

COVID-19 Crisis and the Informal Economy

Policy Insights No. 7

Understanding the Immediate Impacts on Waste Pickers

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Key Findings

Survey data from 499 waste pickers across nine cities in eight countries found:

- 1. Waste pickers experienced a sudden and dramtic decline in average daily earnings while costs of operating their business increased in the first six months of 2020. Economic recovery was slower for women than for men waste pickers.
- 2. The distribution of economic assistance, personal protective equipment (PPE) and food aid was limited and uneven in the first four months of the pandemic; in cities where relief was provided, waste pickers faced numerous barriers in accessing aid.
- 3. Many waste pickers relied on cooperative and family networks to cope with reduced earnings.
- 4. Most informal waste pickers reported increased occupational health hazards as the pandemic progressed, which impacted them, their families and communities.

Policy Recommendations

- Governments, together with informal worker associations, should set up local and national registries of waste pickers to provide a means for targeted distribution of crisis relief. Support for waste pickers from government and NGOs should include food assistance, cash grants and PPE, and barriers to access such as lack of documentation should be removed.
- 2. Local governments should work with waste pickers' organizations to integrate them into formal municipal management systems with contracts, legal and social protections, and other support.
- 3. To build resilience, waste pickers must be recognized as key stakeholders in emerging EPR (extended producer responsibility) systems. EPR policies should address fair remuneration for waste pickers, allocate funding to build the capacity of waste picker cooperatives, and include requirements for contract quotas for low-income worker associations.

Background

COVID-19-related restrictions, including full or partial lockdowns, have impacted an estimated five billion people globally (International Labour Organization 2020). These restrictions have been necessary to slow the spread of COVID-19, but have also dramatically increased the vulnerability of 1.6 billion informal workers, such as waste pickers.

Waste pickers—also referred to as informal recyclers, *recolectores* or *recicladores* (in Colombia), *catadoras* (in Brazil), reclaimers (in South Africa) and other local terms—are especially vulnerable because of the nature of their work: they retrieve, sort and sell discarded materials from the waste stream for meager remuneration with little to no support from public authorities.

To examine the impact of the pandemic on waste pickers' earnings, occupational health and support from public entities, we draw on data from the <u>WIEGO-led COVID-19 Crisis and the Informal Economy Study</u>. The study surveyed 499 waste pickers across nine cities in Africa, Asia and the Americas.

Cities in the WIEGO-led COVID-19 Crisis and the Informal Economy Study



- 1- Accra (Ghana)
- 2- Ahmedabad (India)
- 3- Bangkok (Thailand)
- 4- Dakar (Senegal)
- 5- Dar es Salaam (Tanzania)
- 6- Delhi (India)

- 7- Durban (South Africa)
- 8- Lima (Peru)
- 9- Mexico City (Mexico)
- 10- Pleven (Bulgaria)
- 11- New York City (USA)
- 12- Tiruppur (India)

Impact on Work

"Accessing waste has been the biggest challenge after lockdown. Most of the areas where we access our recyclables do not allow us to collect waste anymore. When we try and collect somewhere police take our recyclables away and say we are littering." — Informal Recycler, Durban, South Africa

Across all study sites, six in every 10 waste pickers did not work during peak lockdown in April. Study participants frequently cited the following reasons for not working: government restrictions on movement and work (75% of respondents), concerns about personal health (40%), and disruptions to collection and closure of sorting sites (37%).

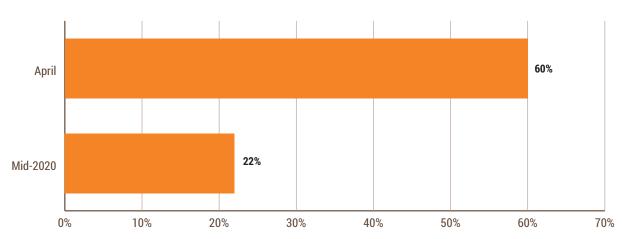


Figure 1: Percentage of waste pickers not able to work in April and mid-2020

Approximately eight in every 10 (78%) waste pickers had returned to work by mid-2020. Among those who did not return to work, health concerns (50% of respondents) and restrictions on movement (46%) were cited most frequently.

Among waste pickers who did return to work by mid-2020, supply and demand issues complicated recovery efforts. For example, 72% of respondents reported difficulty in accessing recyclable materials. Additionally, a majority of surveyed waste pickers (57%) reported fewer scrap-recycler buyers in seven of nine study sites; the exceptions were Accra and Bangkok.

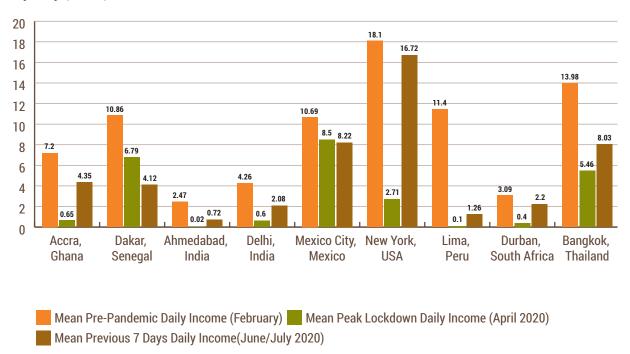
Impact on Earnings

"During COVID now you can work the whole week and you can only get a day's earnings." — Informal recycler, Accra, Ghana

"It's very difficult to not have money for food, to be unable to explain this situation to our children." — Informal recycler, Lima, Peru

Participants in six of the nine cities in the study (Accra, Ahmedabad, Delhi, New York, Lima and Bangkok) reported a mean income loss of greater than 85% during lockdowns in April compared to pre-pandemic levels in February. Average daily earnings in five of those six cities dropped below US\$1.90.

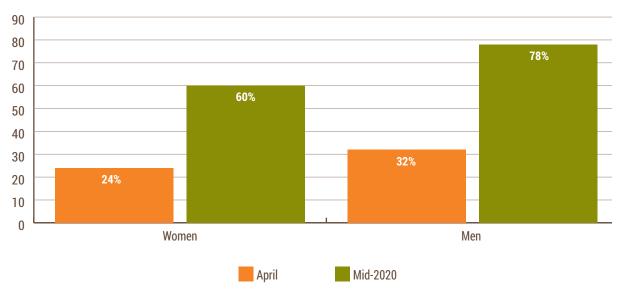
Figure 2: Mean daily earnings for pre-pandemic, peak lockdown, post lockdown by city (USD)



After the lockdowns were lifted, average daily earnings had not returned to pre-pandemic levels for any city and had worsened for many, including in Dakar and Ahmedabad.

"We are not only getting less waste but the rate [paid for materials] has also decreased. So our earnings have decreased. Before, we sold empty water bottles for about 32 rupees for 1kg, and now the value has decreased by half." — Informal recycler, Delhi, India

Figure 3: Mean daily earnings of women and men waste pickers as percentage of pre-pandemic average earnings in April and mid-2020 (%)



Importantly, the study revealed differences in economic effects by gender. In the months after the initial lockdowns, recovery was more difficult for women waste pickers than it was for men waste pickers. Specifically, women waste pickers' earnings as a percentage of pre-COVID-19 average earnings were 30% less than men's earnings in mid-2020.

Besides causing a rapid decrease in income, the pandemic increased work-related costs of waste pickers. For instance, many respondents reported additional costs for transportation (37.8%) and PPE (39.8%); only 5.5% of respondents reported higher costs for storage of recyclable materials.

"The biggest challenge that we are facing as waste pickers at the moment is that we don't have access to the hotels and retail shops that we used to have before lockdown. They do not allow us to collect waste anymore. Durban Solid Waste collects it and throws it in the landfill. And police harassment [has increased]." — Informal recycler, Durban, South Africa

Coping with Decreased Earnings

"Our economic condition stresses us and we are in despair because we do not have enough money to pay our bills." — Informal recycler, Mexico City, Mexico

Waste pickers in this study took several actions to cope with decreased earnings. Respondents most frequently borrowed money (43.7%) and drew down savings (37.4%) to cope with the economic effects of the pandemic. Such asset-eroding strategies might negatively impact the long-term financial well-being of waste pickers, which will make it more difficult to recover. Additionally, many participants reported seeking financial help from family (25.8%) or friends and neighbours (19.3%). Conversely, very few participants reported selling (9.9%) or pawning assets (7.2%) or that a family member had migrated (2.5%) to cope with decreased earnings.

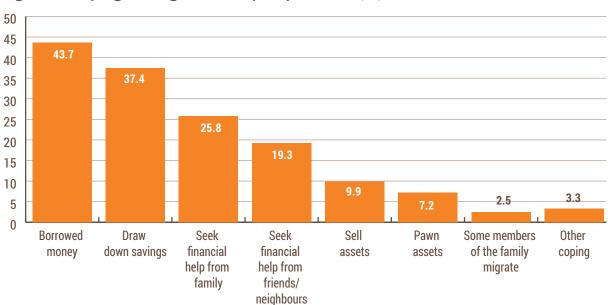


Figure 4: Coping strategies used by respondents (%)

"Paying overdue electricity bills and repaying loans will create difficulties. The lockdown is over but now, ironically, the lockdown of poorer people will begin. People will come to collect the money they are owed." — Informal recycler, Ahmedabad, India

Occupational Health Risks

"Whenever I go to pick waste, I am afraid of contracting the coronavirus. If I get infected, then who will look after me? Who will look after my children? I am greatly worried right now." — Informal recycler, Ahmedabad, India

Informal recycling is a labour-intensive occupation. Typically, waste pickers manually pick through and separate recyclables from the solid waste (i.e. garbage) stream. Before the pandemic, waste pickers faced a number of occupational health risks, including exposure to unsanitary or hospital waste, physical pain and trauma, and harassment from the public and officials.

The WIEGO study assessed waste pickers' exposure to occupational health risks in June/July (post-lockdown) compared to April (peak lockdown). The study findings showed that most waste pickers perceived increased occupational health risks from February to June: 61% of participating waste pickers reported more occupational risks post-lockdown compared to peak lockdown and 31.5% reported no change in risks.

More specifically, study participants reported increased exposure to the SARS-CoV-2 virus (46.5%), medical waste (13.7%), and other hazardous material (30.0%) in June/July compared to April. Additionally, 13.2% and 11.1% of respondents reported greater heavy physical labour and working longer hours, respectively, in the post-lockdown period compared to the peak lockdown period.

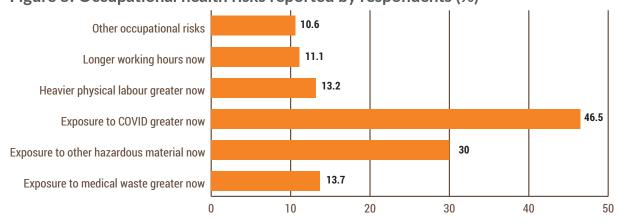


Figure 5: Occupational health risks reported by respondents (%)

(Lack of) Government Support

Historically, waste pickers have received very little support from local and national governments. Although this is changing—informal recycler organizations in many cities and countries have gained recognition in recent years—the WIEGO study found that many waste pickers did not receive any government support in the early months of the pandemic.



Figure 6: Percentage of waste pickers who received government cash grants

Approximately two-thirds of waste pickers did not receive a cash grant, economic stimulus or other form of monetary aid from the government. Similarly, more than one-half (56.6%) of respondents reported not receiving food assistance from the government. Reasons for not receiving aid varied widely by city. In many cities, including Accra, Dakar and Mexico City, aid was largely unavailable. In Durban, lack of documentation and lack of access to digital devices prevented many from accessing aid. In Lima, many waste pickers were not covered or listed in official documents, which prevented them from accessing aid. In New York, immigration status was a barrier for at least one-half of surveyed waste pickers.

"We pay taxes but we receive no support from the government. We don't have social security benefits and we don't get unemployment." — Informal recycler, New York, USA

"Yes, it was of course difficult for people who depend on their work for their daily food and water. If they have to stay at home for 2 months because of the lockdown, they definitely would be affected. We got rations from the government – rice, wheat. But you cannot only eat rice and wheat, right? You need other things – vegetables, spices, cooking gas – all that you still have to buy. That's why I was worried, where will I get the money for all this from?" — Informal recycler, Delhi, India

COVID-19 Crisis and the Informal Economy is a collaboration between Women in Informal Employment: Globalizing and Organizing (WIEGO) and partner organizations representing informal workers in 12 cities: Accra, Ghana; Ahmedabad, India; Bangkok, Thailand; Dakar, Senegal; Dar es Salaam, Tanzania; Delhi, India; Durban, South Africa; Lima, Peru; Mexico City, Mexico; New York City, USA; Pleven, Bulgaria; and Tiruppur, India. The mixed methods, longitudinal study encompasses phone questionnaires of informal workers and semi-structured interviews conducted with informal worker leaders and other key informants. Round 2 will be conducted in the first half of 2021. For more information, visit wiego.org/ COVID-19-Global-Impact-Study.

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on empowering the working poor, especially women, in the informal economy to secure their livelihoods. We believe all workers should have equal economic opportunities, rights, protection and voice. WIEGO promotes change by improving statistics and expanding knowledge on the informal economy, building networks and capacity among informal worker organizations and, jointly with the networks and organizations, influencing local, national and international policies. Visit www.wiego.org.



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