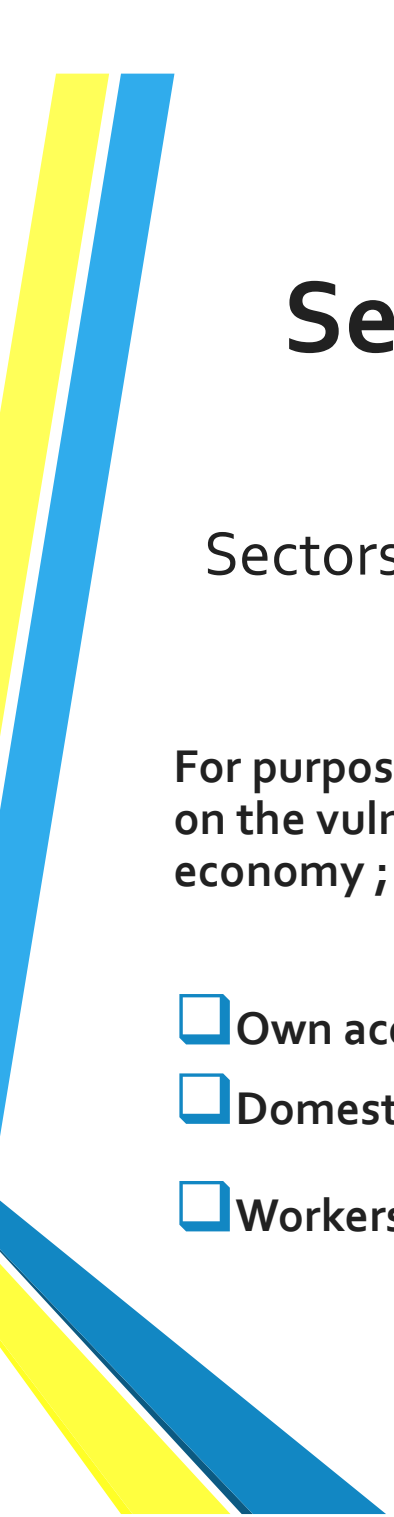
- ❑ The sum of employment status of workers who are less likely to have formal work arrangements and are therefore more likely to lack decent working conditions, inadequate social security and voice through effective representation by trade unions and similar organisations.
- ❑ Vulnerable employment is often characterised by low wages, low productivity and difficult conditions of work that undermine fundamental workers' rights



Vulnerable Sectors in the Informal Economy

- ❖ Own Account workers (employees, employers, family owned enterprises, marketers, Casualised workers, Street vendors, Taxi and Business Drivers)
- ❖ Domestic Workers
- ❖ Workers employed by contracted firms and labour brokers
- ❖ Workers in subsistence agriculture and construction sectors
- ❖ Members of cooperatives
- ❖ Workers not classified by status





Selected Sectors and Scope of the Study

Sectors Selected for the Study

For purposes of this study, the research focused on the vulnerable sectors in the informal economy ;

- ☐ Own account workers
- ☐ Domestic workers and
- ☐ Workers employed by contracted firms.

Scope of the Study

- In terms of scope the study covered four sites.
- This comprised two urban areas (Lusaka and Kitwe) and two rural areas (Mpongwe and Mumbwa). The basis for this selection was to understand the rural – urban dynamics of decent work deficits in the informal economy.
- To this end, Lusaka and Kitwe were purposefully selected due to the high concentration of workers in the three identified sectors whereas the rural locations were poised to provide a comparative picture.

Informal Economy in Zambia

- The informal economy in Zambia employs the majority of the labour force, and has grown rapidly in recent years (approximately more than a million informal businesses).
- According to the Labour Force Survey (2014), 84 percent of the Labour Force is employed in the informal economy and 16 percent is employed in the formal economy.



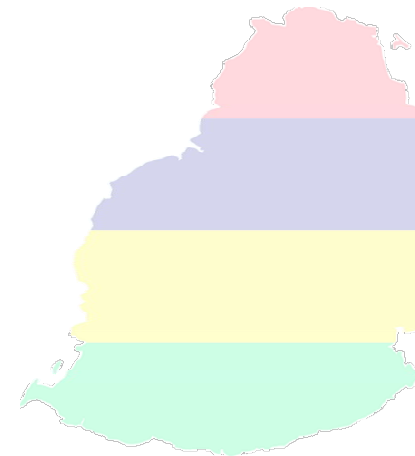
Decent Work Country Programme In Zambia

- ❑ The Zambia Decent Work Country Programme (2013-2016) was designed to address the decent work deficits in the economy.
- ❑ However despite the introduction of the decent country work programme, the pervasive nature of the informal economy makes it difficult for the decent work deficits to be addressed.

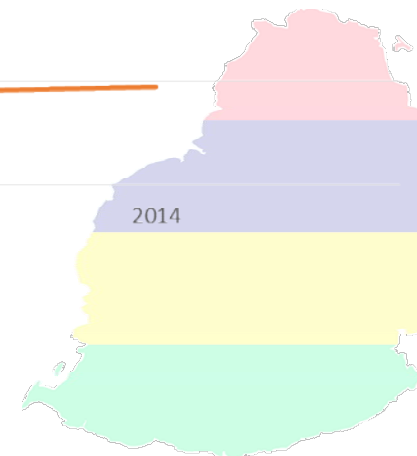
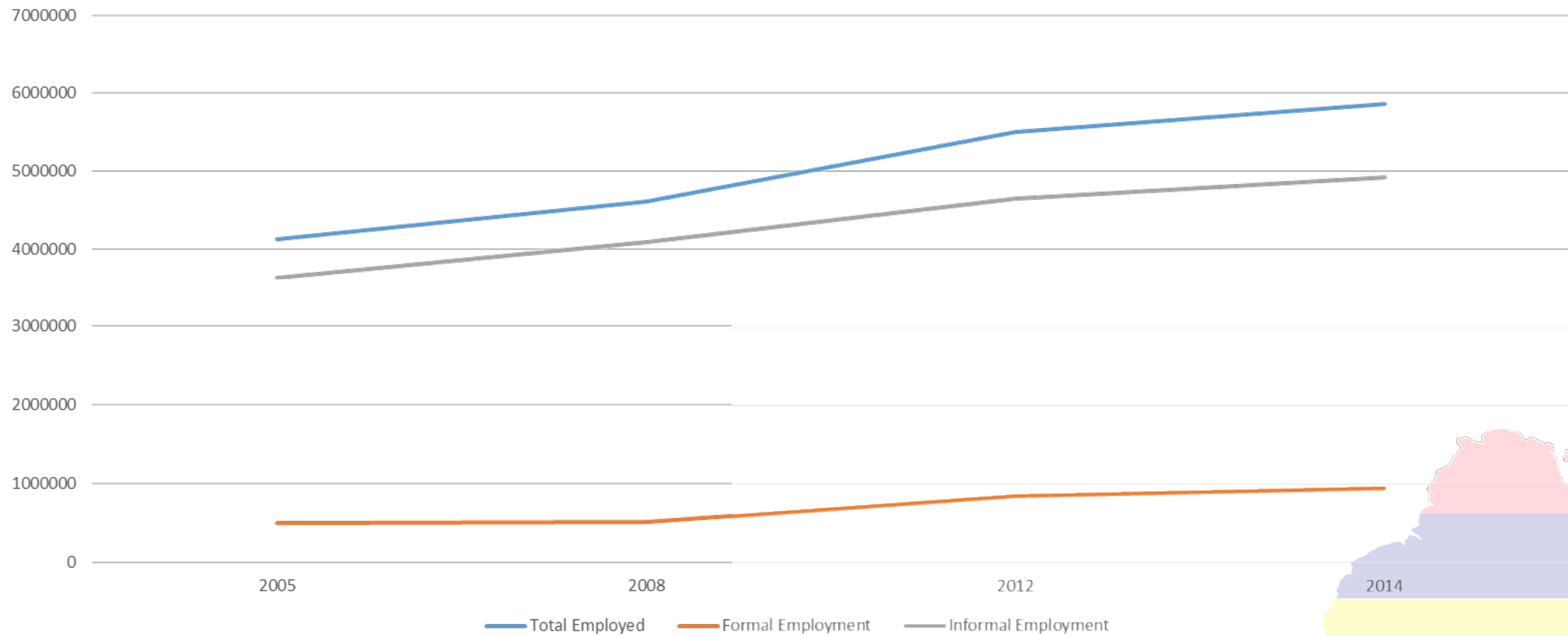


Characteristics of Work in the Informal Economy

- The working environment of workers in the informal economy is often characterized by decent work deficits namely
 - Denial of rights at work such as belonging to unions, collective bargaining
 - Absence of quality employment,
 - Inadequate access to social protection and social dialogue.



Employment Data (2005-2014)



Decent Work Legislation

- Zambia has ratified 48 Conventions comprising all 8 Fundamental Conventions,
- All 4 Governance Conventions and 36 of 177 Technical Conventions.
- Zambia is yet to ratify a number of key conventions, namely Hours of Work Convention, No1, Maternity Protection Convention No 183, Social Security Convention No 102, Employment Injury Convention No 121 and Medical Care and Sickness Benefit Convention No 130.



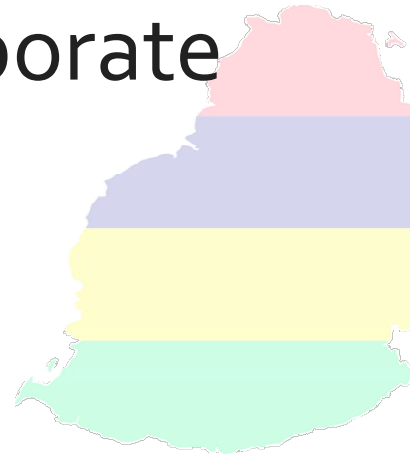
Deficits in the Informal Economy

- In spite of the existing legislation, workers in the informal sector face a number of decent work deficits.
- Decent work deficits that workers in the informal sector face include: weak enforcement of labour legislation; insecure and low pay; poor occupational health and safety conditions; inadequate social protection; and weak social dialogue.
- A number of studies on decent work in Zambia have demonstrated that the majority of workers ply their trade in the informal sector largely due to lack of formal sector employment opportunities. (Shah 2012)
- The studies also show that most workers in the informal economy are excluded from rights to freely associate and bargain collectively and social protection coverage (Phe Goursat and Pellerano, 2015)



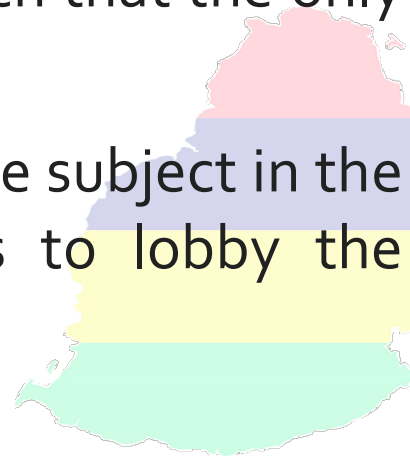
Study Findings

The study established a number of decent work deficits in the informal economy and among informal workers, especially as it relates to domestic workers, own account workers, and sub-contracted firms' workers. Most of the findings corroborate with those of some previous research

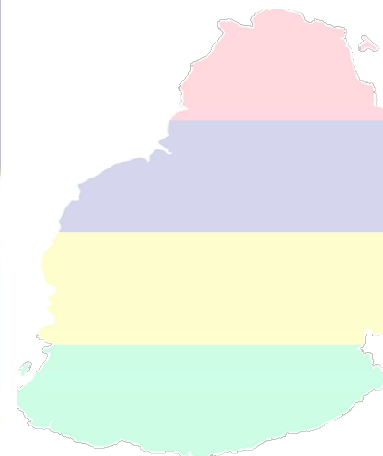


Domestic Workers

- ☐ The majority of the participants were either in the 25-30 years old category or older. Only a few were in the 19-24 years old age group.
- ☐ Most domestic workers reported that they had worked for different employers over the years with most of them having served from one to six years.
- ☐ Most domestic workers are hardly entitled to leave days, and for some they are not allowed to observe public holidays and Saturdays such that the only weekend day left to their disposal is a Sunday.
- ☐ In terms of rights at work, there is lack of information on the subject in the public domain to empower the domestic workers so as to lobby the advancement of their rights in the work place.



Summary of Decent Work Deficits amongst Domestic Workers



Own Account Workers

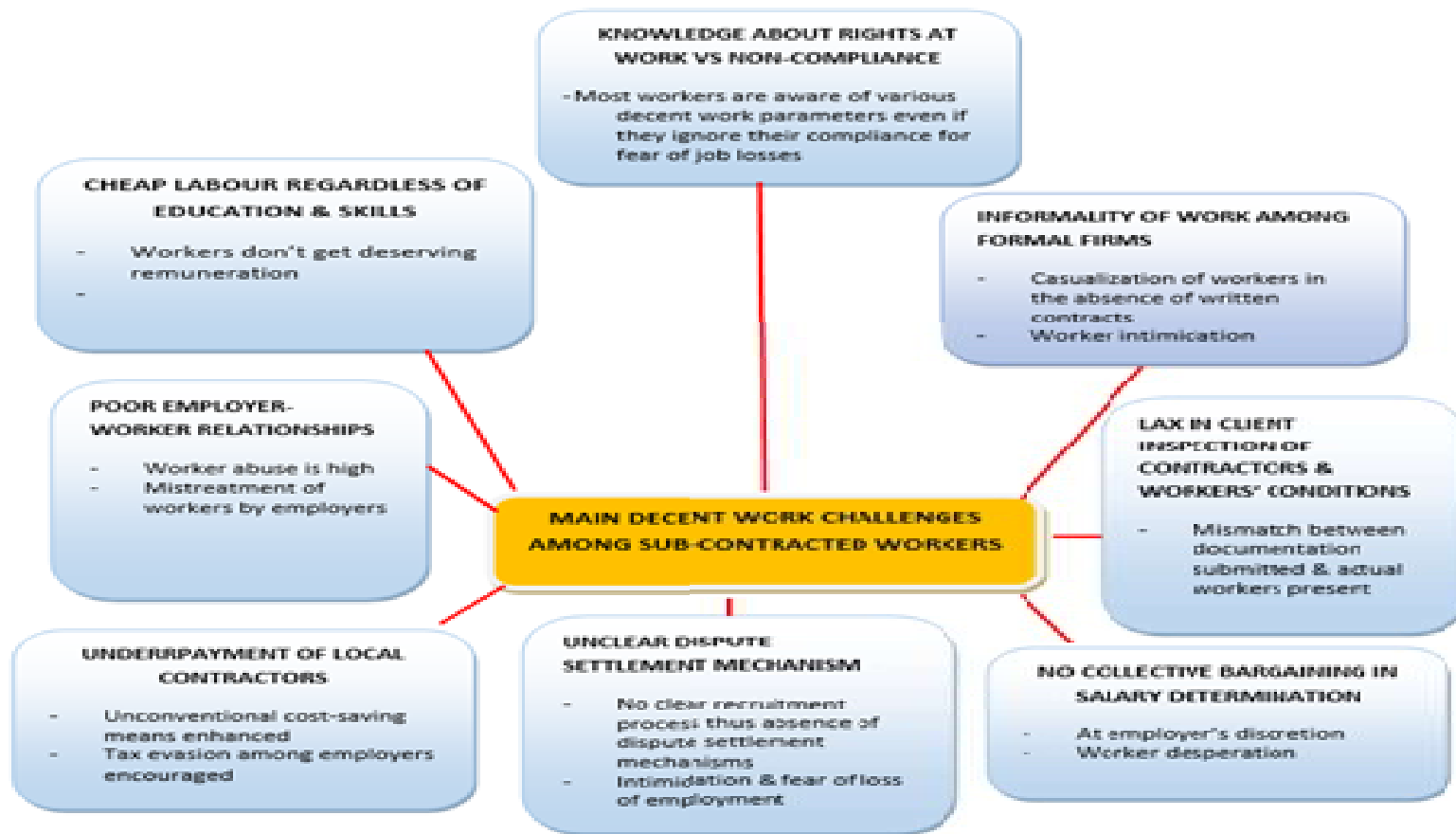
- ❑ Most of the own account workers that were interviewed work as carpenters, tailors, traders, mechanics, bricklayers, newspaper sellers, owners of barbershops/salons and restaurants.
- ❑ The stability and security of work among this category of workers is dependent on the profitability of the business one is involved in. Most own account workers hardly make significant profits which would transform their businesses to be able to provide sustainable and decent jobs
- ❑ Although the informal economy has little social security coverage, the strength own account workers have in mobilizing themselves in associations translates in relatively stronger solidarity and networks of social and financial support to emergent risks.



Workers under Sub Contracted Firms

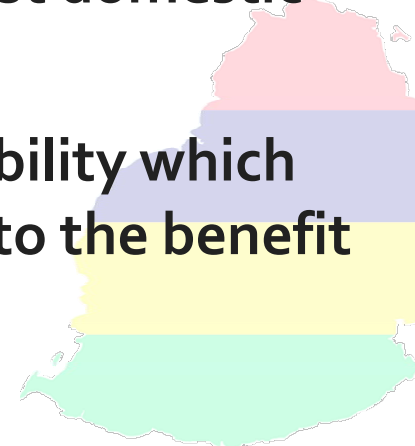
- ❑ Seasonality: Depending on the sector the sub-contracted workers are in, employment opportunities may be seasonally available and workers face decent work challenges which include temporal employment and the related inconsistency in income earnings, casualization, and broadly the informality of work
- ❑ Longer working Hours : Sub-contracted workers usually work for longer hours than is legally permitted . For those in cleaning companies, work starts as early as 06:00 hours in the morning until 18:00 hours in the evening whilst workers in mining sector can start work as early as those in cleaning services but end their day as late as 18:00 hours in the evening.
- ❑ Low wages: Both work in mining and cleaning sub-contracted firms is characterised by low wages. There is high rate of casualization of workers in sub-contracted firms besides the very low salaries

Summary of Decent work deficits amongst workers under Sub Contracted Firms



Decent Work in the Urban and Rural Areas

- ☐ The common characteristics in the informal economy whether in the rural or urban areas in the high prevalence of decent work deficits.
- ☐ Findings revealed that workers in own account, domestic or sub-contracted workers, were all are denied decent work conditions in the places they work.
- ☐ Sub-contracted workers were dominant in urban areas, whilst domestic and own account workers characterized the rural areas.
- ☐ Own account workers possess greater potential for sustainability which could be harnessed for transition to formal and decent work to the benefit of not only the workers but the economy as well.



Conclusion

- Despite the existence of an enabling legal framework, **challenges exist in realising decent work** amongst the majority of vulnerable workers in the informal economy.
- The study established **decent work deficits** that workers in the informal sector face. These include: weak enforcement of labour legislation; insecure and low pay; poor occupational health and safety conditions; inadequate social protection; and weak social dialogue.
- Most workers in the informal economy are **excluded from rights** to freely associate and bargain collectively, social protection coverage and access to decent employment opportunities.



Recommendations

☐ Application of International Labour Standards

- Ratify and Implement ILO Conventions that promote decent work in the informal economy
- Implementation of an action plan to implement ILO Recommendation 204 on the formalisation of the Informal Economy:

☐ Rights at Work

- Labour laws and regulations strengthening:
- Increase and improve labour inspections and monitoring
- Worker Mobilisation and Awareness Strategy

☐ Employment

- Address the Issue of Informal employment in formal firms:
- Promote Employment policies, programmes and projects responding to jobless economic growth:



Recommendations

☐ Social Protection

- Raise social protection awareness:
- Participation of Informal economy workers during design of social protection products for the informal economy

☐ Social Dialogue

- Mobilise and Extend Representation to the Informal Economy

☐ Other Recommendation

- Incentivize the formalization of work

