

92% of informal workers uninsured, says EPRC report

Insurance. |

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A report by the Economic Policy Research Centre (EPRC) has laid bare the scale of vulnerability facing Uganda's informal workforce, revealing that 92.9 percent of informal workers have no insurance cover.

The findings point to a labour market where most people work without contracts, without social security, and without basic workplace protections, even as the country lacks enough inspectors to enforce labour standards.

The report notes that informal employment in Uganda is defined not only by low wages and unstable work, but by the near-total absence of safety nets.

It shows that 76.6 percent of informal workers operate without employment contracts, leaving them exposed to arbitrary dismissal or abuse. At the same time, 72.2 percent make no social security contributions, and 71.1 percent receive no employment benefits such as paid maternity leave, sick leave, or annual leave.

These risks are growing in a context where Uganda's labour inspection system is severely understaffed. The report

notes that the country has only 198 labour officers nationwide and just 21 occupational safety and health inspectors. That capacity is thin compared to an employed population of about 10 million, meaning millions of workers are effectively outside the reach of state protection.

"In addition to the above human resource capacity gaps, various legal and institutional coordination constraints weaken the country's labour inspection functions," the report states, highlighting that poor enforcement is not only a staffing issue but also a governance problem.

One of the challenges, EPRC argues, is the fragmented institutional structure of labour inspection. While labour officers are deployed at district level by the Ministry of Public Service, oversight from the Ministry of Gender remains weak. This decentralisation has created gaps in coordination and accountability, leaving inspections inconsistent and often ineffective. The report also warns that Uganda's labour laws have failed to keep pace with new forms of work.

Ms Rehema Kahunde, a research analyst at EPRC, says the law is poorly aligned with emerging gig and digital platform jobs that are rapidly expand-

ing in urban economies. "For example, ride-hailing platforms like SafeBoda and Bolt classify riders as independent contractors, leaving them without contracts, social security or paid leave despite exercising control akin to traditional employment," she says.

National Social Security Fund (NSSF) echoes these concerns, noting that most Ugandan workers remain outside social security systems because the informal sector is large, mobile, and difficult to regulate. In its own assessments, NSSF cites several barriers to expanding coverage, including a lack of written contracts, employers' resistance to inspections, low enrolment in existing schemes, and weak social protection policies.