

CFFPIE Brief Report

Opportunities in an inclusive
economy: Bridging the socio-
economic gap

Friday, 27 May 2022

ABOUT CFFPIE

Center for Family Friendly Policies and Inclusive Economy (CFFPIE), an initiative by ICC India and UNICEF India, is focussed on promoting family-friendly policies and inclusive economy. We work to safeguard and ensure social safety and care systems that are beneficial to children, families, and the economy. Established in 2021, CFFPIE is a repository of global and national best practices and it works with businesses to adapt and implement FFPs. For more information, visit www.iccindiaonline.org.

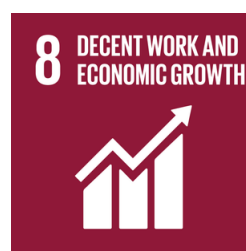
INTRODUCTION

The COVID-19 pandemic has had a devastating effect on people's capacity to balance work and caring for their children and families. Moreover, informal sector workers are highly vulnerable to economic impacts of the pandemic. In light of this, CFFPIE hosted a first virtual panel discussion on 'Bridging the socio-economic gap: formal and informal economy workers' to examine the latest trends related to informal workers in India, their work, challenges and what we can do to support them.

According to International Labour Organisation, 81.8% of women employed in India are concentrated in the informal economy. Hence, India has highest rates of women in the informal sector and there is a need to recognize their contribution to the economy.

For more gender-transformative and equitable solutions, we discussed long-term policy and protection responses that bridge the fundamental gap in tackling child poverty, gender inequality and achieving the SDGs. The event also explored how the private sector can support to build an inclusive economy.

Through this event, CFFPIE anchored a discussion for learning and exchange where all stakeholders (family, businesses, civil society and government) about informal workers as they are central to economic development process.



OUR SPEAKERS



Ms Madhuri Das, Gender specialist, UNICEF India shared about the gender perspective in the informal sector. Due to the pandemic, specific needs of workers in the informal economy (lack of social protection), as well as their children highlighted the urgent gaps and range of FFPs such as childcare that are needed to support this group.



Ms Navya D'Souza, Regional Coordinator, HomeNet South Asia talked about women in the informal economy, in the context of home-based workers. She shared perspectives on situation regarding social protection, specifically in the context of maternity benefits, health and well-being.



Mr Nishant Kumar, Project Head, BBC Media Action highlighted the social stigmatization of waste pickers. Due to their inability to telework, waste pickers have been exposed to virus transmission during the covid-19 situation, contributing to the growing stigmatization of these workers and their children. He also talked about his project which focused on using media to improve perceptions about the informal wastepickers' community.

DISCUSSION HIGHLIGHTS

In spite of unprecedented global efforts, the pandemic forced almost 100 million people into extreme poverty in 2020, reversing progress made in reducing global poverty for the first time in a generation. We are deeply concerned about informal workers who have been hard-hit by the widening inequality, chronic hunger and poverty.

Notably, the informal economy in India accounts for more than 80 per cent of non-agricultural employment making it a significant contributor to the Indian economy.

And though informal waste pickers play an important role in local economies, public health, and safety, they have limited access to housing, education, and health care, and face stigmatisation. It is absolutely necessary to empower and recognise informal waste pickers as 'workers'.

The covid-19 pandemic situation further heightened the stigmatisation towards waste pickers, especially women. Women waste pickers face more challenges than men due to concerns related to safety, sanitation, wage gap and challenges towards caregiving.

90% of home-based workers are reportedly women in India. They are limited to working from home due to the burden of unpaid care duties, and they are not eligible for maternity benefits because they are not recognised as workers. There is a need for child care support for home-based workers despite them working from home to enable them to work efficiently to sustain the supply chain and contribute to the economy.

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In spite of unprecedented global efforts, the pandemic forced almost 100 million people into extreme poverty. In 2021, 13 million fewer women were in employment compared to 2019. The drop in female labour participation is alarming. Since majority of them work in informal sector, it is important to work with the informal sector to achieve gender equality.

The covid-19 situation further increased the care burden on women and it is important to enable them to be reintegrated in the economy by creating inclusive spaces at work. Gender equality should be the focus of social protection measures because women carry out far more care work than men. Women informally work in different sectors such as agriculture, and there is lack of insights on how much women are actually contributing to the economy.

It is important to include men and boys in the discourse of Early childhood development, since caregiving is not just the responsibility of women. The gender norms need to be revised to achieve gender equality through a gender transformative approach.

Home-based workers working with the supply workers were one of the first workers to be hit by the pandemic situation because the raw material is imported majorly from China. This is because they lost access to work and were not get paid for the work they had already executed. They had no access to relief as they were not recognised as workers but they benefited from schemes such as minimum cash transfers. It must be noted that the loss of livelihood that used to contribute to their children's education, led to inability to continue to their children's education.

Raising the bar

Informal workers such as home-based workers and their families are in huge debt, for example, in Mumbai the debt is about 650% of their annual income. This further impacts the future generations as they have to face the poverty due to financial crisis resulting from debt obligations. Families living in poverty are likely to suffer more from hunger, malnutrition and deprivation of education.

Loss of employment was highly observed during the pandemic in the informal sector and most communities were dependent on aid for surviving the pandemic. Thankfully, many organisations are working to influence policies and public perceptions through their work for informal workers. Social protection programs that are already in place need better implementation by making them easily accessible to informal workers. The schemes that are conditional, for example, the maternity benefits for informal workers, need to be more inclusive along with creating awareness about the available benefits amongst the workers.

We believe that in order to build an inclusive economy, all informal workers shall be recognised as workers and have access to social protection. Through such panel discussions, CFFPIE commits to start and sustain constructive dialogue on family friendly workplaces.

To achieve our goals as a thought leader in family friendly policies and inclusive economy, CFFPIE aspires to take the high bar we have set for ourselves and raise it even higher in future.

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