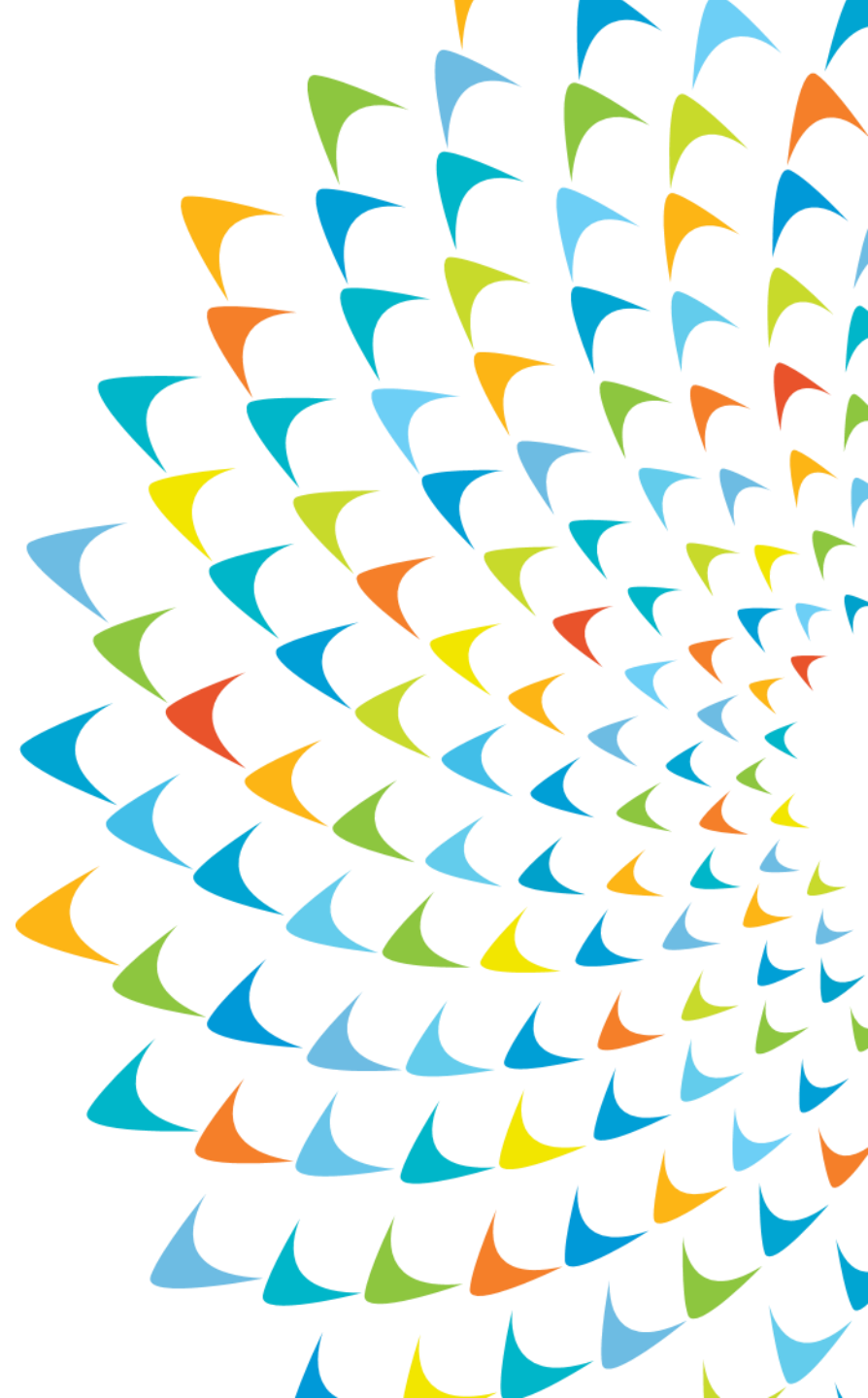




Asian Development Bank

# Social Protection for Women in the Informal Economy

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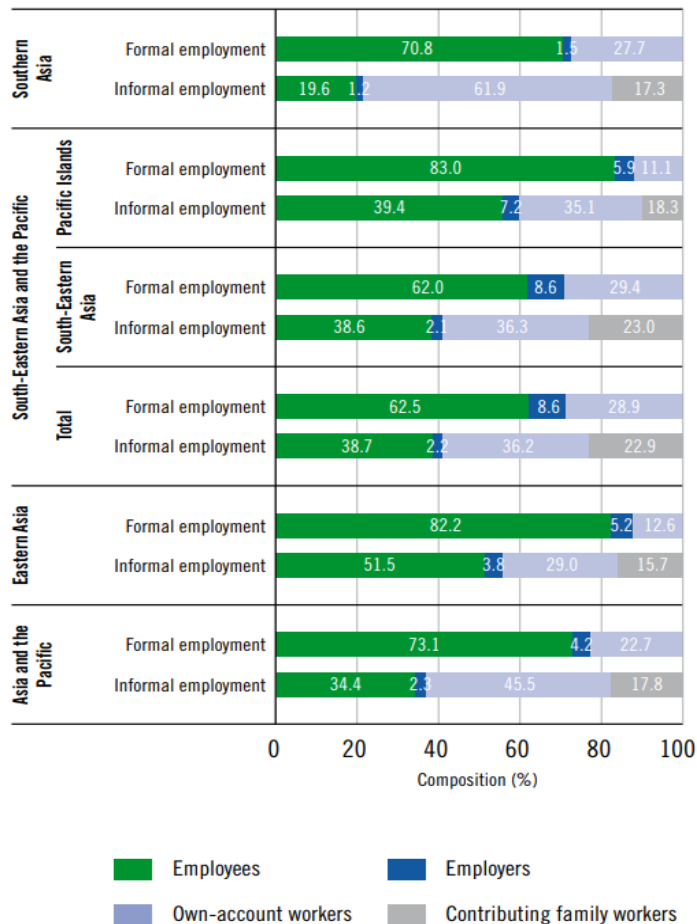




# Share of Informal Employment (Asia and the Pacific)

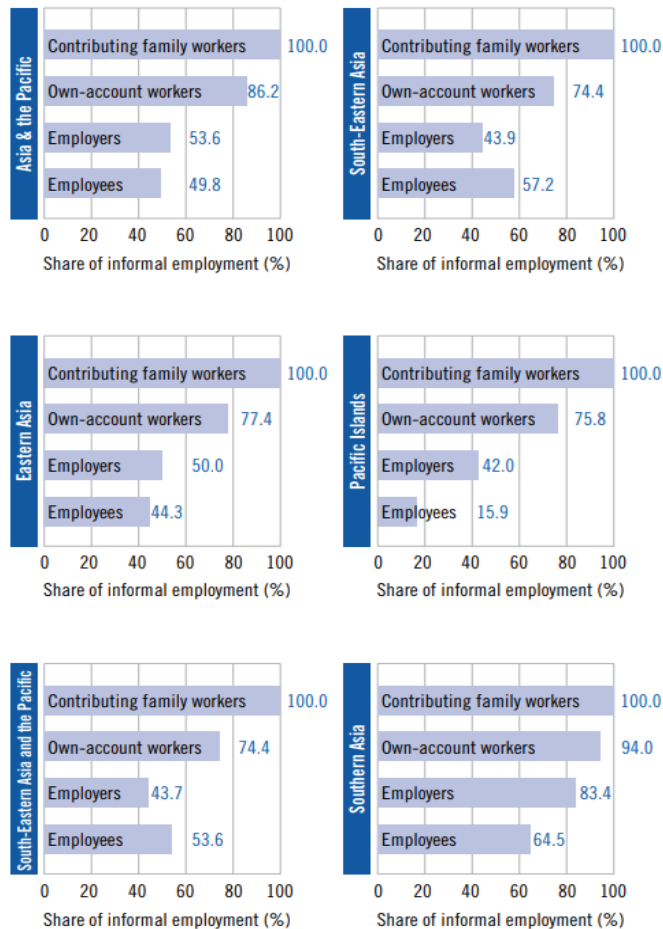
G2

Composition of informal and formal employment by categories of status in employment



G3

Share of informal employment in total employment by categories of status in employment

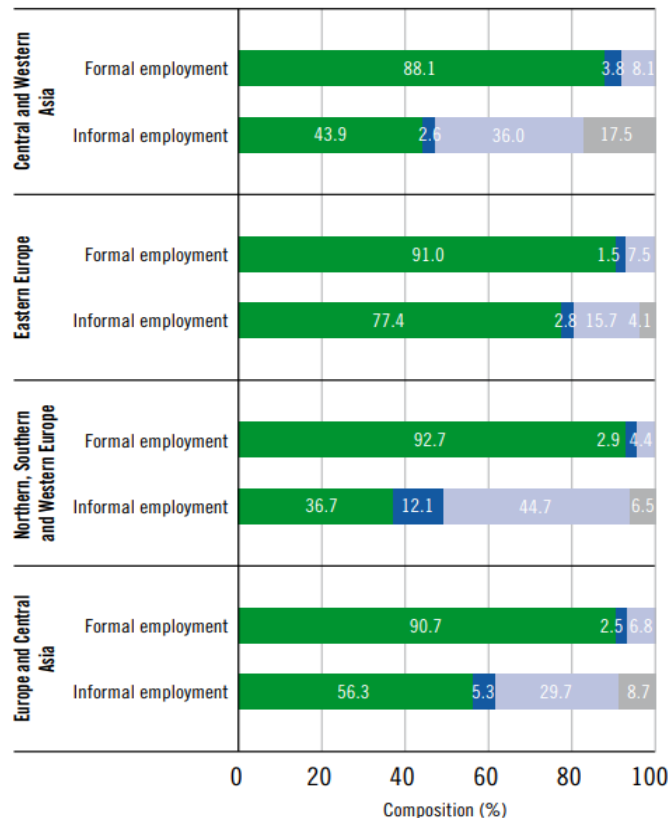




# Share of Informal Employment (Central and Western Asia)

G2

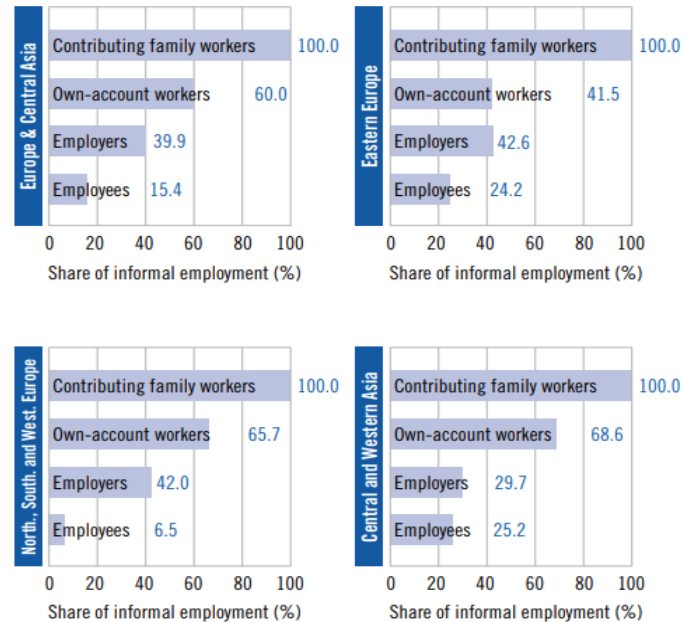
Composition of informal and formal employment by categories of status in employment



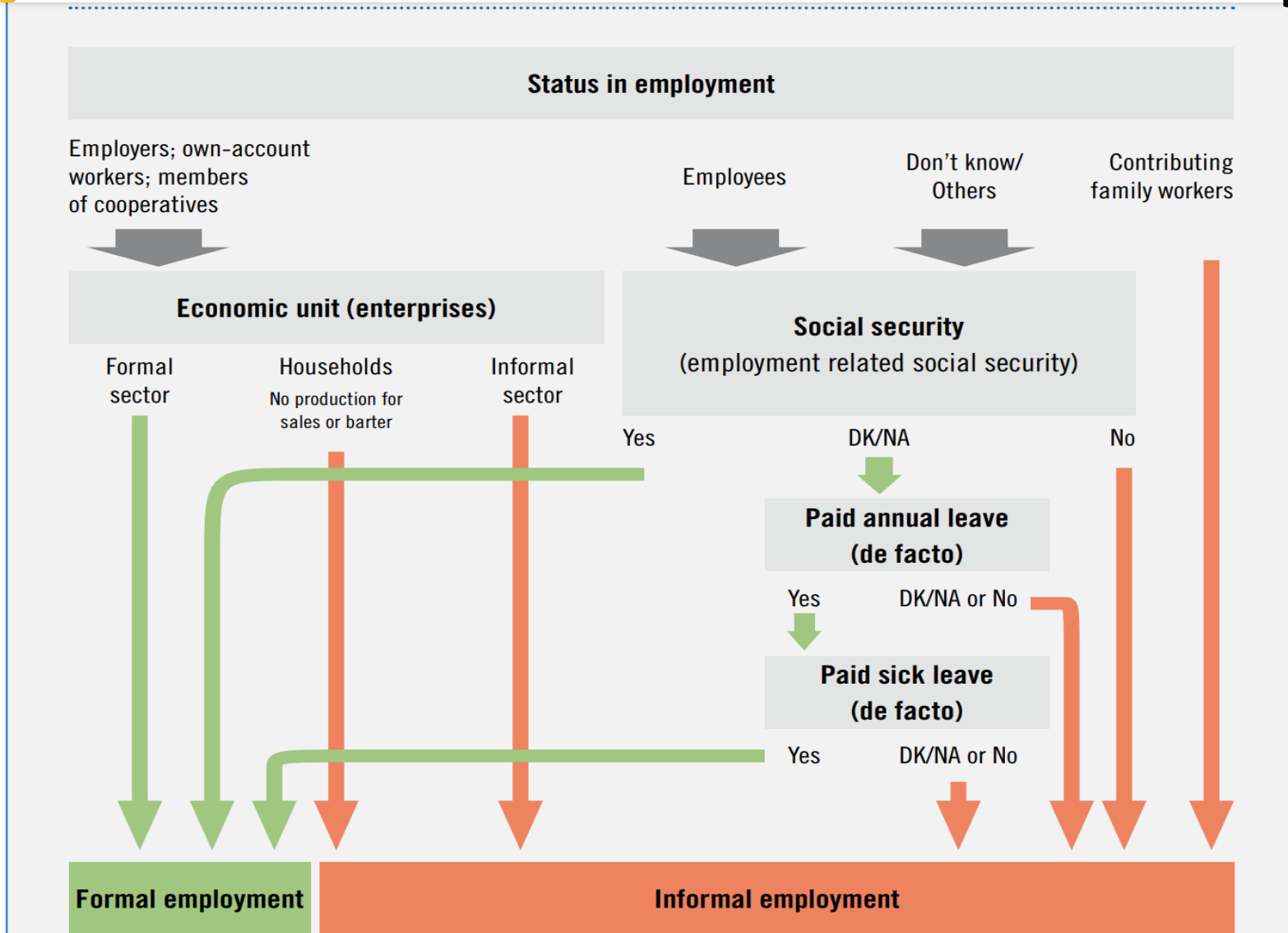
■ Employees      ■ Employers  
■ Own-account workers      ■ Contributing family workers

G3

Share of informal employment in total employment by categories of status in employment



# Workers in the Informal Economy



Source: International Labor Organization (ILO)



Criteria used in the common operational definition of informal employment

# Women in the Informal Economy

*In Asia, women are more likely to be in informal employment than men*

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- Nonpaid work in family businesses,
- In agriculture sector, either as owners of small plots of land or unskilled laborers (or both)
- Employer-owners of informal firms as own-account workers (i.e., self-employment with no employees)
- Informal employees of both formal and informal firms
- Subcontracted workers and casual day workers, wage workers for households,
- Street traders
- Home-based, piece-rate workers such as, in the garment industry
- Migrant workers

# Women in the Informal Economy

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## Working Conditions:

- low and insecure wages
- long working hours
- work in unsafe conditions
- risks linked to life cycles
  - no paid health and medical benefits,
  - no maternity benefits and support for childcare,
  - no or limited old age pension
- risk of sexual harassment



*“Informal women workers are the ‘working poor,’ struggling in survivalist activities, working arduous and long hours but not earning enough to support themselves or their families.”*

*--ADB and ILO (2011)--*



# Social Protection

Social protection consists of policies and programs designed to reduce poverty and vulnerability by promoting efficient labour markets, diminishing people's exposure to risks, and enhancing their capacity to manage economic and social risks, such as unemployment, exclusion, sickness, disability, and old age.

## Social Assistance

- Social transfers
- Cash
- In-kind
- Child grants
- Social pensions
- Disaster relief
- Social services

Unrequited transfers to groups such as the poor who cannot qualify for insurance or would receive inadequate benefits from such a source

## Insurance Mechanisms

- Pensions
- Health
- Unemployment
- Disability
- Microinsurance

Contributory schemes to help people respond to common risks such as illness, old age, and unemployment

## Labor Market Programs

- Public works programs
- Loan-based employment generation
- Unemployment benefits
- Skills development training

Training programs, or food-for-work programs



# Examples of Social Protection Schemes

Country	Scheme
Azerbaijan	Social Allowance (Old age: 67 men; 62 women)
PRC	Rural Social Pension (Old age: from 60)
Georgia	Targeted Social Assistance for children (0-17)
Kazakhstan	State Basic Pension (old age: 63 men; 58 women) Targeted Social Assistance
Kyrgyz Republic	Social Assistance Allowance (old age: 63 men; 58 women)
Mongolia	Social Welfare Pension (old age: 60 men; 55 women) Child Money Program (0-17)
Pakistan	Benazir Income Support Program Waseela-e-Taleem (For schoolchildren 5-12 yrs old)
Tajikistan	Old-age Pension (65 men; 60 women)
Turkmenistan	Social Allowance (old age: (62 men, 57 women)
Uzbekistan	Social Pension (old age: 60 men; 55 women) Family Allowance (for children 2-14 years old) Low income allowance





## Gender in Social Protection Schemes

- Overall, women received fewer benefits and less coverage from social protection programs.
- Women also have less equitable access to social insurance than men but appear less disadvantaged in terms of social assistance and labor market programs.
- In Asia and the Pacific, public expenditure for social protection programs for women is about 1.15% of gross domestic product (GDP) while that for men is 1.6% of GDP.

# Challenges to extending social protection to women and other workers in the informal sector

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- Belief that it is the responsibility of families (rather than the state) to care for the vulnerable
- Unaffordability and low awareness of social protection program benefits of workers in the informal sector
- Informal workers live in areas where financial services are limited or social insurance agencies are not present
- Level of contribution required from employers and employees are a strong disincentive to enter the formal economy
- Formal sector firms prefer employing people on an informal basis to avoid paying contributions
- Universal social pensions can be beyond the capacity of developing countries to support → poverty targeting
- ‘Clientelistic’ politics where social protection is used as a political settlement or to deflect social unrest, e.g., fuel subsidies, subsidies for freedom fighters and veterans
- Delivery issues, e.g. targeting individuals and households

# Mainstreaming gender in social protection in the informal sector



- Social protection strategies and programmes must work towards a comprehensive identification of gendered risks and vulnerabilities across the life course
- The capacity to move from problem recognition to gender-responsive policies and programme design features needs to be strengthened
- Policymakers need to employ the most appropriate design and delivery features based on the identification of gendered risks and vulnerabilities
- Gender equality advocates and experts need to be involved in social protection policy and programme decisions to improve their performance for women and girls