

# ORGANIZING AND LABOR TRENDS OF INFORMAL WORKERS

IN KENYA



# Organizing and Labor Trends of Informal Workers

IN NAIROBI AND MOMBASA, KENYA



The Inclusive Labor Institute (ILI) is a worker-led, Global South-based knowledge center on the conditions and experience of work for the 2 billion+ essential workers who power the informal economy and the future of work. ILI provides grassroots worker organizations and grassroots advocates a platform for sharing information and collaborating on opportunities to improve the standing, and strengthen the voice of informal workers. ILI empowers workers by expanding knowledge through a data-driven, grassroots-led approach and partners with organizations throughout the Global South to provide a comprehensive understanding on the conditions of informal workers, especially for women workers. Launched by the Global Fairness Initiative (GFI) and a coalition of grassroots partners, ILI provides a platform for engagement and access to data and information for Global South and Global North organizations alike. This includes online training tools, digital technology, and a catalogue of Institute-led and partner-sourced studies. Through the Inclusive Labor Institute, GFI gives individuals and organizations tools, information and a collaborative space to advance labor rights, women's empowerment and social and economic progress so that communities of promise can become centers of prosperity.



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### Authors

This report was written by Dr. Andrew Dibo, Caleb Ouma Ongong'a, and Zena Lyaga. A thanks to Dataworld Research Limited (DRL) who were instrumental in coordinating and conducting data collection, and writing of this report.

### About AUKMW

The Amalgamated Union of Kenya Metal Workers is a registered trade union under the Labour Relations Act (2007) representing 3,600 formal and informal workers across motor trade groups, including electrical and electronic trade, tyre manufacturers and retreading groups, allied industries, and bakery manufacturing groups. With its partnerships with Ambira Jua Kali Artisans union and Migingo Self Help Group, AUKMW strives for equal representation, equity in social protections, and positive advocacy engagement with community members and government to uplift all worker voices in the industry.

### About BOTTAX-KENYA

The Bodaboda, Tuktuk and Taxi Workers Union of Kenya is a democratic, member-led union who fight passionately to improve working lives, and connects more than 3,500 transport workers from different sectors. Registered as a Trade Union pursuant to the Labour Relations Act in 2007, BOTTAX-Kenya organises workers, both formal and informal, within the Transport Sector, and aims to engage with the larger informal sector within the transport space.

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# LIST OF ABBREVIATIONS

<b>AUKMW</b>	Amalgamated Union of Kenya Metal Workers
<b>BOTTAX—Kenya</b>	Boda-boda, Tuktuk and Taxi Workers Union—Kenya
<b>CAPI</b>	Computer-Assisted Personal Interviews
<b>CBA</b>	Collective Bargaining Agreements
<b>CBOs</b>	Community-Based Organizations
<b>CRA</b>	Commission on Revenue Allocation
<b>CONLACTRAHO</b>	Multi-Country Regional Latin America and Caribbean Confederation of Household Workers
<b>DRL</b>	Dataworld Research Limited
<b>EA</b>	Employment Act
<b>FGDs</b>	Focus Group Discussions
<b>FKE</b>	Federation of Kenya Employers
<b>GCWW</b>	Grassroots Center on Women in Work
<b>GDP</b>	Gross Domestic Product
<b>GFI</b>	Global Fairness Initiative
<b>GoK</b>	Government of Kenya
<b>IUF</b>	International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers
<b>ILO</b>	International Labour Organization
<b>MSEA</b>	Micro and Small Enterprises Authority
<b>NGOs</b>	Non-Governmental Organizations
<b>NHIF</b>	National Hospital Insurance Fund
<b>NSSF</b>	National Social Security Fund
<b>PPP</b>	Purchasing Power Parity
<b>SACCOs</b>	Savings and Credit Cooperatives
<b>SEWA</b>	Self-Employed Women’s Association
<b>SRC</b>	Salary and Remuneration Commission
<b>SPSS</b>	Statistical Package for Social Sciences
<b>TUC-K</b>	Trade Union Congress of Kenya
<b>TVETs</b>	Technical and Vocational Education Institutions
<b>VSLAs</b>	Village Savings and Loans Associations

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# EXECUTIVE SUMMARY

The International Labour Organization (ILO) estimates that approximately 62% of the global employed population operates within the informal economy.<sup>1</sup> However, this figure is even higher in low-income countries, where informal employment may account up to 90% of total employment. In Kenya specifically, the informal sector provides employment to 83% of the total employment (16 million jobs), contributing an estimated 32.8% to the GDP (World Economics, 2024). Recognizing the importance of the informal sector, the government of Kenya has implemented various policy measures, initiatives, and strategies to support it. These efforts include improving access to finance, and fostering collaboration among government agencies, non-governmental organizations, and the private sector to support informal businesses.

The objective of this study was to determine the reasons why informal workers are unable or unwilling to join unions and what are the opportunities to increase union membership and participation. The research study employed both qualitative and quantitative methods adopting participatory and consultative approaches. The study was developed and conducted through collaboration between GFI, SEWA, DRL, AUKMW and BOTTAX Kenya, and incorporated grassroot enumerators in designing and execution of the study.

The findings are based on analysis of data from 787 surveys participants and 94 focus groups discussants. A majority of respondents were female (60%), with most of respondents having attained a secondary level of education. About four in ten (43%) of the respondents are aged between 36 to 60

years. 56% of respondents are reported married, with a half (51%) of the respondents having family sizes of between 1 and 3 members. About a half (55.3%) of the respondents are earning less than Kshs. 500 per day which was inconsistent and irregular.

The study established the following as barriers preventing informal sector workers from joining unions include; First, is the lack of awareness among informal workers on the registration process, the role of trade unions, and the benefits associated with union membership. Secondly is the inconsistency in income hampering workers' ability to commit financially to union membership. Thirdly is the poor governance strategies within the unions, making them less appealing or effective for potential members. Lastly, is the presence of selfish interests among union officials further preventing informal workers from seeking union representation.

## **This report makes the following recommendations:**

First, trade unions must prioritize awareness campaigns among informal workers to highlight the benefits of union membership. Secondly, trade unions should increase advocacy around fair wages and improve working conditions ensuring compliance with minimum wage requirements and legally mandated work protections. Third, a mechanism should be established by trade unions to certify individuals who qualify through on-the-job training. Lastly, trade unions should apply a gender lens into the design and implementation of their work to ensure that the needs and inputs of women, are mainstreamed into their operations.



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# INTRODUCTION

## Background

Informal workers across the globe are significant contributors to the world economy and the GDP of most countries. The self-employed, workers in informal enterprises (i.e. unincorporated or unregistered enterprises), as well as informal wage workers in formal sector jobs who do not receive social protection through their work. ILO estimates that about 62% of the world's employed population earn their livelihoods in the informal economy.<sup>2</sup> Informality exists in all countries regardless of the level of socio-economic development, although it is more prevalent in developing countries. It is estimated that informal employment represents about 90% of the total employment in low income countries (ILO, 2020). Further, in low and lower income countries, women are more likely to be informal and face vulnerability in their work than their male counterparts. In Kenya the informal sector accounts for 83% of the total employment and is estimated to contribute 32.8% of the GDP which represents approximately \$136 billion level.<sup>3</sup>

Those working in the informal sector, and especially women, face challenges including low and inconsistent incomes and difficult working conditions, lack of formal contracts and job irregularities. These challenges make it difficult for them to be organized. The economic contributions of those in the informal sector are often not recognized as legitimate economic pursuits that would require supportive policies and services. According to the Kenyan Economic Survey Report (2023),<sup>4</sup> about 16 million Small and Medium Enterprises (SMEs) jobs were in the informal sector and were therefore unprotected. This means that most of Kenya's workers fall outside of the country's labour policy and are in a precarious and often hostile work environment that lacks a regulatory framework for their rights and protections.

The government, in collaboration with the private sector, has introduced policy prescriptions, initiatives and strategies to address the challenges in the informal sector. These have included studies to enhance a comprehensive understanding of the informal sector.<sup>5</sup>

Expanding knowledge about the informal sector will enable development of policies that provide services that create growth and a pathway to formalization. Kenya's mobile money platform MPESA, has provided a private sector-led solution to increasing access to financial services for the informal sector. It allows entrepreneurs to save, borrow, transfer money easily, providing them with necessary financial tools to grow their businesses. Kenya's the Micro and Small Enterprises Authority (MSEA) also collaborates with non-governmental organizations and the private sector to support informal businesses. MSEA leverages private sector partnerships to provide training, access to finance and market linkages that offer a holistic approach to supporting the informal sector.





## Organizing Informal Workers

Organizing informal workers has a long history. During the industrial capitalist age in the 18th century, “...all workers were informal...”<sup>6</sup> Workers joining together in unions provided many benefits to the working poor in the informal sector, and in particular to women workers. The benefits are felt in different spheres of workers’ livelihoods and lives. Organizing gives greater voice, visibility, and validity to informal workers, which in turn enables them to exercise greater influence on the wider environment that affects their livelihoods. Organizing leverages on the following benefits:

- **Economic Benefits:** By organizing, workers can use their collective power to negotiate better wages and working conditions; get better prices from the buyers of their products; pool their limited resources and increase their access to financial resources.
- **Social Protection Benefits:** Informal workers can access existing social protection systems; build mutual structures and achieve improved support systems for their members; and mobilize assistance during disasters and hardships, including fostering occupational health and safety approaches for informal workers.
- **Intangible but Consequential Benefits:** Improved self-esteem, and both social and personal empowerment among informal workers.



## Current Situation of Kenya Workers and Trade Unions

Kenya has two umbrella federations; the Central Organization of Trade Unions (COTU(K)) and the Trade Union Congress of Kenya (TUC-K). COTU(K) registers private sector employees, while TUC- K registers the public sector employees. There are about 50 registered trade unions most of which are affiliated with the COTU (K) while a few such as the Kenya National Union of Teachers (KNUT), Union of Kenya Civil Servants (UKCS), Universities Academic Staff Union (UASU) and the

Universities Staff Union (KUSU) are affiliated to the Trade Union Congress of Kenya (TUC—K). AUMWK is affiliated with the COTU (K), while BOTTAX-K is affiliated with the International Transport Workers Federation (ITF).

COTU (K) has an average membership of over 2.5 million distributed across all sectors. Most of the members of the trade unions are drawn from the formal sector, while about 8.6 percent<sup>7</sup> are organized from the informal sector. None of the unions have recruited casual workers, due to their irregular incomes. The unions have a check-off system as well as a register through which they monitor and track their members. To ensure efficient tracking of its members, the union reviews monthly reports of terminations, dismissals, redundancies and recruitments. Through this process, trade unions are able to effectively plan for their membership as well as their activities on a monthly basis.

The unions have their specific constitutions that guide their operations. The unions rely on the Industrial Charter and labour laws for their day to day operations. These labour laws include the Employment Act 2007, the Labour Relations Act 2007, the Labour Institutions Act 2007 and the Occupational Safety and Health Act 2007, the Work Injury and Benefits Act 2007, and the Employment and Labour Relations Court Act. Through their constitutions, trade unions have embedded principles of workers control and democracy. These principles are promoted through awareness raising workshops and seminars as well as democratic participation and union elections. All unions hold their congress every 5 years.

The main challenges facing trade unions in Kenya include the Salaries and Remuneration Commission’s interference with the negotiation process, delays and backlog of cases in the industrial and labour relations court; limited financial and human resources; resistance from employers who are anti-trade unionists and who continue to outsource, contract as well as hire workers on a casual basis; the high cost of recruitment and sustainability of union activities; increasing levels of retrenchment and reducing membership; the high cost of training, and low levels of government enforcement of labour laws. Another major barrier to the growth of a sustainable informal sector is the inadequate level of financial literacy. This gap in financial education and practice, largely due to lack of comprehensive management training, hampers the prosperity of business through a variety of adverse knock-on effect.

The strategy employed by the union in organizing involves: mapping out potential member companies, assembling relevant information, establishing a key contact person; meeting with potential members especially during lunch time, evenings, weekends and other times that do not compromise their duties as employees; recruitment and signing of check-off systems. Upon recruiting 50 plus one per cent of the workers as required by law, the union seeks recognition of the company

in question. Once the recognition agreement is signed, the union initiates Collective Bargaining Agreements (CBA) negotiations by developing a proposal that is followed by a counter proposal by the employer. The negotiations culminate into a signed CBA that covers the terms and conditions of employment of the workers covered. Unregistered members are required to pay a service fee to the union since they benefit from the negotiated CBA.

Organizing big companies is not the same as at small work places. At large factories, the union reaches the required threshold according to the labour laws, and sign a collective bargaining agreements. But at small companies located away from the cities, there are fewer members that need to be serviced and given access to union services. With the digital app, the unions are extending services to contract small companies and those working in the informal sector.

To effectively unite, recruit, and organize informal workers, three unions representing Kenya's formal-sector workers in the food, health, education, and metals signed a memoranda of understanding (MOUs) with informal sector associations in their respective sectors. The agreements formalize the efforts by affiliates of the Central Organization of Trade Unions—Kenya (COTU-K) to organize workers in Kenya's outsized and growing informal sector and make union representation of newly organized informal sector workers official. With these agreements, Kenya's trade unions have brought informal-sector workers such as vendors, cleaners, auto-body workers, and mechanics under the union umbrella, giving them access to the country's legal framework that protects formal workers. The signatory organizations include the Kenya Union of Commercial, Food and Allied Workers (KUCFAWAW), Kenya Union of Domestic, Hotels, Educational Institutions, Hospital and Allied Workers (KUDHEIHA) and the Amalgamated Union of Kenya Metal Workers (AUKMW) together with their respective informal workers' associations. The informal associations represented in the agreement include: Ambira Jua Kali Association, Grogon/Ngara and Muthurwa Food Vendors, the Eastleigh Hawkers Association, the Migingo Mechanics Self Help Group, and Nairobi Informal Sector Federation.

For the associations and informal workers affiliated to the unions, among other responsibilities, the unions will represent them in legal disputes, conciliation and arbitration, address social economic needs and engage in policy reform to improve the informal economy. The informal workers will also take part in the union activities including Labour Day celebration, annual general meetings and benefit from training programmes. In addition, by working with informal worker associations, the unions are responding to the “decent work deficit” as described by the International Labour Conference Recommendation 204 Transition from the Informal to the formal economy. The recommendation covers freedom of association, social dialogue, role of employers and workers'

organizations, and minimum wages, among issues that needs to be looked at to improve the working conditions of informal workers.

The expansion of digital technologies such as digital labour platforms is reshaping Kenya's economic landscape. The existing labour regulations fails to recognize workers on online platforms as employees, thus excluding them from basic labour rights and protection. There is need for regulatory frameworks which can ensure that all platform workers have decent working conditions.

## About Global Fairness Initiative

This study was conducted with support from the Bill and Melinda Gates Foundation as part of GFI's Center for Women in Work initiative. The Bill and Melinda Gates Foundation's Women's Economic Empowerment strategy works to increase women's economic opportunities and decision-making power. An extensive body of research shows that when women earn an income and control their earnings, their children are more likely to attend school, their families are healthier, their self-worth improves; and their household incomes grow—along with the global economy.

## Project Description

The Global Fairness Initiative (GFI) is seeking to conduct research based on a grassroots-led initiative to understand the barriers for Kenyan workers to join and access the benefits of traditional trade unions. GFI collaborated with two local trade unions in Kenya, the Amalgamated Union of Kenya Metal Workers (AUKMW) and the Kenya Bodaboda, Tuk-tuk, and Taxi Workers Union (BOTTAX), and research was conducted in Nairobi and Mombasa counties. Trainings to interviewers about a grassroots approach to data collection was conducted by Self-Employed Women's Association (SEWA), based in India, who oversaw the development of survey and focus group questionnaire, technological training to interviewers through Kobo Toolbox technology, and piloting of the research in Nairobi.

The design and development of the research tools and methodology was spearheaded by the representatives from AUKMW and BOTTAX, and informal workers from Nairobi and Mombasa. Interviewers and leaders of the unions participated in the development, deployment, analysis of the results and were active in providing feedback at each stage of the process. This data collection process relied on the cooperation and input of informal workers and their expertise, and provided capacity building to conduct research. Support throughout the process was provided by SEWA, GFI, and Dataworld Research Limited (DRL). DRL oversaw the data quality and facilitation of the research process, from data collection to analysis and reporting, ensuring the reliability and validity of the findings.

## Objective of the Assignment

The main objective of the study was to understand why informal workers are unable or unwilling to join unions and how this gap can be bridged. To achieve the objectives of this study, the following activities were undertaken:

- Determination of the characteristics of union and non-union members
- Assessment of socioeconomic situations of union and non-union members
- Assessment of workers' knowledge of formal trade unions and procedures for accessing or joining trade unions
- Identification of the barriers and obstacles that hinder informal workers from joining formal trade unions
- Assessment of the various agents of change and opportunities for joining trade unions, and improving standing for existing members such as:
  - » The socio-demographics of participants such as age, sex, level of education, marital status, number of children, household responsibilities, situation of the spouse
  - » Current work situation including length and type of work, permanence of the work, work satisfaction, the reasons for choosing the work, salary, the sector of work, number of years working in the informal sector
  - » The attitude and perception of the informal women workers on formal trade unions, and their level of accessibility to join
  - » The willingness and capacity for non-union members to pay fees and contributions to participate, and their expectations for union services, both in existing programs and services offered
  - » The consequences of work in the informal sector on the individual and on the community, and if and how union membership mitigates risks
  - » What are the barriers to joining a union? Are they considered to be discriminatory practices, bureaucratic red tape, or external factors that inhibit joining or external factors that inhibit joining or non-participation?

## Scope of Work

The scope of work included:

- GFI team, SEWA trainers, and union supervisors from AUKMW and BOTTAX designed the methodology and data collection tools;
- SEWA conducted the grassroots data collection training and capacity building to union supervisors and enumerators from AUKMW and BOTTAX;

- Trained AUKMW and BOTTAX enumerators collecting data, including completing surveys and conducting focus group discussions with trade union members and non-members, women-led organizations and local leaders;
- The collation, transcription, and cleaning of data from the survey by DRL;
- Analysis of survey data; and,
- Finalizing and submitting research report, with raw data from the study.

## Limitation of the Study

The primary limitation of this study is the difficulty in capturing the activities of the informal economy within official statistics. The informal sector operates largely outside formal regulatory frameworks, often making it challenging to obtain accurate and comprehensive data through traditional means such as government surveys or administrative records. However, despite this limitation, the reliability of the data contained in this report is preserved due to the following reasons:

- **Local Partnerships and Insights:** Collaboration with AUKMW, BOTTAX and SEWA provided invaluable insights into the workings of the informal economy at the grassroots level. Local partners often have deep contextual knowledge and networks within informal communities, enhancing the credibility and relevance of the data collected.
- **Specialized Data Collection Methods:** The research study employed specialized data collection methods specifically designed to capture information from informal sector participants. These methods included surveys, focus groups, and participatory approaches that are sensitive to the informal nature of the economy.
- **Existing Knowledge of the Sector:** Use of the local based enumerators who were part of the informal sector. Participants played a critical role of ensuring that the data collected provided grassroots knowledge of the study objectives. This existing body of knowledge serves as a valuable foundation for designing data collection methods tailored to the unique characteristics of the informal sector.
- **Research Standards:** Data collection and analysis was conducted by Dataworld Research Limited (DRL), a reputable research organization to ensure research standards and data quality throughout the process. DRL's expertise were systematically executed, contributing to the reliability of the findings.

## Organization of the Report

The report is organized as follows: Chapter 1 discusses the background and introduction to the study. Chapter 2 provides a description of approach and methodology for undertaking the study. Chapter 3 covers the findings and discussion of the findings. The final chapter of the report (Chapter 4) contains the conclusion and recommendations drawn from the study.



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# APPROACH AND METHODOLOGY

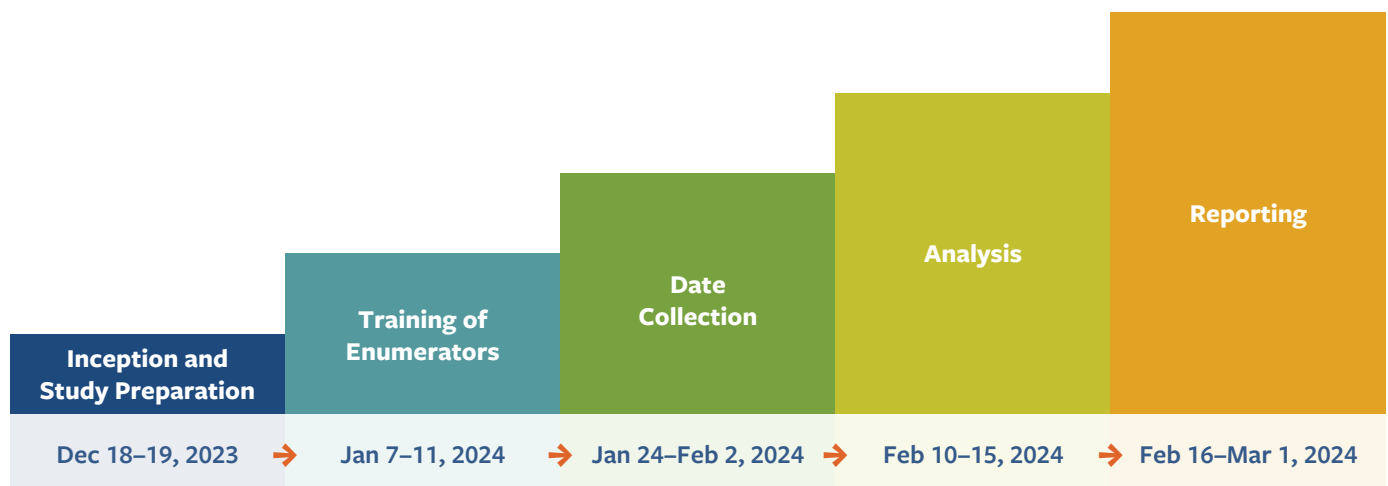
## Approach and Design

The research study employed both participatory and consultative approaches, as well as the adoption of both qualitative and quantitative methods. The participatory and consultative approaches entailed working together with the project team (GFI, SEWA, DRL, AUKMW and BOTTAX) and the enumerators in designing the study. The project team, in collaboration with the enumerators, collectively contributed to shaping the research questions and developing the tools for data collection. At the initial stage, SEWA facilitated a two-day online training workshop from December 18th to 19th, 2023 to introduce enumerators and supervisors to research methods. The project team developed both quantitative and

qualitative data collection instruments, comprising surveys and focus group guides during a four-day workshop held in Nairobi, Kenya from January 7th to 10th, 2024. Engaging enumerators who were themselves part of the informal sector facilitated a grassroots approach, allowing researchers to gather comprehensive information to determine the needs, priorities, and approach to informal sector workers. SEWA facilitated this training based on their expertise in grassroots-based data collection in India.

The design and implementation of this research embraced a structured approach and activities fell into distinct phases, as illustrated in the schematic representation in Figure 2.1 below.

**FIGURE 2.1** Timelines



## Methods of Data Collection

Data was collected from both secondary and primary sources including document review, focus group discussions (FGDs), and surveys as outlined below:

- **Document review:** A systematic review of secondary data sources was conducted by DRL, including but not limited to journals and online sources as cited in the report. This was done to enrich the report by providing documented evidence for comparison purpose.
- **Focus group discussions (FGDs):** Focus group discussions were held with several groups including informal workers (male and female), union leaders, and women leaders, associations and women-led organizations or groups. Participants in the FGDs were purposely selected. FGD sessions were recorded and transcribed in MS Word (See Annex II).
- **Surveys:** A survey of informal workers provided quantitative benchmark information. A sample of these workers was randomly selected based on the existing sampling frame. The questionnaire was developed collectively, reviewed, and approved by supervisors from AUKMW, BOTTAX- Kenya, enumerators, SEWA, and the

GFI team prior to data collection. Data was collected digitally using the Kobo Toolbox platform, and was monitored and submitted daily by DRL team.

## Sampling Approach

- **Sampling for Individual Surveys:** Samples for the individual informal workers were selected based on a statistically relevant sample based on the sample frame from the two trade unions. Using a 5% margin of error and 95% confidence interval, a sample of 698 was drawn from a population size of 9,280 informal workers in areas where the two trade unions are operational (Mombasa and Nairobi Counties). An additional 13% of the sample was added to make up for anticipated non-response and poor-quality data. Finally, 787 respondents were reached as shown in the Table 2.1 below.
- **Sampling for FGDs:** The focus group participants were randomly selected from operational areas BOTTAX-Kenya and AUKMW to take part in the study. Separate venues and discussion schedules were designated for each group's discussions. The study engaged between 11 to 13 participants in each FGD, as detailed in Table 2.2 below.

**TABLE 2.1** Sampling and Sample Size Determination

City	Union	Population	% Contribution per Sample	Sample per Location	Data Collected
Nairobi	AUKMW	800	16%	105	136
	BOTTAX	4,630	17%	114	158
Mombasa	AUKMW	1,750	32%	229	228
	BOTTAX	2,100	35%	250	265
<b>Total</b>		<b>9,280</b>	<b>100%</b>	<b>698</b>	<b>787</b>

**TABLE 2.2** List of FGDs Participants

City	Union	Categories	No. of FGDs	No. of Participants	Location
Mombasa	BOTTAX	Informal Workers	1	12	Highway Hotel
	BOTTAX	Union Leaders	1	13	Highway Hotel
	AUKMW	Informal Workers	1	11	Royal Castle
	AUKMW	Association Leaders	1	11	Royal Castle
Nairobi	BOTTAX	Union Leaders	1	12 (4 females)	Dagoretti Social Hall
	BOTTAX	Informal Workers-Male	1	12	Dagoretti Social Hall
	AUKMW	Informal Workers -Male	1	12	Ruiru
	AUKMW	Union and Women Leaders	1	11 (5 females)	Ruiru
<b>Total</b>			<b>8</b>	<b>94</b>	

## Quality Control and Assurance

Quality assurance was maintained through qualified grassroots research assistants who were also informal workers; comprehensive training of research assistants on the study, research tools and data collection procedures via 2-days online training and 4-days face-to-face training sessions; design and pre-testing of data collection tools through piloted activities during training; use of data management and analysis tools; and consistent oversight of all stages of the research. The process of data management was strictly followed in the field where data collected by enumerators underwent quality checks by DRL and union supervisors to ensure quality procedures were followed and interviewers maintained practiced provided to them in training sessions. The entries collected by each enumerator were collected electronically and quality-checked prior to online submission on a daily basis.

DRL held daily reviews of the interviews conducted by each team to obtain their perspectives regarding the findings and to address any challenges encountered in the tools, interviewing process, or summarization of the data. Surprise field visits were carried out to ascertain that the interviewers adhered to the itinerary and that work was being done in accordance with the field schedule.

Audio-recordings were used to capture information from the FGDs in addition to note taking by the DRL and enumerators.

## Data Processing and Analysis

Qualitative data from FGDs, transcribed texts in MS Word (Annex II: FGD Transcriptions), were arranged thematically and analyzed. A full list of themes was generated for categorization within a hierarchical framework of main and sub-themes. Patterns and associations of the themes were identified, compared within and between the different groups of respondents to enhance triangulation of data.

Quantitative data from surveys was downloaded from Open Data kit (ODK) directly to the Statistical Package for Social Sciences (SPSS) software for processing and analysis. Syntax commands were used to appropriately transform variables for analysis. Data processing included screening for normality, consistent checks, and checking for missing data. Exploratory analysis was performed to ensure that the outputs were free from the effects of outliers and the effect of missing responses. Descriptive statistics were the principal data analysis technique used in this study.

## Ethical Considerations

The study adhered to international ethical guidelines for research, ensuring ethical standards were maintained throughout the research process. This included obtaining informed consent, safeguarding privacy, confidentiality, and anonymity of respondents, respecting respondents' autonomy, fairly recruiting participants (including women), and ensuring that research results did not harm respondents.





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# STUDY FINDINGS

## Introduction

This chapter presents study findings derived from both quantitative and qualitative sources, with analysis guided by the study objectives. A total of 881 respondents participated in this study, comprising 787 who took part in the survey and 94 who participated in the Focus Group Discussions (FGD). Each finding is examined and aligned with the study objectives. The survey data presented quantitative results, while the FGD provided qualitative insights, supporting and complementing the quantitative findings.

## Socio-demographic Characteristics of the Respondents

### Sex of the Respondents

The survey involved a total of 787 participants, with 472 (60%) female respondents and 315 (40%) male respondents. Participants came from both Nairobi and Mombasa Counties (see section 2.4). Of the respondents, the majority (63%) were from Mombasa County, while the remaining 37% were from Nairobi City County.

### Age of the Respondents

The largest proportion of respondents (43.2%) were between 36 to 60 years, followed by those aged 18 to 35 years (33%). Approximately, 22.1% of the respondents were over 60 years old. Workers aged 60 years or older who operate in the informal sector are still capable of working. However, the Employment Act (2007) does not impose a specific age limit for retirement on employees in the private sector.

### Level of Education of the Respondents

Majority of respondents (76.4%) have attained a secondary education, with a higher proportion among men (81%) compared to women (70%). A larger percentage of women

(24%) have tertiary education compared to men (14%). Approximately one-fifth (23.9%) of respondents have completed primary education. Nationally, 79.3%<sup>8</sup> of informal sector workers have attained secondary level education. Cross-tabulating education levels, city of residence and membership to a structured organization (CBOs, SACCOs, associations and trade unions) reveals that there is no significant association between education level city of residence and membership to a structured organization.

### Marital Status of the Respondents

The survey findings reveal that the majority of respondents (56%) are married, with a higher proportion of males (69%) compared to females (47%). Approximately 39% of participants are single, with a higher percentage of females (45%) than males (29.8%). A small percentage reported being divorced (1.7%) or widowed (3.2%). An association was established between marital status and membership to a structured organization.

### Disability Status of the Respondents

According to the study, 4.6% of respondents had some form of disability, with 1.9% classified as hidden disabilities and 1.7% as visible disabilities. These findings are notable when compared to national statistics, which indicate that 2.2% of the Kenyan population are persons living with disabilities.<sup>9</sup>

### Family Size and Socio-economic Status

More than half of respondents (51.6%) had between 1 to 3 members in their households, while 42.9% had between 4–6 members. Nationally, the average household size is 3.8 people per household<sup>10</sup> with Nairobi and Mombasa having an average household size of 3.3 and 3.1.<sup>11</sup> There was no significant association between family size and membership to structured organization.

**TABLE 3.1** Socio-demographic Characteristics of the Respondents

Variable	Category	Gender		Overall
		Female	Male	
<b>City</b>	Mombasa	74.8%	44.4%	62.6%
	Nairobi	25.2%	55.6%	37.4%
<b>Nature of Residence</b>	Homeowner	3.0%	2.2%	2.7%
	Renting	6.4%	2.9%	5.0%
	Living with Family	90.7%	94.9%	92.4%
<b>Age Group</b>	Below 20 Years	2.1%	1.3%	1.8%
	18–35 Years	37.7%	25.7%	32.9%
	36–60 Years	42.4%	44.4%	43.2%
	Above 60 Years	17.8%	28.6%	22.1%
<b>Level of Education</b>	No Education	2.3%	0.3%	1.5%
	Primary Education	27.5%	18.4%	23.9%
	Secondary Education	42.4%	64.4%	51.2%
	Tertiary Education	24.2%	14.0%	20.1%
	University Education	3.6%	2.9%	3.3%
<b>Form of Disability</b>	No	96.2%	96.8%	96.4%
	Yes, Hidden	2.1%	1.6%	1.9%
	Yes, Visible	1.7%	1.6%	1.7%
<b>Marital Status</b>	Single	44.7%	29.8%	38.8%
	Married	47.9%	69.2%	56.4%
	Divorced	2.3%	0.6%	1.7%
	Widow/Widower	5.1%	0.3%	3.2%
<b>Income Group</b>	KSh 500 and below	60.8%	47.0%	55.3%
	KSh 501–KSh 1,000	28.2%	31.1%	29.4%
	Above KSh 1,000	11.0%	21.9%	15.4%
<b>Household Size</b>	1–3 Members	48.9%	55.6%	51.6%
	4–6 Members	45.8%	38.7%	42.9%
	7+ Members	5.3%	5.7%	5.5%
<b>Membership to a Structured Organization</b>	Member	28.0%	44.1%	34.4%
	Non-Member	72.0%	55.9%	65.6%
<b>Total</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>



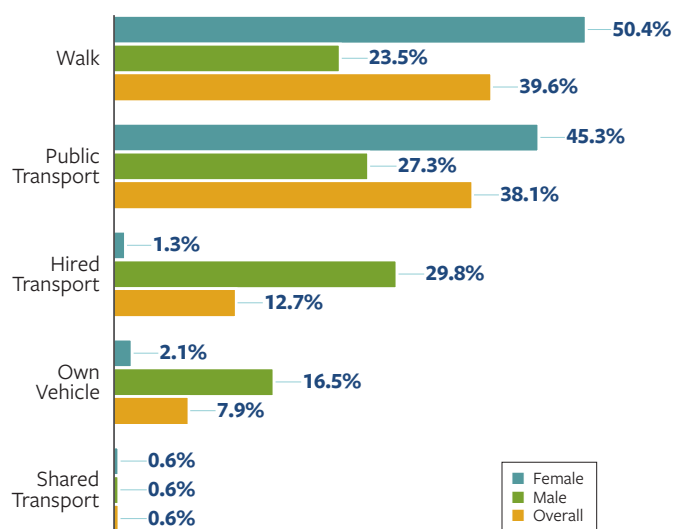
## Membership to Structured Organization

When asked about their affiliations with various organizational structures, including associations of informal workers, trade unions, SACCOs (Savings and Credit Cooperative Organizations), community-based organizations, and umbrella organizations, approximately one-third (34.4%) of the respondents disclosed membership in one or more of these entities. Notably, only a small fraction (1.9%) reported belonging to a trade union, while a significantly larger portion (13.9%) indicated their membership in a SACCO. These findings suggest a relatively low level of trade union membership among respondents compared to other organizational affiliations within the informal worker.

## Means of Transport to Work

From the study findings, 39.6% of the participants reported walking to their places of work. In this category, 50.4% were women and 23.5% were men. This was followed closely by 38.1% who used public transport (women 45.3%, men 27.3%). Those who utilized hired transport stood at 12.7% (men 29.8%, women 1.3%), while individuals using their own vehicles accounted for 7.9% (men 16.5%, women 2.1%).

FIGURE 3.1 Means of Transport to Work



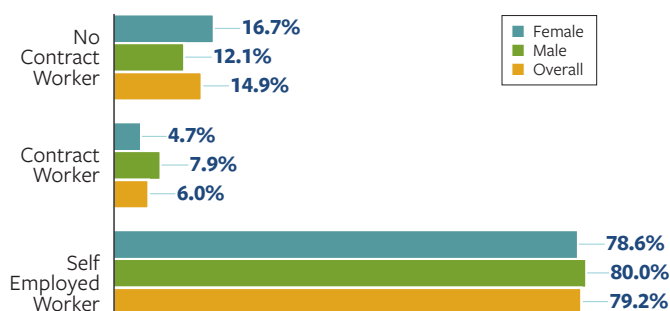
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## Working Conditions

### Employment Status

Respondents in the informal sector were asked to indicate their employment status. About 79.2% (men 80%, women 78.6%) are self-employed. Those who are employed with no contract were approximately 15% (men 12.1%, women 16.7%). Those employed with some sort of contract accounted for 6% (men 7.8%, women 4.7%). The absence of worker contracts to outline workers' rights leads to challenges associated with job insecurity and lack of legal protections, further exacerbating the vulnerability of informal sector workers. There is a significant association between employment status and membership to a structured organization.

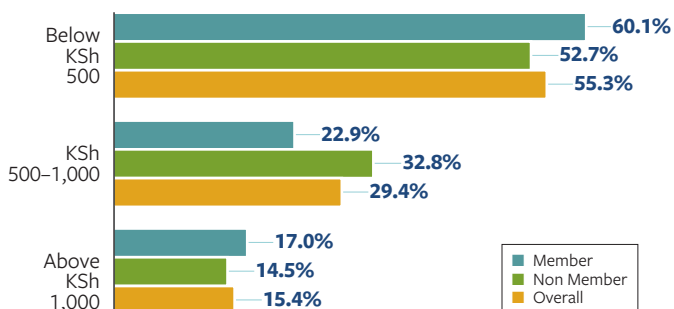
FIGURE 3.2 Status of Employment Among Informal Sector Workers



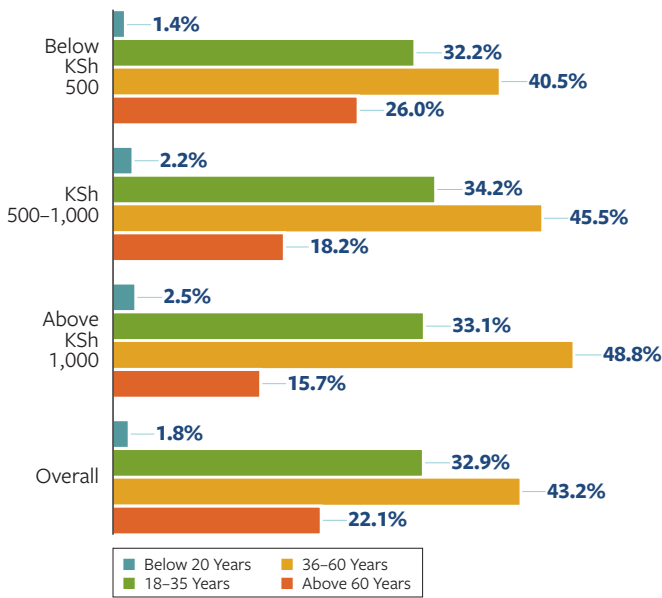
### Income Levels

For income, 55.3% of participants reported a daily earning below Kshs. 500 per day equating to Kshs. 13,000 per month. Compared to data for urban areas, this is 48% below the national gross monthly earnings of informal sector enterprises estimated at Kshs. 25,000.<sup>12</sup> An association was found between income levels and membership to a structured organization.

FIGURE 3.3 Distribution of the Income Levels by Members of Structures Organization



**FIGURE 3.4** Income Levels and Age Group



### Category of Workers

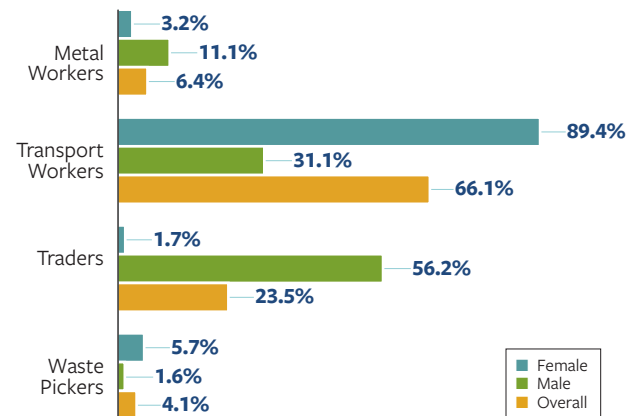
Types of work impacts the level of job security and level of income. The survey covered a majority of the respondents from the transport sector (66.7%) and traders (23.5%), with a few metal workers (6.4%) and waste pickers (4.1%) as presented in the figure 3.4 below by their gender. The study found that there was an association between the type of work and gender.

Gender preferences in occupation, either by employers and businesses or through self-selection, incorporates factors linked to the job position including the levels of risk and danger, level of training needed, distance from their home, household responsibilities and access to resources. Women in sectors of the informal economy have to compete for relevance and protection in their occupation in comparison to their male counterparts. From the focus group discussions, female respondents reported repeated harassment from their male colleagues, police officers, and county government officials.

***“Male drivers sometimes intimidate us, and some male passengers always refuse to pay fare and threaten us, and some become aggressive along the way.”***

— FEMALE FGD DISCUSSANT, Mombasa

**FIGURE 3.5** Category of Workers

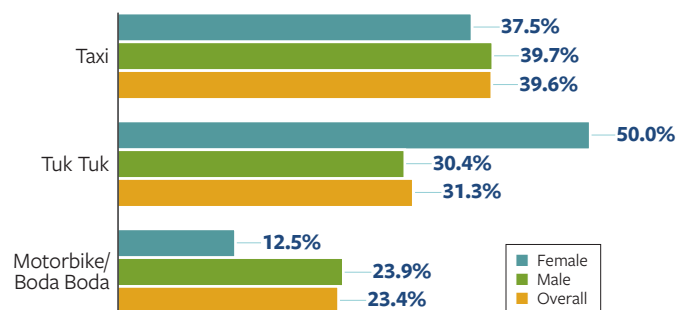


### Transport Sector

A majority of the respondents interviewed were classified as taxi drivers (41.1%), followed by those who were tuk tuk/auto rickshaw drivers (32.4%) and then motor bikes/boda boda riders (24.3%).

From survey respondents, 64.1% of respondents indicated that they did not work for any online travel platform such as Uber or Bolt, as opposed to 35.9% who did. For those working under the online travel agencies, 68% stated that high commission (68%), along with less per kilometre rate (31%) and high fees (3%) were challenges to their work through online platforms.

**FIGURE 3.6** Category of Drivers



## Acquisition of Skills

From the study findings, 43.8% of participants learned their occupation through personal skills, or talent they possessed. Those who attained their skills from family members constituted 19.7%. At a distant third is acquisition through informal training at 17.8%.

**“The union should help us with [business] grading because most of us miss government opportunities, because we do not have certificates.”**

— FEMALE FGD DISCUSSANT, Mombasa

**TABLE 3.2** Acquisition of Skills

Statements	Gender		Overall
	Female	Male	
Personal skills/talent	58.3%	22.2%	43.8%
From family member	23.9%	13.3%	19.7%
Paid Informal training	4.0%	38.4%	17.8%
Apprenticeship	9.7%	17.8%	13.0%
Others	6.4%	3.2%	5.1%
Formal Training	2.5%	6.0%	3.9%

## Length of Service

### At the Previous Occupation

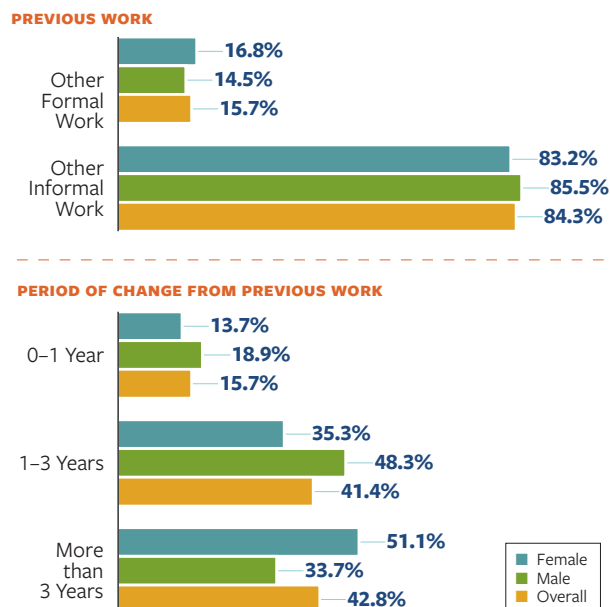
To assess the nature of labour transition and turnover, the study sought to understand their previous work and the number of years the informal workers were engaged in their enterprises prior to their current occupation. The results indicated that 84.3% of the respondents were involved in other informal economic activities before transferring to the current occupation. Those who transitioned from the formal work into informal work were 15.7%.

In terms of the period of change since the previous work, about 41% of the respondents have changed their occupation within a period of 1–3 years. On the other hand, those who changed job positions 3 or more years before were about 42%.

### At the Current Occupation

Most of the respondents (56.4%) have been in their current occupation for less than five years. From the FGD discussions it was noted that most of the informal workers especially women lacked favourable working conditions to sustain them in the same business. Issues raised for high job turnovers include low returns on investment, harassment by the police and county officers, sexual harassment at workplaces, lack of proper working tools, and poor sanitation.

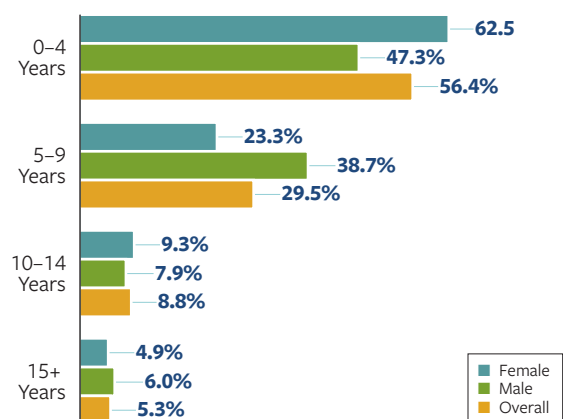
**FIGURE 3.7** Change of Occupation/Duration in Employment



**“Most of us are harassed by police officers and whenever they tow our vehicles, they are vandalized in the police stations. Which makes it difficult to continue with the business.”**

— FEMALE FGD DISCUSSANT, Mombasa

**FIGURE 3.8** Length of Service at the Current Occupation



## Awareness and Barriers to Joining Unions

### Level of Awareness on Membership Organization

While the majority of respondents currently are not affiliated to any trade union (only 15 members reported that they are members of a trade union), it was noted that there was a clear desire among them to join the trade unions. Informal sector workers express a keen interest in becoming union members, recognizing the potential benefits of such membership. They emphasize the importance of prioritizing training and sensitization efforts aimed at accommodating informal workers within labour laws.

**TABLE 3.3** Level of Awareness on Structured Organization

Structured Organizations	Gender		Overall
	Female	Male	
<b>SACCOs</b>	52.8%	47.3%	50.6%
<b>Community Based Organizations</b>	42.6%	33.7%	39.0%
<b>Trade Union</b>	37.1%	34.9%	36.2%
<b>Associations</b>	25.0%	43.8%	32.5%
<b>Umbrella Labour Organizations</b>	23.1%	25.1%	23.9%
<b>None of the Above</b>	38.8%	27.6%	34.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

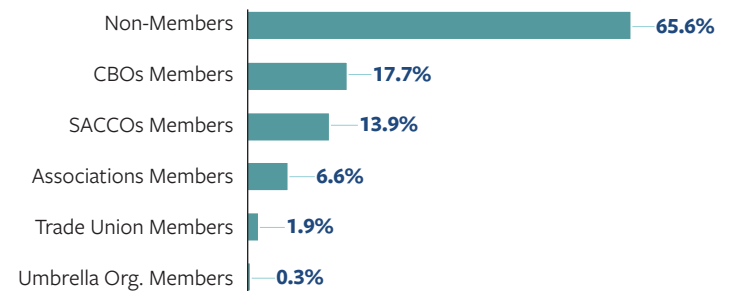


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### Membership to a Structured Organization

The figure 3.9 below present membership to the structured organizations. About 17% of the respondents are members of CBOs, with a paltry 1.9% being members of the trade unions. A report by Federation of Kenya Employers (FKE) estimates that up to 99% of the informal workers do not belong to any trade union.<sup>13</sup>

**FIGURE 3.9** Membership to Structured Organization



### Sources of Information on Trade Unions

In examining the primary sources of information through which informal sector workers acquire knowledge about trade unions, it was found that a considerable majority, 71.6% of participants, relied on information from their friends. Social media emerged as the next prominent source, cited by 54.4% of respondents, while print media followed closely behind, with 47% indicating it as a common source of information. These findings underscore the significant role of interpersonal networks and social media in disseminating information about trade unions, highlighting their potential for awareness creation and membership promotion. However, despite the prevalence of these information channels, a notable proportion of respondents lacked sufficient knowledge about joining unions and the roles of trade unions. This limited understanding among informal workers serves as a barrier to their engagement with trade unions, emphasizing the importance of enhancing awareness and education initiatives within the informal sector.

**TABLE 3.4** Source of information of Trade Unions

Source of Information	Gender		Overall
	Female	Male	
<b>Friend Referral</b>	73.1%	70.0%	71.6%
<b>Social Media</b>	45.1%	63.6%	54.4%
<b>Print Media</b>	40.6%	53.6%	47.1%
<b>Past Experience</b>	6.3%	14.5%	10.4%
<b>Mainstream Media</b>	10.9%	3.6%	7.2%
<b>My Association</b>	0.6%	11.8%	6.2%

While the majority of respondents currently are not affiliated to any trade union (only 15 members reported that they are members of a trade union), it was noted that there was a clear desire among them to join the trade unions. Informal sector workers express a keen interest in becoming union members, recognizing the potential benefits of such membership. They emphasize the importance of prioritizing training and sensitization efforts aimed at accommodating informal workers within labour laws.

***“It would be easy to lobby for services if we are united for instance on health insurance or social protection.”***

—FEMALE FGD DISCUSSANT, Nairobi

***“The union should provide training on importance of contributing towards NHIF (medical Insurance cover) and NSSF(social security fund) and enable easy access to the same.”***

—FEMALE FGD DISCUSSANT, Nairobi



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## Expectations Regarding Union Services

The focus group discussions revealed that the respondents were unaware of the services they would receive if they were to join the union.

When asked about the potential role of unions in addressing these issues, respondents proposed several interventions. They emphasized the importance of unions educating members about their rights and equipping them with strategies to navigate workplace challenges effectively. Additionally, they advocated for union representatives to have the opportunity to conduct meetings and intervene in addressing and resolving issues affecting their members. The unions should therefore become more innovative in marketing through organizing community forums and clinics for recruiting members.

## Willingness and Capacity to Pay Fees and Contributions

From the FGDs, most respondents expressed a willingness to pay the union fees but lacked the capacity to contribute monthly due to income inconsistencies. Members' understanding the importance of contributing monthly to support the various programs and initiatives provided by the union contributes to their ability and willingness to pay union fees. This financial support enables the union to run effectively as well as negotiate for better wages, benefits, and working conditions on behalf of its members. It was further noted in the discussions that most members were not receiving services to their expectations, hence high default rate among registered union members.

***“Most of us are not union members although we have heard about the union. We are not aware of the process of registration and importance of the union.”***

—FEMALE FGD DISCUSSANT, Mombasa

***“We lack consistent income that will enable us to make regular contributions towards the union.”***

—FEMALE FGD DISCUSSANT, Mombasa



## Challenges Faced by Informal Sector Workers

The study revealed that informal workers face several challenges that hinder their ability to deliver services effectively. Among these challenges, 57.8% reported work-related irregularities, while 54% cited income-related irregularities. Other challenges include open garage troubles (52.4%), trouble from passengers (50.3%), safety and security (34.4%) among others. Informal workers are also exposed to hazardous conditions at their workplace, many have no access to safety gear and additionally their employers cannot be held accountable by any trade union or legislation structure for failure to provide these safety equipment/tools. Furthermore, women in informal work settings encounter a distinct challenge of balancing their professional responsibilities and personal commitments such as caregiving and managing home responsibilities. From the focus group discussions, it was established that this struggles significantly impacts their income and leads to inconsistencies in their work schedule.

Membership in trade unions presents an avenue to address these challenges comprehensively, offering support mechanisms, advocacy for fair working conditions, and collective action to address shared concerns within the informal sector.

***“It is not easy to work during rainy seasons because we do not have sheds, we are forced to wait for the rains to stop. This affects our service and income.”***

—FEMALE FGD DISCUSSANT, Nairobi

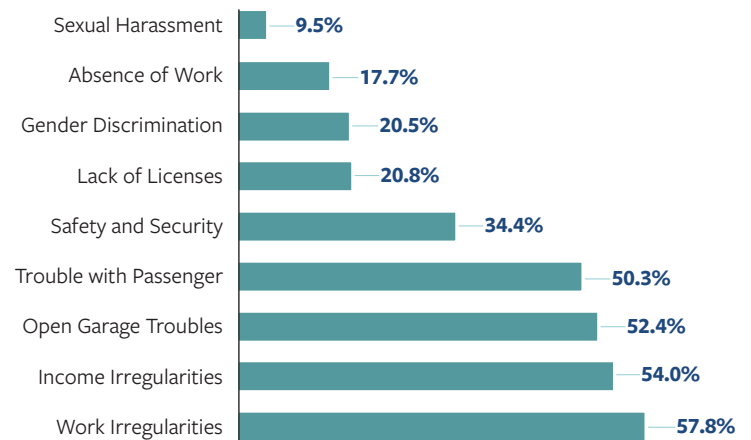
***“Sometimes we report to work late because we have to attend to care duties at home.”***

—FEMALE FGD DISCUSSANT, Mombasa



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**FIGURE 3.10** Challenges Experienced at the Work Place



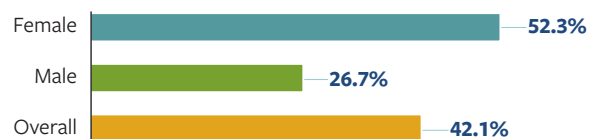
## Agents of Change to Improving Standards of Informal Workers

This section responds to objective 5 of the terms of reference which requires the identification of various agents of change and opportunities for joining trade unions and improving standards of existing members.

### Access to Loans and Credit

The survey findings reveal that 42.1% of respondents lack access to loans or credit from any financial institution. This sheds light on a significant barrier faced by informal workers. Without access to formal financial services, the informal workers are often left without the means to invest in their businesses, smooth out cash flow fluctuations, or address unforeseen expenses.

**FIGURE 3.11** Proportion That Has Never Accessed Credit



The study sought to find out the reasons for the respondents not being able to access loans/credit. It was revealed from the findings that 46.8% of the respondents felt that the loan or credit was not needed. This was followed by 30.5% of them having not been able to access loans/credit due to high interest rates. Approximately 12.1% of the respondents alluded to the fact that they could not be able to access formal financial institutions with 2.4% not being aware of the loans/credit.

The findings did reveal the areas of focus in terms of the modalities to be implemented in order to increase the uptake of loans/credit by workers in the informal sector. It was established from the focus group discussions that most of the informal sector workers lacked organized (formal) financial facilities from which they could access loans.

The study findings regarding the purposes for taking loans or credit in the past three years reveal that investing in business ranked highest, accounting for 47.5% of respondents. Notably, a higher percentage of men (65%) than women (36%) opted for loans for business purposes. Following business investments, a smaller proportion of respondents indicated using loans for education (8.6%), health expenditure (3.9%), social purposes (3.6%), and rent payment (1.8%).

Interestingly, there was a clear divergence in priorities between men and women. While men predominantly prioritized business investments, women showed a greater emphasis on using loans for education (11.4%), health (5.1%), social purposes (4.4%), and rent (2.3%).

**“We need to have access to SACCOs where we can access loans with less interest.”**

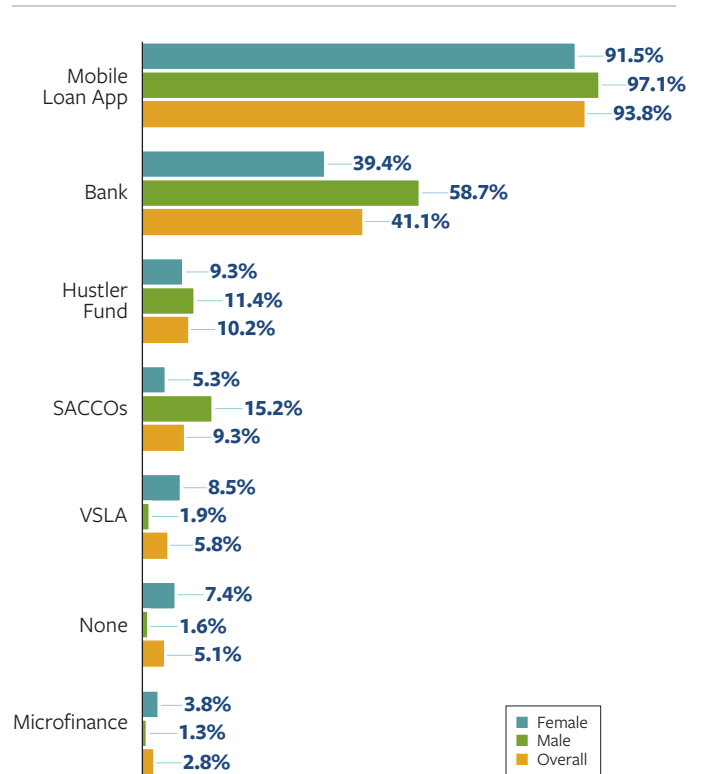
—FGD FEMALE DISCUSSANT, Nairobi

### Access to Formal Financial Systems

Access to formal financial system is key to the success of any business enterprise hence the informal sector is no exception. The study sought to find out from the respondents on their sources of finance and it was evident from the findings that a bigger proportion of them (93.8%) relied on Mobile Loan Applications (*Fuliza, Tala, Branch, Zenka, Mshwari*, etc.) as a source of formal finance with the males constituting 97.1% while the females formed 91.5%. Mobile or digital technology has had a great impact on access to formal means of finance. This was followed by reliance on the formal banks with the males still constituting a higher percentage (58.7%) compared to women (39.4%). This significant difference among the two genders in accessing the main source of formal finance could be a pointer to who owns greater capital for investment in the informal sector.

It is important to note that Hustler Fund which is a recent innovation introduced by the current government of Kenya (GoK), has gained traction among the members of the informal sector. It stands at 10.2% above some of the formal sources of finance which have been in the market longer like SACCOs (9.3%), Microfinance (2.8%), and Village Savings and Loans Associations (VSLA) system (5.8%).

**FIGURE 3.12** Access to Formal Financial Systems



The survey findings revealed that a significant proportion of respondents, 30%, cited their inability to open an account as the primary reason for not having one in any formal financial system. This was closely followed by 7.5% of respondents attributing their lack of account to ignorance of the process. Only 5% of respondents stated that they did not perceive a need for an account in any formal financial system.

The cumulative data highlights that 37.5% of respondents face barriers preventing them from accessing formal financial systems, either due to a lack of understanding of the account opening process or challenges in actually opening an account.

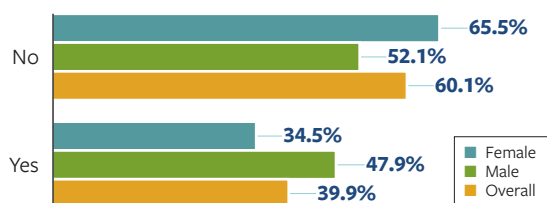
**TABLE 3.5** Purpose for the Loan

Purpose for the Loan	Gender		Total
	Female	Male	
<b>Business</b>	35.8%	65.1%	47.5%
<b>Education</b>	11.4%	4.4%	8.6%
<b>Health</b>	5.1%	2.2%	3.9%
<b>Social purpose</b>	4.4%	2.2%	3.6%
<b>Other reasons</b>	1.9%	2.2%	2.0%
<b>Rent</b>	2.3%	1.0%	1.8%

## Access to Healthcare Benefits

A healthy population contributes to a more vibrant and stronger workforce. Results found that 60.1% of the respondents reported that they have no access to healthcare benefits. It is noteworthy that women (65.5%) constituted the largest percentage of those that didn't have access to healthcare benefits as compared to men at 52.1%. At the same time, they formed the minority (34.5%) of those that had access to health care benefits through associations as compared to the males (47.9%). Inconsistency in income appears to be the reason for the low access to healthcare benefits by the female gender. The focus group discussants indicated that there is need to have a collective fund where the informal sector workers can contribute towards their health care fund.

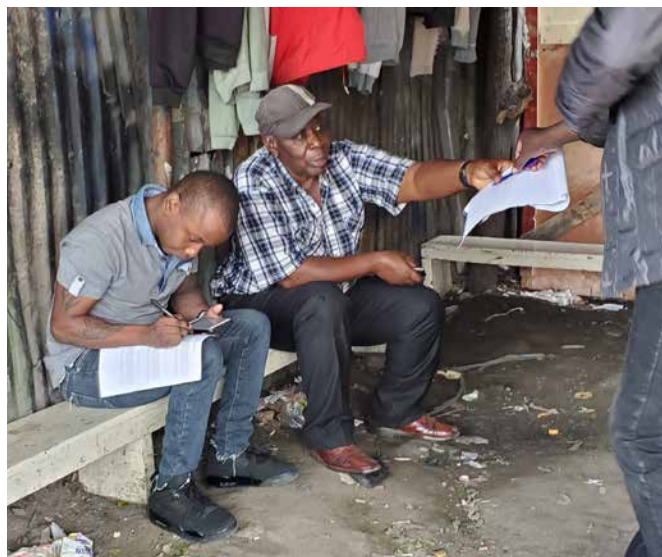
**FIGURE 3.13** Proportion Accessing Healthcare Benefits



The survey results indicate that a significant majority (82.2%) of respondents who have access to healthcare benefits through the Government's National Hospital Insurance Fund (NHIF), with self-payment being the second most common method (14.4%).

However, the study also identified barriers preventing a portion of the population from accessing healthcare benefits. Among these barriers is the inability to afford the cost of healthcare, with women comprising a higher proportion at 63.8% compared to men at 48.8%. This gender disparity highlights the pressing need for innovative strategies aimed at increasing women's access to healthcare benefits.

Moreover, a notable portion of respondents (15.9%) reported a lack of understanding of the process for accessing healthcare benefits, this notwithstanding the Government's provision for the right to social protection for all as enshrined in the Constitution of Kenya of 2010, Article 43 and the development of a strategy with clear guidelines for extending coverage and ensuring of adequate social protection interventions (2023-2027). The strategy extends social protection coverage through health insurance protection, retirement benefit schemes, maternity benefits, and improved income protection in old age, to those with children and persons with disabilities. Despite this, many informal workers are unaware of this, do not have health coverage and benefits and this affects their conditions at the workplace.



## Access to Social Protection Benefits

Achieving financial security during retirement is possible through contributing to a pension scheme. In Kenya, the primary retirement schemes include the National Social Security Fund, government employee scheme, occupational scheme, umbrella scheme, and individual pension scheme. However, despite these options, the study findings revealed that informal workers were unaware of how to register and contribute to a retirement plan, thereby missing out on the benefits of employer contributions. According to the Retirement Benefits Authority (2020), only 1.3% of informal workers are members of a pension scheme, despite constituting the largest population (83%) of working individuals in Kenya. Due to low income levels and the absence of contracts in the informal sector, workers may struggle to access social security services. Consequently, many individuals in the informal sector may face financial challenges in their later years. It is imperative for policymakers to address this coverage gap and provide accessible retirement options for all workers, irrespective of their employment status.

***“The informal sector workers should be introduced to NSSF and NHIF fund where the employer can contribute for their workers.”***

—FEMALE FGD DISCUSSANT, Mombasa

***“We also need to be sensitized and trained on the process of applying for NHIF and the importance of contributing towards the same.”***

—MALE FGD DISCUSSANT, Nairobi





# CONCLUSION AND RECOMMENDATIONS

## Conclusion

The following can be concluded from this study:

- **Socio economic characteristics of members:**

Majority (60%) of respondents in the survey were women. In terms of education, most respondents had attained a secondary level of education. 43% fell within the age range of 36 to 60 years. In relation to marital status, 56% of respondents reported being married. A significant portion (51%) of respondents, indicated having a family size of 1 to 3 members. Most (55.3%) of the respondents were earning less than Kshs. 500 per day which was inconsistent and irregular.

- **Barriers to joining the union.** Barriers preventing informal sector workers from joining unions include several factors. Firstly, there is a lack of awareness among these workers regarding the registration process, the role of trade unions, and the benefits associated with union membership. Secondly, the inconsistent income characteristic of informal work poses a significant obstacle, as it hampers workers' ability to commit financially to union membership. Additionally, poor governance strategies within the unions contribute to this issue, making them less appealing

or effective for potential members. Lastly, the presence of selfish interests among union officials further dissuades informal workers from seeking union representation.

- **Agents of Change:** The study identified three primary agents of change: access to financial services, access to healthcare services, and access to social security. These agents of change play a crucial role as catalysts for enhancing the living standards of workers. When informal workers have access to these resources, they are better positioned to improve their well-being. However, the study emphasizes that the effectiveness of these agents of change is significantly enhanced when informal workers become organized. By organizing themselves, informal workers can leverage these resources more effectively to uplift their living standards and overall quality of life. In addition, the expansion of digital technologies such as digital labour platforms is reshaping Kenya's economic landscape. The existing labour regulations fails to recognize workers on online platforms as employees, thus excluding them from basic labour rights and protection. There is need for the labour movement to advocate for regulatory frameworks which can ensure that all platform workers have decent working conditions

## Recommendations

The study makes the following recommendations:

- **Awareness Creation on Trade Unions:** Trade unions urgently need to prioritize sensitization and create awareness amongst informal workers on the importance of becoming union members. Trade unions can offer informal workers a range of tangible benefits including improved working conditions, access to rights and protections, opportunities for skill development, and a stronger collective voice in advocating for their interests.
- **Advocacy for Fair Wages and Working Conditions:** Trade unions should negotiate with employers to establish fair wages, benefits, and working conditions for their members. This includes advocating for minimum wage standards, overtime pay, and protections against exploitative practices such as unpaid work or wage theft and unfair working conditions as provided for in the Kenya Vision 2030 and the National Occupational Safety and Health Policy (2012). By ensuring that workers receive fair compensation for their labour, trade unions help mitigate income irregularities. Besides, the expansion of digital technologies such as digital labour platforms is reshaping Kenya's economic landscape. The existing labour regulations fail to recognize workers on online platforms as employees, thus excluding them from basic labour rights and protection. There is need for the labour movement to advocate for regulatory frameworks which can ensure that all platform workers have decent working conditions. Trade unions should also actively engage duty bearers such as Members of Parliament and Members of County Assembly to hold them accountable for construction of standardized facilities or structures that provide a safe and secure working environment for the workers.
- **Work Life Balance:** There is need for trade unions to educate the informal workers on the importance of prioritizing self-care, setting boundaries, and time management. This will help the workers to create a fulfilling and sustainable lifestyle that promotes success in both their career and personal life.
- **Skills Development and Training:** A mechanism should be established to recognize, grade, and certify individuals who qualify through on-the-job training, thereby incentivizing membership and attracting potential members. Additionally, trade unions could offer training programs and skill development initiatives to their members directly or collaborate with training institutions. This could help informal workers enhance their skills, improve their productivity, and access better job opportunities within the informal sector or transition to formal employment. Additionally, considering that the informal sector has inadequate level of financial literacy, it would be prudent to roll-out a financial literacy programme for the sector. Improving financial literacy will have a beneficial flow-on effect to the broader economy, increasing levels of enterprising financial behaviour and greater participation in financial services and markets by informal sector players.
- **Linkages and Information for Advocacy:** Trade unions should collaborate, facilitate linkages amongst informal workers with institutions that facilitate access to finance, health insurance and social security services. Trade unions can collectively advocate for the extension of social protection and to negotiate with employers, institutions, government authorities on behalf of the informal workers.
- **Gender Lens:** Unions should integrate a gender lens into the design and implementation of their operations to ensure that the needs of vulnerable groups, particularly women, are mainstreamed into their plans.



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## ENDNOTES

- 1 [wcms\\_743623.pdf \(ilo.org\)](#)
- 2 [wcms\\_743623.pdf \(ilo.org\)](#)
- 3 [Kenya’s Informal Economy Size | Shadow Economy | 2024 | Economic Data | World Economics](#)
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- 5 [wcms\\_820312.pdf \(ilo.org\)](#)
- 6 [https://www.wiego.org/sites/default/files/reports/files/Organizing\\_informal\\_workers\\_historical\\_overview\\_Gallin.pdf](https://www.wiego.org/sites/default/files/reports/files/Organizing_informal_workers_historical_overview_Gallin.pdf)
- 7 [Assessment Of The State Of Trade Unions in Kenya by Owidhi George Otieno—ALREI.org](#)
- 8 [ISSOS-BASIC-REPORT-ON-LINE-VERSION.pdf \(labour.go.ke\)](#)
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