

Women, Work, and Poverty in Ghana

Background Study for *Progress of
the World's Women*

2005

Labour force segmentation

- Not all employment is the same: employment status & employment arrangements matter.
- **Employment Status.** examples: wage worker, own-account worker, unpaid worker on a family enterprise.
- **Type of Employment.** formal v. informal
- **Gender Segmentation.**
- **Sectoral Differences.** Agricultural and non-agricultural.

The case of Ghana

- Ghana Living Standards Survey 1998/99 (GLSS 4)
- Definitions:
 - Informal self-employment: is the enterprise registered with a government agency?
 - Informal wage employment: social protection criteria (paid leave and employer-provided pension).
- Other countries: Costa Rica, Egypt, El Salvador, India, South Africa.

Background - Ghana

- Labour force participation rates (15+): 87 percent for women, 89.6 percent for men.
- Agriculture accounts for 54 percent of employment.
- Informal (ag. and non-ag.) employment accounts for 91 percent of total employment.

Distribution of employed population (15+) by sex in selected employment statuses, 1998/9, Ghana.

	Women	Men
Formal employment, non-agricultural		
Formal private wage employees	0.3	1.4
Formal public wage employees	2.0	6.5
Formal, self-employed	3.6	3.5
Formal employment, agricultural		
Formal wage employees	<0.1*	0.5
Informal employment, non-agricultural		
Informal, self-employed	37.5	15.8
... of which: own account workers	35.9	14.1
Informal wage workers	4.2	12.6
... of which: informal public wage workers	1.3	3.9
Unpaid family workers	2.5	1.2
Informal employment, agricultural		
Self-employed	30.5	47.5
Informal wage workers	0.3	2.3
Unpaid family workers	18.7	8.2
Other (unclassified)	0.4	0.5
TOTAL	100%	100%

Source: GLSS 4, 1998/9.

* not significantly different from zero.

Main Findings

- Evidence of labour force segmentation by employment status and sex.
- Women have significantly less access to wage employment (formal and informal).
- Informal wage employment is generally superior to informal own account employment (earnings).
- A gender gap in earnings is apparent across all employment status categories.
- Earnings are lowest in agriculture (dominated by men's employment).
- Women work somewhat fewer hours in income-generating activities, but much longer hours in unpaid care activities.

The Working Poor

- The “working poor” are defined as individuals who (1) are employed and (2) live in households whose incomes fall below a specified poverty line.
- Risk of poverty is lower:
 - in non-agricultural relative to agricultural employment
 - in formal wage employment
 - in formal self-employment relative to informal self-employment
- Poverty rates differ among segments of the informal labour force:
 - Informal wage employment v. informal self-employment
 - Unpaid workers on family enterprises

Working poor women

- Women are concentrated in types of employment with high risks of poverty.
- However, *within an employment status category* there is no clear gendered pattern.
- Household dynamics are important: number of earners, reproductive choices, intra-household division of labour, etc.
- Employment and poverty in Ghana: complex issues – households and individuals.
- However, employment is central for understanding poverty.

Working poor as a percent of employment (15+) in selected employment statuses by sex, 1998/9, Ghana.

	Women	Men	Total
Formal employment, non-agricultural			
Formal private wage employees	---	26.5	25.8
Formal public wage employees	36.5	43.9	42.0
Formal, self-employed	52.0	45.8	49.2
Formal employment, agricultural			
Formal wage employees	---	---	65.6
Informal employment, non-agricultural			
Informal, self-employed	57.4	58.8	57.7
... of which: own account workers	57.4	58.5	57.7
Informal wage workers	40.3	43.8	42.8
... of which: informal public wage workers	39.4	46.2	44.4
Unpaid family workers	70.0	60.0	67.0
Informal employment, agricultural			
Self-employed	74.4	72.9	73.5
Informal wage workers	---	56.9	57.7
Unpaid family workers	87.8	80.7	85.8

Poverty rates by household type, 1998/9, Ghana.

	Head of Household (identified in survey)		<i>All households</i>
	<i>Female-Headed</i>	<i>Male-Headed</i>	
<i>Majority of income from informal employment</i>			
<i>One earner (age 15+)</i>	67.4	67.1	67.2
<i>Two earners (age 15+)</i>	70.4	64.3	65.3
<i>More than two earners</i>	75.7	61.8	64.2
<i>Majority of income from formal employment</i>			
<i>One earner (age 15+)</i>	43.3	47.1	45.9
<i>Two earners (age 15+)</i>	45.6	45.4	45.4
<i>More than two earners</i>	---	30.1	34.6

--- = 20 observations or less

Source: GLSS 4, 1998/9.

Average hourly earnings (cedis per hour) in selected employment statuses by sex, employed population (15+), Ghana. (2004 prices).

	Women	Men	Total
Formal employment, non-agricultural			
Formal private wage employees	---	---	---
Formal public wage employees	2727	3239	3118
Formal, self-employed	1743	3192	2407
Formal employment, agricultural			
Formal wage employees	---	---	---
Informal employment, non-agricultural			
Informal, self-employed	1677	2172	1811
... of which: own-account workers	1683	2098	1790
Informal wage workers	1962	2810	2608
... of which: informal public wage workers	2605	2961	2872
Unpaid family workers (imputed earnings)	1399	868	1212
Informal employment, agricultural			
Self-employed	996	1532	1310
Informal wage workers	---	---	1334
Unpaid family workers (imputed earnings)	1245	1248	1248
TOTAL	¢1411	¢1867	¢1618

--- = less than 20 observations.

Source: GLSS 4, 1998/9.

**Average hours spent per week in non-remunerative household work
by employment status and sex, employed population (15+), 1998/9, Ghana.**

	<i>Women</i>		<i>Men</i>	
	<i>Income-gen.</i>	<i>Unpaid caring</i>	<i>Income-gen.</i>	<i>Unpaid caring</i>
Formal employment, non-agricultural				
Formal private wage employees	---	---	47.8	7.6
Formal public wage employees	43.4	30.0	47.4	8.8
Formal, self-employed	57.9	33.8	61.5	9.7
Formal employment, agricultural				
Formal wage employees	---	---	50.7	---
Informal employment, non-agricultural				
Informal, self-employed	54.8	40.2	58.9	11.6
... of which: own account workers	54.6	39.8	58.9	11.0
Informal wage workers	52.9	31.5	55.8	9.4
... of which: informal public wage workers	43.1	32.8	50.8	9.9
Unpaid family workers	---	33.7	---	17.9
Informal employment, agricultural				
Self-employed	37.0	46.7	41.1	9.2
Informal wage workers	---	---	51.7	9.7
Unpaid family workers	22.7	46.4	28.6	9.6
TOTAL	46.3	42.4	47.9	9.7

--- = less than 20 observations.

Source: GLSS 4, 1998/9.