



Women And The Informal Sector In South Eastern District Of Rivers State, Nigeria

¹Nkpah, Aakpege Young (Ph.D) & ²Maclean Monam Goodnews (Ph.D)

**Department Of Sociology
Faculty of Social Sciences**

University Of Port Harcourt, Port Harcourt, Nigeria

¹E-mail: youngitize2020@yahoo.com/ Phone Number: 08064525958

²E-mail: macmonam@yahoo.com/Phone Number: 08034909655

ABSTRACT

The paper draws from economic conditions that influence in informal sector participation by women in the South Eastern District of Rivers State. Methodologically, it adopts a household survey with the data or registered employment from administrative records or rosters/from the establishment surveys of modern sector. The study revealed that contrarily to creation of jobs at relatively low capital cost by the informal sector; the sector is synonymous with living in poverty, social exclusiveness and marginalization. Resultantly, the paper recommends changes in regulatory behaviour of the government towards social and legal norms that provides policy-enabling environment for the sector to thrive.

Keywords: Informal sector, self-employment, women, Sub-urban cities

INTRODUCTORY

In pre-colonial society, the economy was agrarian, and technological development was at its embryonic state. Industrialization was yet to be introduced into the economy. The family was the basic unit of production; all members of the family were involved in production. Division of labour was based on the principles of age and sex Uchendu *et al* (1999:196). This complementary role of women in pre-colonial Nigeria could be played down to similarity in economic roles the housewife's role, which involved the domesticity of women and their near complete economic dependence on men, was heralded by colonization and the incorporation of Nigeria into the world capitalist economy. From the foregoing, this in itself, set the stage for the consumption of European made goods, as local production was discouraged; foreign manufactured goods flooded the country and challenges the women's locally produced craft, by so doing, pushing women out of the new economic order.

Employment and general impact of economic recession has further pushed the women into the informal sector. Aptly observed by Agbese, 1988:12.

The impact of the economic crisis and many of the policies intended to counter it was particularly severe on wage earners. On the average, real wages declined by over 30 percent in the 1980s, and the level of real public sector wages declined by more than half, according to World Bank/UN Development study.....open unemployment also grew at an average of 10 percent a year between 1986-90. Laid-off workers were driven in large number to the often riskier and less remunerative informal sector.

The informal sector has acquired great significance over the years as a source of employment and livelihoods for an increasing number of people, especially women, in both rural and urban areas of Nigeria. It has become a key mechanisms for distributing goods and services to the urban poor.

The involvement of large numbers of women in the so-called “informal sector” is as a result of their low status in society and denial of opportunities in the formal sphere of employment. Women’s low status is evidence by their subordinate roles both at home and at the workplace. Within the formal sector, for example, women have fewer employment opportunities, and less job security than men. Moreover, women also occupy multiple roles. Many urban women, for example, work full day either in wage employment or in the informal sector and then return home to long hours of domestic labour. Women and girls who leave the rural areasw ini search of opportunities in urban areas tend to find employment in the least paid, least skilled jobs, which often offer little legal protection, such as domestic work (the biggest employer of women in Nigeria).

Objectives and Research Questions

The objective of this intellectual activity has been to gather and disseminate empirical data on the nature and magnitude of women’s economic activities in this domain in order to make more visible to policy-makers and to society in general the phenomenal contribution that women make to the national economics of their countries.

More Specifically:

- To examine policy frameworks in which programmes in favour of poor women are designed. (i) What are the conditions which provide justification for prevailing contemporary approaches in favour of poor women in rural and urban settings? (ii) What is the social and political legitimacy of predominating strategies?
- To determine how activities in favour of poor women are identified.(iii) Is the feasibility of projects always undertaken? (iv) Are beneficiaries clearly identified?
- To examine the process of consultation with women themselves.(v) To what extent are women actually involved in the project identification?
- To examine issues and concerns that has been ignored or under-emphasized in the past.(vi) What are poor women’s “unmet needs”(e.g. in primary health care, basic education and training, access to credit, etc)?
- To examine how government address such questions as poor women’s vulnerability, exploitation and violence.

METHOD OF DATA COLLECTION

The procedures to estimate women’s share of informal sector employment for this study are as follows:

Module I: Use the results of a mixed survey on informal sector. A mixed survey is a two-stage survey. It is recommended for this study since it captures the various aspects and segments of the informal sector. At the first stage, a representative sample of households is selected: all non-account workers and employees in the informal sector are enumerated in the selected households, all economic units of these informal operators are surveyed with an establishment questionnaire and preferably on the worksite. One of the shortcomings of such survey is that, given the sample size, it is not possible to know the distribution of the labour force by detailed branch of activity.

Module II: In most cases, it will be necessary to proceed to a comparative analysis of sources on labour force and employment. The comparative analysis of sources consists of comparing data on labour force in the population census or labor force survey or any other household survey, with the data of registered employment from administrative records or rosters, or from the establishment surveys of modern sector.

RESULTS AND DISCUSSION

Women In The Informal Sector: Potentials And Limitations (A Study Of Khana, Gokana And Eleme L.G.As)

The existence of an unorganized, unregulated and mostly legal but unregistered informal sector was recognized in the early 1970s, following observations in several developing countries like Nigeria that massive additions to the urban labour force failed to show up in formal modern sector unemployment statistics. The bulk of new entrants to the local government headquarters of Nchia, Kpor and Bori seemed to create their own employment or to work for small-scale family enterprises.

Characteristically, informal sector has a large number of small-scale production and service activities that are individually or family owned and uses labour intensive and simple technology. They tend to operate like monopolistically competitive firms with ease of entry, excess capacity and competition driving profits (income) down to the average supply price of labour of potential new entrants.

Informal Sector Activities in three Local Governments in Rivers States

The activity of informal sector as observed in the three districts includes:

- i) Hawking
- ii) Street vending
- iii) Letter writing
- iv) Knife sharpening
- v) Junk collecting
- vi) Selling firewoods
- vii) Prostitution
- viii) Drug peddling
- ix) Snake charming
- x) Small Artisans
- xi) Hairdressers
- xii) Roadside selling of illicit gin and cigarette

Still, others were highly successfully small-scale entrepreneurs with several employees (mostly relatives) and high incomes. Some could even eventually graduate to the formal sector, where they become legally registered, licensed, and subject to government labour regulations. Studies reveal that the share of the urban labour force engaged in informal sector activities is growing and now ranges from 30% to 70%, the average being around 50%. With the unprecedented rate of growth of the urban population in Nigeria expected to continue and with the increasing failure of the rural and urban formal sectors to absorb additions to the labour force, more attention is devoted to the role of the informal sector in serving as a panacea for the growing unemployment problem (Sethurawan, 1981). The informal sector continues to play an important role in Nigeria, despite decades of being neglected at best and outright hostility at worst. In Eleme and Bori, about two-third of the population work in the informal sector. The sub-cities reflect the typical range of informal sector participation in the areas ranges from 60%-70% for Kpor, 50% for Eleme and Bori recording 60%. Invariably, these suburban cities house most of the women in the informal sector in the Southeastern part of Rivers state, Nigeria. It follows that most women in the area could not find themselves in the formal employment irrespective of the presence of oil exploration and exploitation in the area; reasoning along this line, it stands that the politics of oil has farther the involvement of women in the informal sector.

Table 1.1: Formal and Informal Employment

Workers & Employees	Sex		Total	
	Male	Female	Count	Percentage
Formal	53.9	33.2	933	49.7
Informal	46.7	66.8	1,224	50.3
Total	100%	100%	2.157	100%

Source: Ekpenyong, O; Nkpah, A.Y. (2005)

The ratio of female employees/workers, who are working in the informal sector that is higher than the ratio of male workers/employees. The reason behind this is that relatively high percentage professional males in the government and oil companies have working contract, while the main occupation for women in Bori and Eleme is handicraft, which can be categorized as in informal sector. Again self-employed females, whose ratio in the informal sector are far higher than the self-employed males in the area.

Table 1.2: Self Employment (Formal/Informal)

Workers & Employees	Sex		Total	
	Male	Female	Count	Percentage
Formal	19.7	3.1	102	17.9
Informal	80.3	96.9	407	82.1
Total	100%	100%	572	100%

Source: Ekpenyong, O; Nkpah, A.Y. (2005)

The informal sector in an easy entrance to the labour market for the poor, the illiterates as well as housewives to obtain an income for subsistence needs are characteristically seen in the areas in the form of “kiosks food shop” along prospecting oil company gates, petty hawking of fruits, water locally made goods and sophisticated foreign goods.

Further articulating the rationale for the informal sector, its numerical preponderance of the women folk and its attendant policy implication, the status of women in informal and formal employment needs to be comparatively analysed based on socio-economic index.

Table 1.3: Characteristics related to the Status of Women in Formal and informal Employment in South-Eastern Rivers State

Items	Formalities		
Poverty index	Formal	Informal	Percentage
Low	9.45	36.6	31.7
Middle	31.6	41.0	39.3
Highest	58.9	22.4	29.0
Total	100%	100%	100%
Categories of Age			
15-	-	1.6	1.5
20-	-	3.7	3.6
25-	-	4.6	4.5
30-	-	20.3	21.2
40-	50.0	38.9	27.7
50-	-	21.1	22.0
60+	50.0	9.5	9.5
Total	100%	100%	100%
Levels of Education			
Illiterate	-	63.1	61.1
Read and write	40.0	18.7	19.7
Primary general	-	6.6	6.4
Preparatory general	-	6.4	6.2
Secondary general	-	1.6	1.5
Secondary vocational	50.0	2.1	2.0
University	10.0	1.6	3.1
Total	100%	100%	100%
Marital Status			
Never married	-	8.3	8.1
Married with children	50.0	60.9	60.6
Divorced-separated	-	6.9	6.7
Widow	50.0	23.9	24.7
Total	100%	100%	100%

Source: Ekpenyong, O; Nkpah, A.Y. (2005)

Using a socio-economic index, the sample in this survey was classified into poor, middle and high. The females in informal sector are considered poor in comparison to the women in formal sector.

An explanation may be found in the women educational structure, while 10% of the females in the formal sector have university degree, this ratio goes down to 1.6% for the informal sector. This finding will explain many other facts like differences in income and conditions of work.

The age structure of those who have formal business differs from those who have informal business. Informal business can start in early years; young people are more ready for such kinds of activities to enable them enter the labour market. In the formal employment, the age structure of females in this sector is on the average.

Work in the informal sector is shorter in duration than work in formal sector. Informal business is a short-term solution for poverty and a means for survival. Almost 39.1% of the females in the informal sector have a working life less than 3 years, 50% of those women in the formal sector were self-employed for a period extending years or more. 100% of the females in the formal sector work in an establishment while 36% of those working in the informal sector experience business outside an establishment. This is an expected result since most of those in the informal sector are either street vendor or handicraft workers.

POTENTIALS AND LIMITATIONS OF THE INFORMAL SECTOR

Small-scale enterprise including informal sector activities are an important and growing source of empowerment Ekpenyong, (1999:150), especially in the studied area. According to ILO, they provide the bulk of urban employment (61 percent of the urban labour force), and are second only to smallholder agriculture as a rural employer. Nevertheless, it is also appropriate to indicate that in the Southeastern region of Rivers state, the informal sector has developed in the context of an unemployed population where little or no financial support has existed, particularly for poor women.

Moreover, women in this region seem to have chosen their trade "by accident". Women also seem to prefer diversifying into new areas than expanding their present business, thus, making themselves more susceptible to risk than men traders who seem to prefer augmenting their present business instead of venturing into new domains.

From historical antecedents of the repression of the informal sector in Southeastern Rivers State, along with strict influx control policies have shaped both the nature of activities as well as development of the informal sector (Fapoduna, 1985, Nkpah, et al. 2005). Thus leading to influence the concentration of women in certain activities, hawking, petty trade, commercial sex work, and 'shebeeing'-(home based trade in alcohol, entertainment, etc).

For example, in a study conducted by Nkpah et al, (2005) in the Ogoni provinces [kpor, Eleme and Bori] of southern Nigeria, 60 percent of the households were found to draw on both formal and informal sector sources of income.

This appears to support the notion that, for poor households, informal sector activity is a measure of the last resort almost an act of desperation while for some relatively more endowed ones it may be a means of supplementing the incomes of those in the formal sector of employment.

Interestingly, the effect of oil exploration and presence of multinationals in the area could have been a source of liberation for the women, ab initio, it tends to further contradict the relations of tradition and modernity. In Bori to be precise, it was revealed that women are still likely than men to be involved in production work and that their activities in the informal sector tend to be locked in the traditional women's roles (such as waving, knitting and serving, and craft work). Comparatively, unlike the formal jobs, informal sector occupations expose women to extremely harsh conditions for very limited rewards.

The potential of the informal sector shows considerable benefits and the litany of what these enterprises can achieve is almost proverbial:

- Create jobs at relatively low capital cost.
- Contribute significantly to terms of outputs of goods and services.
- Improve forward and backward linkages between economically, socially and geographically diverse sectors.

- Provide opportunities for developing and adopting appropriate technologies.
- Offer an excellent breeding ground for entrepreneurial and managerial talents; the critical storage of which is assumed to be a great handicap to economic development in the less industrial countries.
- Develop a pool of skilled and semi-skilled workers.
- Act as ancillaries to large-scale enterprise.
- Adapt flexibly to market fluctuations.
- Lend themselves to development policies favouring decentralization and rural development.
- Help to alleviate the negative consequences of government policies. Instran, (1990:213-214).

In spite of the long catalogue above, women in the informal sector in the studied province showed potential for the informal sector to generate more employment and income under the prevailing social and economic conditions have been somewhat exaggerated. To illustrate this point, reference should be made, for example, to the recent ILO, 1994 worker's delegates who complained that the ILO's strategy of promoting small-scale enterprises as a model of development for the less industrial countries tended to ignore the available evidence, which suggests that in Africa, as in other region of the developing world, the informal sector has progressively outreached its absorptive capacity.

It was noted that, in Africa, for example findings from a number of ILO's on sponsored project including JASPA (Jobs and Skills Promotion in Africa) had already indicated that this saturation point had been reached some years ago. The ILO was also accused of ignoring popular view that employment in the informal sector is synonymous with living in poverty. That is, being socially excluded and marginalized. A number of agencies including the ILO and World Bank were said to have over-popularised the notion of the informal sector.

In spite of the popularization of the informal sector, a contradictory situation arises on the one hand; these activities seem to be buttressed by an ambivalent public policy. The result is a policy framework that is largely ambiguous in its support for informal sector activities. This is clearly demonstrated by:

- Development policies that favour imbalance and promote large enterprise to the detriment of small ones;
- Official intolerance of, or in action in regard to, social and legal norms, particularly of exploitation, discrimination and even violence against certain vulnerable groups involved in informal sector activities.(e.g. Women and children).

The absence of a policy-enabling environment consequently contributes or accentuates the formidable problems that entrepreneurs in informal sector enterprises are usually confronted:

- Difficulties in obtaining raw materials
- Difficulties of access to machinery, facilities and utilities.
- Difficulties in gaining access to credit and finance
- Difficulties in obtaining relevant training.

This work cannot be complete without emphasizing that more research is particularly needed in the regulatory behaviour of government.

Policy Implications

A general evaluation from the objective to the fieldwork showed that:

- i) The regulatory behaviour of the state should change. Key measures in this direction include:
 - Design of realistic strategies geared towards providing women entrepreneurial training, credit and access to markets.
 - Legal framework to facilitate women's entrepreneurship
 - Action to alter social and legal norms, particularly those that foster exploitation, discrimination and violence against women and children.
 - Policies that increase the competitiveness of small enterprises.

Other considerably policy issues include:

- Women rights
- Governance issues
- Social cost of structural adjustment policies.
- Women's access to education, health and other social services
- Working conditions of women in the informal sector.

Nevertheless, it was also felt that more work was needed on these same issues, particularly within a comparative analytical frame.

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