

Reviewing The Correlation Between Informal Employment and Gender Gap Within the Global Labour Market

Abstract

The informal economy is a significant component of the economy in many countries worldwide and plays a crucial role in creating employment and generating income. In developing countries, women of all ages rely on the informal sector more heavily than men. Women are overrepresented in this sector, meaning their proportion in the sector exceeds their representation in the overall labor force. Because of the informal sector's importance in the economies of developing countries, particularly in terms of income generation and employment opportunities for women, this study aims to examine the working conditions and living standards of women working in the informal sector. The objective of this paper is to investigate both the working conditions of women working in the informal economy and the reasons behind the existence of the earning gap and employment discrimination, despite the large number of women in this sector.

Keywords: Gender Gap, Informal Employment, Labour Market, Inequality, poverty

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Introduction

The importance of the informal economy lies in the fact that the informal sector plays a crucial role in providing employment opportunities in developing nations, to the extent that informal employment is more prevalent than formal employment in these countries. In addition to being a major source of jobs, the informal economy also makes a significant contribution to the economic output of developing nations. The reason for the immense size of the informal economy in these countries is that their formal economies are not well-developed enough to accommodate all the available workforce. In recent years, there has been a significant transformation in the working conditions of individuals in developing countries, with a notable increase in the proportion of people engaging in informal employment. This shift has led to a general trend of informalizing in the labour market of these nations. Informal employment encompasses a wide range of activities, such as agricultural day labour, street vending, paid domestic work, and self-employment in clothing production or other manufacturing sectors. Essentially, informal employment is more common than formal employment in developing economies. The informal economy refers to a diverse and unregulated range of economic activities. The process of informalizing the labour market occurs when changes in the institutional environment and production practices create conditions in which a significant portion of economic activity remains unregulated.

The informal sector is significant due to its big size, accounting for approximately half of the national output, over 80% of total employment, and 90% of new jobs in low-income African countries. Furthermore, the implications of the informal economy for economic development, particularly its impact on employment opportunities, productivity, fiscal revenues, and growth, are significant.

While by definition the informal economy suppose typically expands during economic downturns and shrinks during periods of growth, data shows that it persists and continues to grow even during periods of economic growth ([Mark Knightley Ingle, 2016](#)). It contributes a significant share to the GDP of developing and less developed countries, and is a major provider of employment for low-income nations. In fact, the informal economy is considered a survival strategy for the poor and is a common characteristic of developing economies ([Colin C. Williams, 2017](#)).

Contrary to initial beliefs that the informal sector would diminish over time due to the insufficient capacity of the formal economy, it has actually grown in most developing countries. Historically, the informal economy has been viewed as a safety net for individuals, particularly women, who are unable to secure jobs in the formal sector and are forced to partake in small-scale economic activities (ILO, 2013).

Following our previous discussion on the significance of the informal economy in developing countries.

In this section, we will explore the reasons behind the overrepresentation of women in the informal economy. In developing countries, women are more likely to engage in informal jobs, and the link between working in the informal economy and poverty is stronger for women than for men. A significant portion of employment in developing countries exists within the informal economy, as it provides opportunities outside the recognized institutional framework. Studies indicate that an increasing proportion of female employment in these countries falls within the informal sector. Though the participation of women in the labour force has risen in most countries, and while women's involvement in agriculture has decreased, there has been a rise in their engagement in non-agricultural sectors, primarily located in urban areas. The majority of women in developing countries do not have wage employment, and

instead, they remain concentrated in invisible forms of informal work such as domestic labour and home-based work (Kristina Flodman, 2004).

These types of work offer precarious employment conditions, with low, irregular wages and limited or no access to social security or protection. Although the share of wage employment in total female employment is slowly increasing across all regions, self-employment and unpaid work still play a crucial role for women in Asia and Africa. Despite some women gaining access to formal sector jobs, a majority of female employment appears to be of poor quality due to the prevalence of informal employment associated with globalization. In other words female informal employment has likely increased in recent years in these countries as women are certainly employed in the informal sector. Women are more employed in the informal sector globally, mainly because it is the primary source of employment for women in most developing countries. The composition of the female informal workforce varies slightly across regions, with a majority of women in African countries being either self-employed or contributing family workers. Women make up the majority of informally employed individuals and the poor worldwide (UN, 2018).

Moreover, it is likely that the number of women in the informal sector is higher than what is reflected in available statistics. In many instances, there is a lack of accurate reporting due to the fact that these individuals do not identify themselves as workers. The fact that much of their work is home-based also contributes to the invisibility of women's informal employment. Within the informal economy, women are predominantly involved in jobs that offer low and unstable wages and carry a high risk of poverty (Sylvia Chant & Carolyn Pedwell, 2008).

Additionally, women often spend long hours engaged in unpaid household work. They are often limited to self-employment or home-based jobs, where they typically earn less than men in similar informal employment positions. In countries where women have more mobility, they may work as market vendors or hawkers on the streets, which exposes them to physical safety and health risks. Despite the low pay and precarious nature of much of women's informal work, it can still help lift a family out of poverty, both in developed and developing nations (Sylvia Chant & Carolyn Pedwell, 2018). As stated earlier, the majority of women in the informal sector work from home or as street vendors (World Bank, 2018).

There is a pyramid or iceberg diagram that illustrates different categories based on employment status, demonstrating a gender gap within informal employment. According to this diagram, men are more employed in the higher levels of the informal economy, while women are more employed in the lower level. The proportion of men and women in the intermediate levels varies across sectors and countries.

Evidence also suggests significant inequalities in earnings within the informal economy. On average, informal employers earn the highest, followed by their employees and informal employees of formal firms. Own account operators, casual wage workers, and industrial outworkers have the lowest earnings (Martha Alter Chen, 2016).

International comparisons indicate that a higher presence of women in the informal sector is associated with larger gender gaps in education and higher rates of early marriage, on average. Education plays a significant role in explaining women's involvement in the informal sector, as women tend to have less access to education than men, and formal jobs often require more skills and education than informal jobs. Globally, the informal economy is substantial, particularly in developing and emerging economies. According to the International Labour Organization (ILO, 2018), nearly 70 percent of employment in these economies is informal, in contrast to only 18 percent in developed economies. In sub-Saharan Africa, informal work constitutes an even higher proportion, accounting for 92 percent of total employment. The IMF estimates that the informal sector in Sub-Saharan Africa contributed to 38 percent of GDP between 2010 and 2014. Throughout sub-Saharan African countries, Latin America, and the Caribbean informal employment generally serves as a more significant source of jobs for women than for men. While informal employment for men primarily falls within the informal sector, women have a sizable portion of informal employment outside of this sector, such as domestic work. In three countries, namely Brazil, the Dominican Republic, and Paraguay, the percentage of women engaged in informal employment outside the informal sector exceeds those in the informal sector itself. For example, in Brazil, out of an estimated 15.9 million women in informal employment, nearly 5 million work informally in households (ILO, 2021).

The main objective of this study is to explore the reasons for why there is a strong connection between women's overrepresentation in the informal sector and gender gaps, additionally this study seeks to illustrate the gender inequality in earnings and within the informal sector through the international comparison.

Informality and Gender Gap:

The concept of the informal economy is a highly debated topic within the field of economics. As stated earlier in the introduction section economists such as Arthur Lewis in the 1950s and Keith Hart in the 1970s predicted that it would gradually disappear as the formal economy grew. However, contrary to these predictions, the informal sector has not only persisted but also expanded. It is now present in every part of the world. The reason is due to the fact that informal sector provides a significant amount of employment for low-income groups and contributes a considerable portion to the GDP. also

the increase in informal employment can be attributed to the decline in formal employment and the transformation of previously formal employment relationships into informal ones

(Matthew Alford,2019).

The informal sector includes both survival activities and stable enterprises, while informal employment encompasses both self-employment and wage employment. Evidence shows that a majority of women in developing countries are engaged in informal employment.(WIEGO,2018) Women across all age groups rely more heavily on the informal sector than men. Women are more employed in this sector, in other words their proportion in the informal sector is higher compared to their share in the total labor force. So far until this point this study has provided the knowledge that The gender gap in informal employment can be partly explained by women's relatively lower education levels compared to men. Discrimination in the labour market also contributes to this disproportionate concentration of women in the informal sector since it limits their access to formal and wage employment. Additionally, women face added constraints due to their responsibilities in homemaking and child care, which restrict their participation in formal employment. Even within the informal sector, women are more likely than men to be in low-quality employment. In Latin America, women are more frequently found in unpaid positions than men. In Africa, a relatively high proportion of women work as unpaid workers in family-owned enterprises.

Thus at this point this study leads readers to the conclusion that the importance of the informal sector extends beyond employment; it also contributes significantly to the production of goods and services. In many countries, informal enterprises make a substantial contribution to gross value added. Estimates indicate that the average share of the informal sector in non-agricultural gross value added varies from 14 percent in Eastern European and Central Asian countries to 50 percent in sub-Saharan Africa(Colin C. Williams,2017).in other words the significance of the informal sector in total gross value added in Sub-Saharan Africa is big.

Employment in the informal sector plays a crucial role in reducing poverty as it is often the main or only source of income for the poor. However, many individuals engaged in the informal sector struggle to escape poverty. In fact, the conditions under which they work often perpetuate their disadvantaged position and the poverty in which they live. Informal employment represents a significant portion of total employment. Informal workers are those who are not covered by national labour legislation, income tax regulations, or entitled to social protection and employment benefits. Informal employment can exist in both the informal and formal sectors of the economy. In most developing countries, informal

employment constitutes a larger share of the workforce compared to formal employment. Estimates suggest that it comprises over half of non-agricultural employment in most developing regions: 82 percent in South Asia, 66 percent in sub-Saharan Africa, 65 percent in East and Southeast Asia, and 51 percent in Latin America. In the Middle East and North Africa, where the average stands at 45 percent, the range varies from 31 percent in Turkey to 57 percent in the West Bank and Gaza. (UN,2018).as mentioned before women in developing countries are more employed in the informal sector, which serves as the primary source of employment for them(IMF,2019). According to available data, the majority of economically active women in such countries are involved in the informal sector([Bania Tuladhar, Reena Shova](#),2017). Those women who are not working in agriculture often find employment only as street vendors, independent home-based workers, industrial outworkers, contributing family workers in non-agricultural family businesses, domestic workers, waste collectors, small-scale miners, or in small-scale enterprises. While these jobs differ in terms of tasks, operations, and earnings, they all fall under the umbrella of informal employment and serve as the main source of non-agricultural work for women. (harshana kasseeah,2019)Although informal employment is a significant source of work for men as well in developing countries, it is even more prevalent among women(Martha Alter Chen,2016).some previous researches state that women's challenges in the informal sector are multifaceted and exist at various levels. Despite their dominance in the informal economy, women receive lower wages compared to men. Additionally, the nature of informal work, such as being a market or street vendor or working from home, exposes women to risks to their physical safety and health, making it difficult for them to access social protection and benefits like health insurance, pensions, and maternity leave. ([Sylvia Chant](#) & [Carolyn Pedwell](#),2018)

Discrimination in the labour market contributes to the overrepresentation of women in the informal sector(Das, Maitreyi Bordia,2013), and within this sector, women are more likely to experience poverty compared to men.(WIEGO,2018) .though the average income for both men and women is lower in the informal sector compared to the formal sector, the gender wage gap appears to be wider in the informal sector(Blau, Francine D., and Lawrence M. Kahn,2017). Some argue that women face difficulties in competing in the labour market due to lower levels of education and skills, and a lesser likelihood of owning property(World Bank,2018).

Despite progress in advancing gender equality in the workforce, gender gaps continue to persist across countries. Regardless of a society's level of development, the world of work remains gender-segregated or in other words it is still gender-based.(ILO,2021)

It is essential to understand that the degree of gender gaps and discriminations in the global labour market varies at the country level depending on how gender roles are assigned to individuals and how these socially constructed beliefs affect women's and men's economic participation, as well as the distribution of unpaid care and household work. All societies assign social roles to people through unwritten cultural norms that are passed down from one generation to another. These norms are often reinforced by formal written norms. Over time, gender roles can evolve in different societies. However, global trends indicate that gender gaps in the labour market persist and changes in social norms regarding the roles of women and men are slow, if not stagnant, in many countries. In societies where discrimination against girls and women is prevalent, they often remain trapped in poverty and experience social and economic deprivation, which is passed on from one generation to another. Discrimination against young girls, such as giving preference to boys in education and other aspects, can have long-term effects. As they grow older, women have limited access to education and career opportunities compared to men due to lower levels of education and skills. In traditional patriarchal societies, women face numerous obstacles in accessing economic resources and labour markets, limited access to education and training opportunities, and a lack of financial resources, assets, technology, and information. Moreover, there are restrictions on women's physical mobility, such as not being allowed to travel alone far from home without a male family member accompanying them. Additionally, women bear the majority of unpaid care work responsibilities, such as taking care of children, the elderly, and the sick. Balancing market work and unpaid reproductive work can result in excessive working hours for women. Women engaged in various forms of informal work also tend to work long hours, although home-based workers may see some advantages in generating income from their own homes or nearby. (ILO,2021)

Even though the number of female entrepreneurs is increasing worldwide, women in informal businesses still face obstacles based on gender when it comes to accessing credit, technology, business services, training, and the market. In various developing countries, a higher percentage of women are employed as unpaid family workers compared to men. This means that although they are engaged in productive work, women are not financially independent and lack control over the businesses they contribute to. (ILO,2021).

Another type of informal employment frequently undertaken by women is domestic work, which includes tasks such as housekeeping, childcare, caring for the elderly and sick, and cooking/cleaning. While there are estimated to be around 8.9 million male domestic workers globally, the majority of domestic work is performed by women, as it is seen as an

extension of the unpaid care work that women typically do. Women in this field often receive low pay and work under poor and exploitative conditions, without contracts or access to social benefits. Essentially, domestic workers help reduce the amount of unpaid care work that would normally fall on women in their employers' households. Women engaged in informal sector wage employment and domestic work tend to have lower levels of education and skills. In wealthier, developed countries, it is often migrant women from poorer developing nations who take up this type of employment. There are over 52.55 million domestic workers globally, with an estimated 83 percent of them being women (ILO, 2010).

Gender gap in the labour market persist regardless of a country's level of development. In terms of informal employment, women are more likely to be involved in lower-paid, less visible, and less protected types of work compared to men (ILO,2021). Furthermore, the connection between working in the informal economy and experiencing poverty is stronger for women than it is for men. A higher percentage of women than men worldwide are employed in the informal economy. There is also a gender wage gap in the informal economy. This occurs since women are less employed in higher-paying employment statuses (such as employers and the self-employed) and more employed in lower-paying statuses (such as casual wage workers and industrial outworkers). For example, few women are employers who hire others, and few men work as industrial outworkers. Even within the same trade or industry, men and women tend to be in different employment statuses. In many countries, male traders typically have larger-scale operations and trade in non-perishable items, while female traders tend to have smaller-scale operations and trade in food items (Kristina flodman,2004).

There is a connection between working in the informal economy and being poor. A higher percentage of people who work in the informal sector are poor compared to those in the formal sector. This coincide is bigger for women than for men. Informal workers typically do not have the same social protection as formal workers, such as worker benefits and health insurance, and they often have irregular and temporary contracts. Women who are heads of households, particularly from poor families, are overrepresented in the informal sector. There is also a gender bias, with a higher proportion of women as household heads in this sector compared to men. Households led by women are more likely to be below the poverty line compared to households led by men. There is a significant relationship between gender, informality, and poverty. While globalization has created jobs for women in developing countries, most of these jobs are in the informal sector. Evidence shows that not only do women earn less than men, but a larger percentage of women have lower incomes compared to men, which indicates that a significant portion of

female employment in the informal sector is of inferior quality. When comparing to the formal sector, a higher proportion of women in the informal sector earn below the minimum wage. The gender gap in income appears to be greater within the informal sector. Many women in the informal sector have little or no education and skills. Women-owned enterprises tend to be much smaller. A substantial portion of women's informal employment is also outside of the informal sector, particularly in the category of independent wage workers, but women in informal wage employment face discrimination and experience a larger gender gap in income within the informal sector. Women's earnings are lower than men's by up to a third or more, even when there are no significant differences in their qualifications. Women have limited access to more productive jobs due to job segregation based on gender, but there is limited direct evidence on this. The income differential between men and women persists not only in the formal and informal sectors but also across all employment categories. The income gap between men and women appears to be higher in the informal sector for all types of workers. For instance, in Mexico, female wage workers earn about 25 percent less than males in the informal sector and 20 percent less in the formal sector.(WIEGO,2018) . Women in the informal sector also earn less compared to men in the same sector. The evidence from Brazil demonstrates that women in the informal sector earn only 34 percent of men's income. Similar results are reported in Salvador, Brazil, where the average income of women workers in low-income households is only 41 percent of that of men. In Guatemala, self-employed women's income was estimated to be 73 percent of self-employed men, while in Honduras, the income of self-employed women was only 62 percent of that of self-employed men. Similar differences appear in other countries and specific branches within the informal sector. In Bombay, self-employed women in low-income households earned only 53 percent of the income earned by self-employed men in 1990. In urban Mexico, women home-workers earned about 19 percent less per hour compared to men. In South Africa, the net monthly income of self-employed women was estimated to be 44 percent of the figure for men in the same category. Data from other African cities also suggest that women in the informal sector earn less than men, with women's income being only 43 percent of men's among independent marginal workers. Increasingly, informal arrangements without regular wages, benefits, and employment protection are becoming institutionalized within the formal sector, and this trend affects more women than men. It has been argued that the global trend towards informal employment has led to an increase in female labour force participation and employment. The gender gap in the informal employment can be partially attributed to women's comparatively lower level of education compared to

men.(WIEGO,2018). Discrimination in the labour market also plays a role by limiting women's access to formal and wage employment. Sub-Saharan Africa has a disproportionate number of women in the informal economy, which results in reduced stability, limited social protection, lower productivity, lower earnings, and increased discrimination for women in this region. Researches indicates that countries with higher levels of informality among female workers tend to have larger gender gaps in education, fewer family planning needs being met, and more instances of early marriage(IMF,2019).Additionally, legal frameworks in sub-Saharan Africa further restrict women's economic opportunities and competitiveness by limiting their access to property, jobs, and credit(IMF,2019).Despite some progress, women globally still face greater disadvantages than men in terms of employment quantity and quality. Women are more likely to experience higher unemployment rates, be affected by underemployment and inactivity, and be engaged in vulnerable employment. In terms of informal employment specifically, data from the International Labour Organization reveals that the majority of developing and emerging regions, especially sub-Saharan Africa and Latin America, have a higher proportion of informal employment among women than men. Informal employment is characterized by limited access to social protection and labour rights, as well as poor and unsafe working conditions, low pay, and low productivity. Consequently, informal workers, particularly women, experience lower levels of decent work and working poverty compared to those in formal employment. Women are overrepresented in the informal economy to a greater extent (IMF,2019).

The informal sector can become a trap for females due to various factors discussed earlier such as low education, adherence to traditional gender roles, legal restrictions, early pregnancy, and early marriage. When parents anticipate lower returns for their daughters in the labor market, they are less motivated to prioritize their daughters' education. Girls with limited education and those burdened with the responsibilities associated with traditional gender roles have reduced opportunities to enter the formal labour market. (ILO,2021) The likelihood of being stuck in informal or less desirable jobs is further heightened by early pregnancy and early marriage. Empirical evidence from Senegal reveals that women are more inclined to be part of the informal sector compared to men and that primary and secondary education are more significant for women in their transition out of informality than for men. Additionally, being married or having children decreases the chance of men being employed informally, whereas the opposite effect is observed for working women with children. Moreover, men experience a faster decrease in the probability

of being in the informal sector as they become wealthier compared to women. . (ILO,2021)

Results and Discussion

The objective of this study is to examine why women despite being overrepresented in the informal economy experience inequality within this sector.

Our study reveals that, regrettably, there is a significant gender gap within the labour market and this gap is wider within the informal economy, based on the data available and international

comparisons. For instance, I have personally observed that in India, women work as casual day labourers in the construction industry, which is predominantly male-dominated. Nevertheless, due to the unsafe nature of their work, these female labourers earn 30 to 40 percent less than their male counterparts. This study reveals numerous shortages in the previous researches on the gender gap and particularly gender gap within informal economy. Initially, there is a significant scarcity of available research on this topic. Previous studies solely focus on the existence of the gender gap, without delving into its underlying causes or proposing potential solutions. These studies merely acknowledge the gender gap without exploring its roots or providing remedies.

The current study reveals that individuals, particularly women, enter the informal sector due to poverty. They opt for this sector as a means of generating income and escaping poverty. The study further demonstrates that women involved in the informal economy often have limited educational backgrounds and lack the necessary skills to seek formal sector employment. Consequently, the study proposes that governments of developing countries should implement sustainable development plans advocated by the UN and establish poverty eradication programs to aid their populations, considering that inclination of people, especially women, towards the informal sector is to escape poverty. Additionally, the study highlights that women's decision to participate in the informal sector stems from limited education, and also the reason of the gender gap in the labour market is the gender gap in education. To address this issue, governments should prioritize facilitating educational opportunities for women and girls. Furthermore, certain cultural beliefs surrounding women's education and marriage require transformation.

The author has held a steadfast belief for several years that it is essential for governments to implement tangible measures to generate decent work opportunities and enhance the formal sector employment opportunities.

Governments should also prioritize the provision of insurance and other

employment benefits, particularly for female workers. Additionally, in order to

reduce gender inequality in the labour market, governments should provide

financial support exclusively to women working in the informal sector, such as offering loans and credit to selfemployed women. This assistance would help lift them out of poverty. Furthermore, this study proposes that further extensive research should be conducted on this subject. Moreover, the study presents

additional recommendations. as mentioned earlier Women are excessively presented in the informal sector in comparison with men (IMF,2019). Traditional gender norms, legal restrictions, early pregnancy, and early marriage can create a disadvantage for females and pushes them into the informal sector. When parents believe that their daughters will have lower job prospects, they are less motivated to keep them in school. Girls who have less education and who bear the responsibilities of traditional gender roles are less likely to have opportunities in the formal labour market. Early pregnancy and marriage further minimize their chances. This cycle can result in women being stuck in informal or less desirable jobs. Governments can implement various policies to address different aspects of gender inequality. The paper highlights the important connection between gender gap and limited opportunities for women in the labour market, particularly in the formal sector. Policy makers have a responsibility to reduce these inequalities and ensure equal competition between genders in the labour market. Policy recommendations include increasing girls' educational attainment, as this greatly reduces the likelihood of women being employed in the informal sector, especially when it comes to completing primary and secondary education. Additionally, a higher level of education leads to higher salaries and improved living standards for families. Governments should work on improving the accessibility, quality, and effectiveness of their education systems. The costs of education policies will vary depending on the level of existing infrastructure. In countries where physical infrastructure is already in place, costs can be lower. However, other factors such as social perceptions such as early marriage/childbearing, and discrimination often result in girls dropping out before completing secondary education. In such cases, policy makers can provide incentives to encourage parents to keep their daughters in school, such as targeted cash transfers to those who ensure their girls complete primary and secondary education. Furthermore, prohibiting child marriage and raising awareness about women's health can help reduce early female dropouts, particularly in rural areas. Changing the legal framework to ensure gender equality before the law is not financially burdensome, for instance by granting legal rights

that are currently denied to women in many sub-Saharan countries. Governments should eliminate these legal discrepancies not only because they violate the principle of equality, but also because they create distortions and inappropriate incentives from an economic standpoint. Achieving sustainable growth is impossible when half of the population does not have equal access to institutions, assets, credit, freedom of movement, and freedom of choice. Ensuring property rights, including inheritance, is especially crucial in countries where small agricultural plots are the main economic activity and therefore valuable assets. Moreover, enforcing women's legal rights by addressing domestic violence, sexual harassment, and child marriage is essential for improving women's living standards and breaking the cycle of gender inequality. Educating the population about family planning is imperative, particularly when demand for it is not being met. Policy makers can play an important role by organizing educational campaigns and providing quality healthcare and information for young women seeking knowledge about family planning. Creating an environment where women have access to family planning, sexual education, and modern contraceptives can pave the way for a healthier, more informed, and more prosperous generation of women. Investing in infrastructure will reduce the time spent on household chores and offer safe transportation options for women. Women's overrepresentation in the informal sector is linked to their limited availability for work outside their homes. Often, they are forced to choose between finding an informal job close to home or withdrawing from the labour market altogether. However, governments can contribute by improving households' access to water and energy, thereby reducing the time spent on household tasks, and by providing safe transportation to and from workplaces and schools. In order to address social norms that disadvantage women economically, policy makers should ensure equal rights and opportunities. For example, while social norms have been changing in urban areas of many sub-Saharan countries, gender inequalities persist in rural areas. Recommendations in this context include enforcing civil laws that counteract customary laws restricting women's freedom and power, combating domestic violence, promoting a more equal division of labor at home through education campaigns and introducing paternity leave, and serving as role models within government administrations. Identifying unequal opportunities and discrimination in the formal labour market can be addressed by changing the legal framework to include laws against gender discrimination, providing and organizing childcare facilities, offering parental leave, and combating sexual harassment. These policies can also have positive effects on the informal sector. Fiscal policies such as tax breaks or subsidies for families with young children and providing generous parental

leave can incentivize women to enter the labour force, particularly in the formal sector. Equal access to credit and assets is crucial in promoting entrepreneurial opportunities for both men and women, benefiting both the formal and informal sectors. Improving occupational safety, reducing work risks, expanding access to childcare, and establishing informal worker organizations, alliances, and networks are some of the measures that can be taken to improve conditions for informal workers, especially women.

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