

Socio-Economic Characteristics of Women Workers in the Informal Sector in the City of Palembang

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Abstract: Recently, most of the cities offer employment opportunities to women with a view of promoting economic development. This is marked by an increase in small and large scale industries within the informal sector. This leads to more competition the skilled and strong entities survive and advance. One of the things women can do to improve the financial position of their families is to work, especially in jobs that do not require formal education. This study aims at explaining the socio-economic characteristics of women working in the informal sector. The research was conducted in the city of Palembang with 16 sub-districts. The methodology employed was mixed with data collection techniques including survey, interview, observation and documentation. An open survey was conducted on 300 respondents and 4 key informants from the relevant agencies selected through purposive sampling. The gathered data was analyzed using frequency distribution for quantitative while reduction, display and conclusions were used for qualitative ones. The findings of this study established the characteristics of female workers. They are predominantly aged 25-29, married, and have high school education with an income of Rp. 0 - Rp. 200,000 daily.

1 INTRODUCTION

Life in urban areas is characteristically by challenges that need to be properly addressed. For instance, there is dense population along with limited availability of jobs, and this negatively affects the population. If there is a higher demand for jobs compared to the available opportunities, increases unemployment rate. One of the most affected section is the informal sector. According to Farinmade, Soyinka, & Siu (2018) the informal sector in urban areas is a social, economic and physical activity not taxed in a particular geographical area.

In developing countries, there is usually a large population with a low education level as well as limited skills, a challenge that calls for remedial course of action (Armansyah; Kiki Aryaningrum, 2018), the individuals with limited education and skills are more likely to choose jobs that can low requirements. For this reason, new business fields tailored to the competencies of such people should

be created. In the informal sector, the work patterns and income of employees is dictated by various factors such as education (Nguimkeu, 2014).

The private sector has jobs that do not require special levels of education and skills. According to Khan & Khan (2009) states that informal sector employment in urban areas is dominated by women. This is attributed to the fact that such jobs do not require higher education and special skills, apart from having a flexible time (Bambang & Armansyah, 2016). The time flexibility allows them to work as well as taking care of the household (Wulantari & Armansyah, 2018). Women working in the informal sector are often the breadwinners of the family. Their income are used to meet their daily needs of the family (Mohapatra, 2012), and supplements the husband's income (Bambang & Armansyah, 2016). Examples of works include trading, household assistant, and onion peeling etc.

The highly demanding urban life along with the ever increasing cost of children's' education motivates women to work in helping their husbands and parents meet family needs. Most of the works

that do not require specialized skills are generally carried out by women (Chmutina & Rose, 2018).

2 LITERATURE REVIEW

2.1 Informal Sector Female Workers

According to Deribie (2012), the number of women engaging in the informal sector is increasing, particularly because of alarming rate of migration from rural to urban areas. The unavailability of opportunities within the formal sector renders them jobless and that is why they join the informal sector, the alternative choice for job seekers. In addition, this sector is attractive to female workers because of the flexible time and low requirements.

The results of the Onwe (2013) study identified a portrait of the informal sector. He stated that "Our analysis indicates the following: first, the informal sector is continuously expanding in developing countries and has been serving as a 'safety belt' in providing employment and thus income; secondly, informal sector activities, often described as unrecognized, unrecorded, unprotected, and unregulated by the public sector, are no longer confined to marginal activities but also included profitable enterprises in manufacturing activities; third, the informal sector is largely characterized by low entry requirements, small-scale operations, skills acquired outside of formal education, and labour-intensive methods of production; fourth, the informal sector is defined according to different classifications in terms of activity, employment category, location of key players, and income and employment enhancing potential".

The above deduction is very relevant to the realities existing today. The figure of the informal sector is illustrated by the lives of unsuccessful workers. This is due to the relatively low skills, education, competitiveness, and knowledge possessed by the workers. The female workers in the sector still experience discrimination apart from being marginalized. There is no appropriate government policy to address the informal sector workers, even though it accommodates most of the workers. This research is meant to improve information and an understanding of the informal sector female workforce. The follow-up is expected to be a means of improving policy planning to the informal sector workforce, especially women.

2.2 Preliminary studies

This is a follow up of past research. The previous works include; reasons women work in the informal sector (2014), male perceptions of female migrant workers in the informal sector (2016), opportunities and challenges for informal sector female workers facing the Asian Economic Community (AEC) (2016-2017). In addition, the author borrowed from other related works such as; the development of female labor in the informal sector: the results of analysis and proxy of population census data (Hakim, 2011).

2.3 Delimitation of Research

The research was carried out in the city of Palembang, covering 16 sub-districts. The object of the study was the informal female workers. The problems studied related to the socio-economic characteristics of female workers in the informal sector within Palembang City. The social characteristics included age, marital status, and education, while the economic characteristics used were income indicators.

3 METHOD

The methodology utilized was mixed, combining both quantitative and qualitative research methods. Through this combined method, researchers were expected to obtain a more comprehensive, valid, reliable, and objective (Sugiyono, 2016). Data collection was conducted by means of surveys and in depth interviews. And the survey was conducted on 300 respondents and in depth interviews were on 4 informants. Respondents and informants selected through purposive sampling with a predetermined criteria. The survey method was chosen following its ability to obtain the general picture of population characteristics such as the characteristics of the community based on the age group, gender, education, occupation, religion, ethnicity, and ethnicity (Pitoyo, Eddy, Pande, & Sumini, 2017).

For qualitative methods, in depth interviews supported by documentation and observation was used. The survey data collected was analyzed using descriptive statistical frequencies while the interview data analysis was based on stages of reduction, display, and deductions. The validity of the data used was credibility, which included techniques for

increasing perseverance, extending observations, member checking, and triangulating data. The final results were presented using descriptions (descriptive) in form of graphs.

4 RESULTS AND DISCUSSION

4.1 Age of Informal Sector Female Workers in Palembang City

Age grouping can be categorized into 3, unproductive age (0-14 years) and (65-75 years), and productive age (15-64 years) (Bambang,

Saputra, Sukmaniar, Taufik, & Damayanti, 2016). The age of female workers in the informal sector of Palembang City range from 10 to 54 years. However, based on age classification, informal sector female workers are in the productive age group. This is in harmony with the findings of Armansyah; Kiki Aryaningrum (2017) which states that the majority of female workers in the informal sector within the City are in the productive age groups. This includes those who open small businesses depending on their abilities. Figure 1 describes in details the age groups of informal sector workers in the Palembang City.

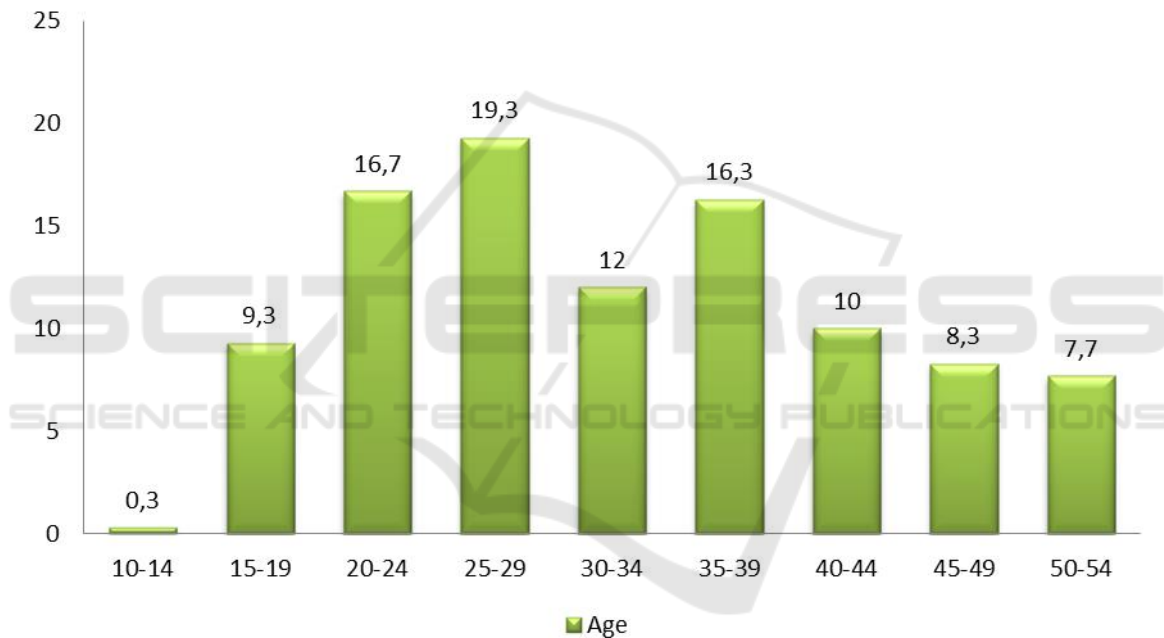


Figure 1: Age of Informal Sector Female Workers in Palembang City.

From Fig. 1, female workers can help the family economy. For instance, I_Na-01a said “I work in the informal sector because I want to help increase family income. My husband's income is not sufficient to sustain our daily life. “Data shows that 19.3 percent of female workers aged 25-29 years who dominated the sector, then followed by those at the age of 20-24 at 16.7 percent. Those between the ages of 35-39 years showed a value of 16.3 percent while those between 30- 34 years showed a significance value of 12 percent. At the age of 40-44 years they were 10 percent while at ages 15-19 years were 9.3 percent. Those at the age of 45-49 years

were 8.3 percent while the ones at the age of 50-54 years 7.7 percent. The lowest age, 10-14 years, had the minimum percentage, only 0.3% because most of them were still in school.

Some work in the informal sector on part time basis due to the inflexible working hours of full time jobs. With part time jobs, they can attend to other activities such as schooling (Bambang & Armansyah, 2016).

4.2 Marriage Status of Informal Sector Female Workers in Palembang City

The demographic characteristics and marital status for female workers in the informal sector of

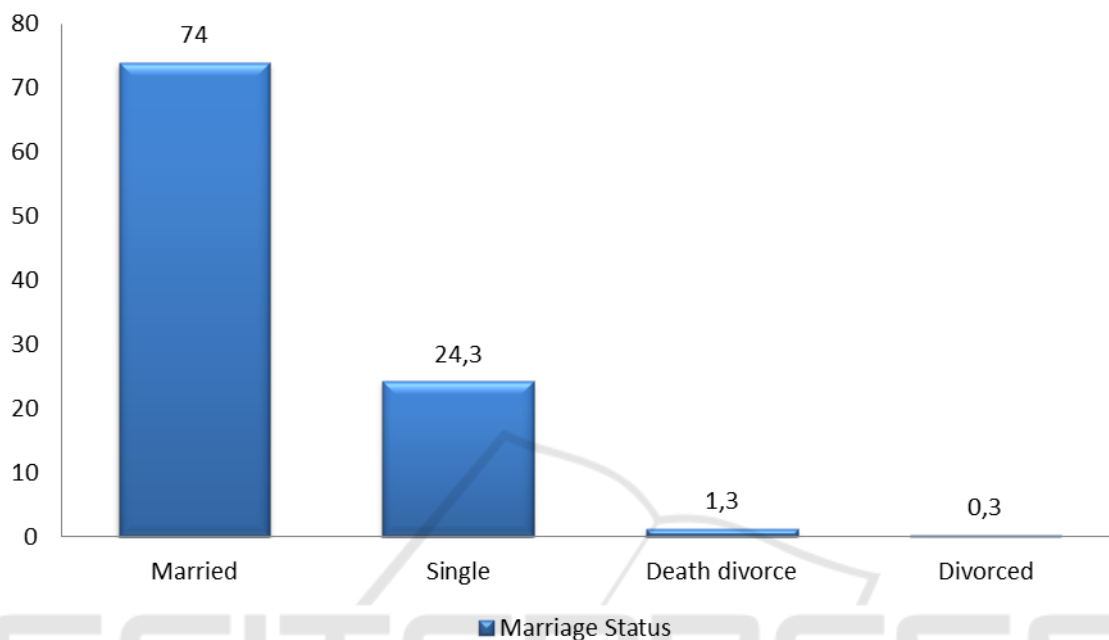


Figure 2: Marriage Status of Informal Sector Female Workers in Palembang City

The above data shows that among the female workers, the married dominates. To be precise 74 percent of female workers in the informal sector of the city of Palembang are married. When interviewed deeply, it came out clear that the reason they worked was to earn income to help reduce family burden as expressed by the informant. I_Ra-02 sentiments "my Husband's income is not enough to buy food as well as paying school fees for the children. I seek additional income by working in the informal sector". This was in accord with the study by (Bambang & Armansyah, 2016), which stated that in addition to meet economic needs, women decided to work because the income earned by the husbands was insufficient for daily needs. Meanwhile, unmarried people work to help with school and college fees as well as helping their younger siblings' schooling. They do very simple jobs such as selling pempek (Palembang Cake) and baking cakes, ice selling and so on.

For female workers not married, the figure goes up to 24.3 percent while the divorced female

workers only reached 0.4 percent. However, the income received was approximately Rp. 100,000 per day and can meet their daily needs. This is different from the female divorced workers whose goes up to 1.3 percent. With a long life experience and an ageing more than 50 years, they are able to master the art of selling land. For this reason, earn income ranging from Rp. 100,000 and Rp. 500,000. This shows a positive step in improving economic conditions and the ability to compete for employment in the informal sector, especially in large cities such as Palembang City.

4.3 Informal Sector Women's Education in Palembang City

Women who work in the informal sector can be assessed base on the level of education. According to data from the field, the demographic characteristics of the basis of education can be described in detail through the picture below:

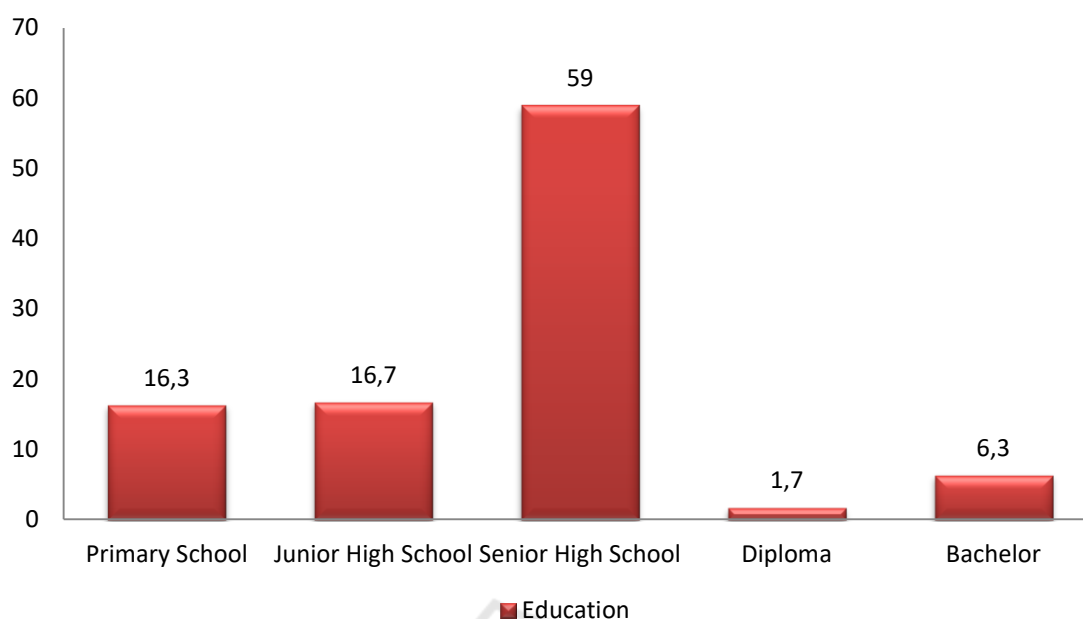


Figure 3: Informal Sector Women Worker Education in Palembang City

The data above shows female workers in the informal sector have education a higher level of education with a significant score of 59 percent. The education of female workers in the informal sector of the city of Palembang has been quite good with a predominantly high school education. Meanwhile at the elementary level only 16.3 percent showed. Female workers with junior high school education were only 16.7 percent. Those who dropped out of school after elementary or junior high school decided to work in the informal sector as stated by the informant I_Mi-03 "I only have elementary education, so I cannot work in the formal sector".

Those who work in the informal sector to had low education. Economic inability deprived them the opportunity to go to higher school (Armansyah; Kiki Aryaningrum, 2017). Leaving them with no choice but to work in the informal sector which requires no special knowledge and skill (Williams, Shahid, & Martínez, 2016). Apart from low education levels, informal sector is dominated by female workers (Dinkelman & Ranchhod, 2012). The education

level can affect the economy both at the macro and micro level (Bambang, Sukmaniar, & Saputra, 2016), either of the case, the income of informal sector workers remains affected (Bambang & Saputra, 2015).

The college level such as D1 showed only 1.7 percent and 6.3 percent at the undergraduate level, with the individuals working and study at the same time to help ease the burden on parents in paying tuition fees as well as helping their own parents' businesses.

4.4 Informal Sector Female Worker Income in Palembang City

The financial conditions of female workers in the informal sector within the city of Palembang can be seen from the level of income they generate in helping improve the family economy. This is illustrated in Figure 4 below.

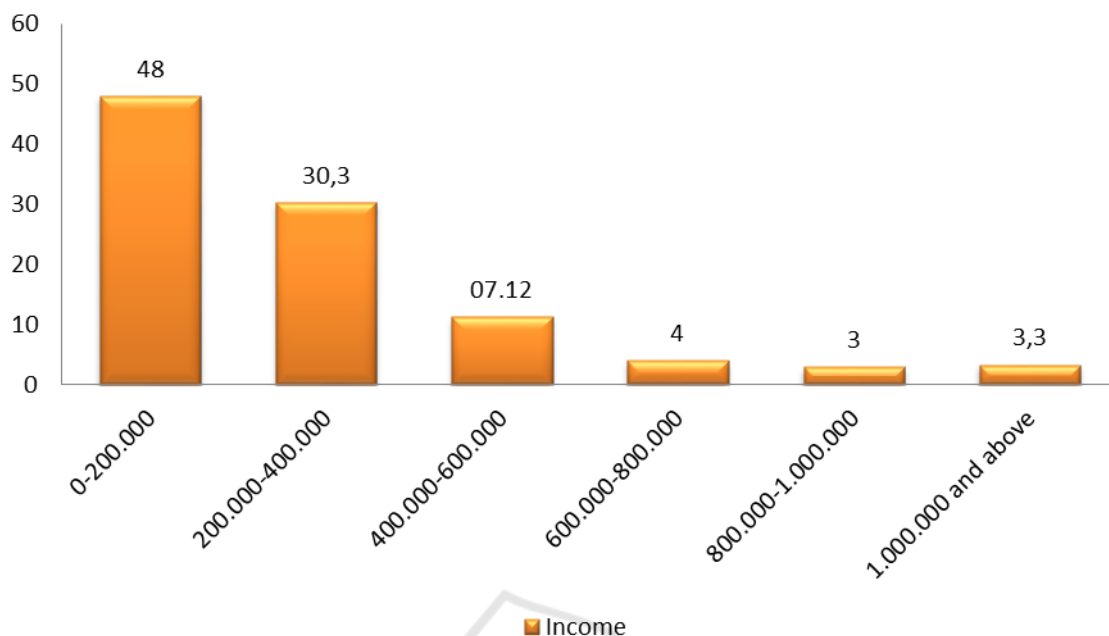


Figure 4: Conditions for Women's Workers' Income in the City's Informal Sector in Palembang

Fig. 4 explains the income of female workers in the informal sector in the Palembang City at Rp. 0 to Rp. 200,000. It dominates by 48 percent compared to the others. However, female workers in the informal sector of the city of Palembang already earn more than Rp. 1,000,000 per day with 30.3 % those earning between Rp. 200,000 - Rp. 400,000. Also, there those who earn between Rp.400, 000 - Rp. 600,000, representing 11.3%. The other income class was between Rp.600,000 - 800,000 representing 4% and Rp. 800,000 - Rp. 1,000,000 being 3%.

Based on this data, most of the income of informal sector female workers is relatively low, evidenced by Informant I_Su-04 words "My income is averagely Rp. 20,000 per day. In a month I earn only Rp. 600,000". Low income is a common feature among women working in the informal sector (de Groot, Mohlakoana, Knox, & Bressers, 2017). The same statement was similar that expressed by Lehmann & Pignatti, (2018) that informal sector workers are have income below the required minimum wage. This condition usually occurs, owing bto the fact that women in the informal sector have low levels of education (Wulantari & Armansyah, 2018).

5 CONCLUSION

The socio-economic characteristics of informal sector female workers within the city of Palembang can be assessed based on such variables as age, marital status, education and income. On the basis of age, informal sector female workers in the city is dominated by women between the ages of 25-29 years old. Most of the women in the sector are married with a good number having high school education. Nevertheless, the income generated by informal sector female workers in the city of Palembang is quite low.

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