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Informal workers demand inclusion in economic recovery, after receiving little relief during Covid-19 crisis

The workers call for expanded social protection and to be included in the recovery measures. The urgency is detailed in a global study that shows Accra ranked worst in government relief to the informal economy, among the 12 cities studied.

Accra, Ghana April 2, 2021. Accra’s informal workers, activists and researchers are coming together to call for urgent measures to aid their recovery, as new research highlights little access to government relief measures during COVID-19. This groundbreaking research conducted by WIEGO (Women in Informal Employment: Globalizing and Organizing) shows the devastation the COVID-19 crisis last year had on Accra’s informal workers—who represent over half of the city’s workforce—with earnings plummeting to zero for the majority during the lockdown period. Since then, the study shows informal workers have faced a slow and difficult recovery.

Over 80% of the workers surveyed (street vendors, waste pickers, market traders and kayayei) reported earning nothing during lockdown in April 2020. Accra’s Focal City Coordinator for WIEGO, Dorcas Ansah, said earnings had not bounced back and workers were in economic crisis. “Recovery from this crisis is impossible without recovery of earnings. The city’s informal workers are back to work, but the earnings did not follow. The research showed no sector group recuperated earnings at pre-crisis levels by June/July of 2020. Most groups are earning, on average, less than one-third what they had been earning before,” she said. “Many of these workers were designated essential, but faced running their businesses under restrictions on public events and schools, as well as being harassed by authorities. They were forced to work in new, less desirable locations with reduced foot traffic. And for waste pickers and kayayei, who already earned significantly less, remained in financial freefall.”

Ms Ansah said informal workers were left to shoulder this crisis alone, without any effective government support: “The government response for informal workers has been woefully inadequate, and the worst of all 12 cities surveyed for this study. A 600 million GHC fund to support small businesses was out of reach for most informal workers — and for those who were approved, only a fraction actually received their promised loans. Food assistance was similarly patchy, handed out on a first come, first served basis, and often to political favourites.” Respondents surveyed in the study reported though water and electricity was free during lockdown, there was no official policy on rent relief, leaving workers beholden to landlords’ whims about flexibility and late payments.

Madame Mercy Needjan, from the Greater Accra Markets Association (GAMA) highlighted the difficulties that the members of the Association faced in accessing relief: “I was told we made a lot of mistakes. I am not surprised, because of the online procedure”. She was present during the Study Launch, which
had the participation of worker leaders of the four sectors surveyed, as well as government officials, academia, and the media.

The Mayor of Accra, Mohammed Adjei Sowah, also present in the event, said he largely associates himself with the study recommendations, and suggested more local support for the workers: “In every local assembly, there should be a department for local economic development. We should call on our government and all of the society to start talking on this”.

“Formalization should enhance working conditions and welfare. If there is no conscious effort to support informal workers, they go back to square one and they will be left behind. Their situation could get worse”, summarized Dr Owusu Boampong, who coordinated the WIEGO research. Precisely in that same line, the informal workers represented by the Greater Accra Markets Association (GAMA), Informal Hawkers and Vendors Association of Ghana (IHVAG), Kayayei Youth Association, and the Kpone Waste Pickers Association demand the following measures for immediate relief:

1. Financial support: The Ministry of Gender, Children and Social Protection should provide cash grants to informal workers to offset earning losses.
2. Social protection: The Ministry of Gender, Children and Social Protection should permanently extend the LEAP program to informal workers and other vulnerable groups in urban areas.
3. Health and Safety: National Health Insurance System (NHIS) registration should be made free and simple for all informal workers and infrastructure improvements should be made at markets to ensure worker safety.
4. Registry and Identification: Develop a database of informal workers to be able to transfer relief measures quickly and efficiently.
5. Do no harm: Cease all punitive measures against informal workers.
6. Childcare support: Establish and improve upon childcare centers in and around markets.
7. Partners in recovery: Government should include workers in all decision-making that impacts their livelihoods and recovery.

See the full list of recommendations as well as specific demands by sector here.

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Editor’s notes

WIEGO embarked on a 12-city study, Accra inclusive, at the peak of the COVID-19 crisis in April 2020, looking at three separate moments to find out the impact of the health and economic crisis on informal workers over time. WIEGO surveyed respondents from informal workers organizations, representing sectors including waste pickers, street vendors, market traders and kayayei. The results show that informal workers faced severe disruption to their livelihoods during the crisis, although impacts varied across sectors and genders. This study shows how the crisis has resulted in reduced incomes, reduced
days of work, increased food insecurity and an increased care burden for informal workers. This has deepened the existing vulnerability of these workers.

In Accra, WIEGO surveyed 193 street vendors, market traders, waste pickers and kayayei who are members of the Informal Hawkers and Vendors Association of Ghana (IHVAG), Greater Accra Markets Association (GAMA), Kpone Landfill Waste Pickers Association and Kayayei Youth Association. Researchers also conducted in-depth interviews with two informal worker leaders from each sector. This report considers the impacts of the COVID-19 crisis on these worker groups with regard to income, food, health, and household stress; how relief mechanisms are overlooking informal workers; and the types of policy responses needed for an economic recovery that includes Accra’s essential, but vulnerable workers.