

Marginality, Social Exclusion, Labour Force Participation and Urban Poverty: A Case Study of Lahore, Pakistan

KANWAL ZAHRA, TASNEEM ZAFAR, and MAHMOOD KHALID

Labour has always been considered as major source of income and livelihood, and the labour market of Pakistan which provides an important source to alleviate poverty and raise the standard of living. The characteristics of labour i.e. age, gender, location, caste and religion makes labour market highly segmented. And these factors often make buyer bias which indeed causes a discrimination and exclusion in labour market. This study tries to investigate the issue of social exclusion which has been faced by marginalised class in labour force participation. While analysing trends of marginalised labour force participation, the role of social networks also take into account. The marginalised labour force has been selected based on religion and gender (minorities, women, transgender) which is the part of formal and informal labour market of the city Lahore, Pakistan. The study use logit modelling to analyse the role of social exclusion and other determinants in labour force participation of marginalised class and also evaluate the role of labour force participation in the poverty status of marginalised households. Results show a strong effect of social exclusion on labour force participation and poverty.

Keywords: Social Exclusion, Labour Market Segmentation, Social Network

I. INTRODUCTION

Household income is vibrant in nature and households can move in and out of poverty over time, but some of them get trapped in a cycle, a cycle of unemployment, low pay and poverty, it can be translated in two ways, cycle of worklessness cause cycle of poverty or vice versa. People are poor because they have fewer opportunities to earn better income, and on the other hand the less income restricts them to spend freely. There are number of problems related to household earning and make-up of their home, the important issue is the broken spell of employment or temporary employment, the issues of migration, health etc. these issues be ignored while identifying the cycle of unemployment, poverty and low pay [Goulden (2010)].

In Pakistan, the growing rural-urban migration is no doubt a big issue for the city management but the employment opportunities of native citizens is also a burning issue for policy makers. Around 10 percent of migrant population came for earning purposes from rural to urban areas in 2010-11 in Pakistan. While 25 percent urban labour force

Kanwal Zahra <kanwalzahra1@yahoo.com> is Assistant Professor, UCP Business School, University of Central Punjab, Lahore. Tasneem Zafar <incharge.eco@gc.edu.pk> is Assistant Professor, Department of Economics, GC University, Lahore. Mahmood Khalid <mahmood.khalid@pide.org.pk> is Research Economist, Pakistan Institute of Development Economics, Islamabad.

comprised with unskilled labour force among them 23 percent population earned less than 10,000 monthly income [LFS (2011)]. A major proportion of this unskilled group is living a deprived life, among them major deprivation exist among marginalised communities, who face social exclusion and in turn worklessness

In the traditional view and transformation in the concept of labour market behaviour and labour force participation, the disadvantaged class has been ignored. Primarily it consists of marginalised class of the country. The main thrust of our work is to target marginalised class of Lahore city that resides in katchi abadies or slums and have limited access to labour market opportunities. The study also takes into account Sen's (2000) observation that social inclusion can cause social exclusion. In current situation of labour market, the working poverty is creating more issues for policy makers especially among disadvantaged class. The study aims to identify determinants of labour force participation and working poverty and focuses on the main determinants of labour force participation and working poverty along with exploring the role of network ties in their job search behaviour and poverty. The study targets marginal class and tries to explore the social exclusion which they face while participating in labour market or find job opportunities. Therefore this study mainly work in the domain of labour force participation, social exclusion, role of social networks in job search and poverty which they face in routine life.

The paper is followed by a literature review which tries to explore the labour market behaviours for socially excluded people; helps to develop our hypothesis, Section III explains data issues and sample selection, while we describe the condition of marginalised labour force in Section IV Further empirical model for investigation and results are developed in Section VI and Section VII concludes this paper.

II. LITERATURE REVIEW

The lack of equal opportunities to certain social groups in basic socio-economic and political functioning of society leads toward social exclusion [Throat and Nidhi (2010)]. This social exclusion affect population of all ages but population fall in young age may affect more and face poverty in long run due to restricted access to socio-economic opportunities in the society [Braziene and Gediminas (2011)]. A number of literature covered issues of social exclusion, poverty, social networks etc. [Partha, *et al.* (2014); Hiekkinen (2000); Eggers and Massy (1991); Banerjee (1983)]. Great concentration has been assigned towards defining multidimensional poverty, relationship of poverty and unemployment [Wagle (2010); Knuth and Thorsten (2002)], and labour market prospects of socially excluded class and role of their social networks in job search [Hiekkinen (2000)]. However, the relationship of labour market opportunities and poverty among socially excluded class keeping their network in relationship is rather limited. In context of defining exclusion in capitalist societies, Wiber (1968) explained it in detailed manner. He defined certain types of communities that enjoyed social honor due to race, ethnicity or religion, he further included educated class, working class, high caste in these communities. These communities are enjoying socio-economic activities with each other and at same time they have very limited interaction with social inferiors and these status group has a monopolist nature and seek for such kind of work as well. Keeping this view into mind Thorat and Attewal (2007) analyse discrimination in

selection and recruitment process in Indian private sector and found existence of discriminatory process even at the first stage of recruitment process against Muslims and low caste Hindus. Thorat, *et al.* (2009) studied the exclusion of college educated Dalits and Muslims in India. They in fact tried to note the process that makes these Dalits and Muslim minorities exclude from hiring process in top Multinational Corporation and leading Indian companies. They quoted number of studies that covered issue of discrimination against caste and religion in Indian labour market. To study present day discrimination in job market of modern urban economy of India, they designed a field experiment methodology. They replied to job advertisement of leading companies by sending three application to each call for the job i.e. upper class Hindu, Dalit and as Muslim and analyse the first stage discriminatory process. Their findings confirmed the presence of exclusion in modern job market as it was in past to the margins of traditional Indian economy. It is not limited to education but it is infused in private sector as caste discrimination in present day economy. Discrimination in labour market by using the same methodology has been tested by Kaas and Christain (2010) in German's labour market. They checked discrimination in labour mark by responding to 528 advertisements for student internships, two applications on similar call were sent, one with a German name and other one with a Turkish sounding name. They found discrimination against Turkish sound name as German names received 24 percent more callbacks. Eva and Raymundo (2013) used the same method in Mexican labour market to test two hypotheses of discrimination due to native language and marital status of women labour. They also used photographs representing different belongings as well as randomly varied marital status across gender and phenotypes. Findings again proved discrimination in labour market of Mexico. Similarly Susan, *et al.* (2000) targeted evaluation of risk of working poverty among labour force from different natives (broadly Latino and non-Latino). They found sizeable ethnic differences in human capital, employment positions and labour market context. Partha, *et al.* (2014) elaborated exclusion from labour market in context of developing economies. She is of the view that working poor often face exclusion from labour market because of informal sector belongings and this cause job insecurity and low wages for them.

An important aspect of exclusion which has been study in literature is gender based exclusion, literature reported such exclusion in almost all areas of the world either developed or developing [Malhotra and Degraff (1996)], Kantor (2008) associated exclusion or limited inclusion of women in labour market with labour market opportunities and outcome in case of Lucknow, India labour market. Analysis reflect that there are certain inter-related processes associated with inclusion and exclusion of women from labour market, these processes include social norms and value that do not allow women to productively participate in labour market and thus this participation has an insignificant effect on women's development and term of incorporation.

We cannot ignore the fact that lower income households in developing countries face more challenges than developed countries. They face great challenges in improving their standard of living in socio-economic and political context. Even their labour market behaviour is shaped with their family protected behaviour, cultural differences in acceptability of women at work and ethnicity [Malhotra and Degraff (1996)]. In same lines, the exclusion in term of gender discrimination also has a different face in these

countries. Nichola (2013) explains the same issue in context of Bangladesh culture, where male household head tries to meet with all socio-economic challenges alone, in special cases, when he allows his female household member to work and share burden with him, then that sharing again consist of a very short term phase, he use this as short term mean of survival. Therefore, female employment is not a choice, but rather a need of survival in urban Bangladesh. He is not focusing on women empowerment but the main objective of his paper is to see male and female perception on female employment by using qualitative research techniques. The male household heads effectively excludes them from labour market, even with working female partner; they are not ready to give her authority of household decision making and other related issues.

These excluded groups are normally working in informal sector at lower wages; another aspect which cannot be ignored among them is the social connections. They use somehow their connections to find better jobs in the field. Society builds with the help of relations among individuals networks made up ties between them [William and Joan (2008)]. An individual tries to get information about available jobs from different sources and focuses on personal ties that provide information about available jobs, while some of the individual use bureaucratic structure for this purpose [Granovetter (1973)]. These networks help to find more resources as well, Granovetter (1973) elaborates bridges between individuals, if a person (A) is connected to a person (B) and at same time person (A) is also connected with other person (C) then there is a bridge between person B and C and that bridge claimed as a weak tie.

Lack of social ties sometimes present a structural barrier in finding job especially in case of lower education attainment; however in some circumstances it can break with the help of skills and education. In same lines David (1999) tried to develop a link between network and ability to find job among inter-city residents. He found ethnic and racial differences in finding job and developing social networks. The network ties can further elaborate in the form of weak and strong ties, both has a significant impact on individual job search behaviour, educational status also plays an important role in defining social networks for job search, normally illiterate or low educated relies more on networks than highly educated workers. Wahba and Yves (2005) tried to evaluate the impact of size and quality of social networks on job search process in Egypt. According to them, the information about jobs is the crucial component, and it can be done with the help of employed friend, as he is employed so he spread information to his relative and friend about the job searcher. And this effect is stronger for uneducated people than educated one. They empirically test the probability to find job through social networks with the help of labour force survey of Egypt and employed logistic regression analysis. Their findings support their theoretical model.

Literature also gives great importance to the theory of networks and examines diversified nature of issues related with networks and labour market. It throws light on the social networking behaviour of entire community, poor class and marginalised class [Roberta, *et al.* (2013); Adam, *et al.* (2011); Mark, *et al.* (2007); Gretchen (2006); Pattison and Robins (2002); James, *et al.* (1999); Toney (1976)].

Literature on social networking of marginalised and socially excluded class gives an insight that how they use networks in searching jobs in formal and informal market. Minna (2000) considered two networks ties for young people which helps them to find

suitable job, one is community tie with family, relatives, friend etc. and the other is with welfare institution. These people are at the margin in Finish labour market, facing great risk of social exclusion. Their exclusion from economic dimension does not necessarily lead themselves excluded from their social and personal networks but their perilous status in paid employment exclude them from their social vacuum. Secondly there is a lack of any dramatic difference in network size of young adults in Finland with relation to their education and employment.

Marco, *et al.* (2010) also analyse the role of social network behaviour of unemployed individuals in Germany. Keeping network theory in mind, they tried to test the hypothesis that individual with stronger network ties use network channel more often and likely to set higher reservation wages. Their findings supported their theoretical model and concluded that people with larger network transform their formal job search into informal method of job search as they consider it a passive, low cost search channel. Xianbi and Western (2011) target western labour market to explore comparative effects of market mechanism and social network by capturing human capital into account. The comparative effect includes comparison of finding job through network ties with other methods of job search. They also analysed the effect of strong and weak ties in job searching and acquisition. With the help of Social Attitude data of Australia from 2007, they came up with three major findings, first findings refers to social network with low earning and growth opportunities than market oriented job search method, while the second finding reveal that job acquisition with strong ties has lower occupational growth than weak ties and last leads to conclusion that job attainment outcomes are poor only among those without university degree with social network ties in job acquisition.

III. DATA AND SAMPLE DELINEATION

The data which is used for analysis is collected by self-administered survey from 750 households. The final sample consists of 1360 individual ranging from 14 to 60 years, the threshold has been selected on the basis of definition of working age in Pakistan. The respondents have been selected by their characteristics. As this study tries to see the impact of labour force participation and the social networking behaviour on the poverty of marginalised communities, therefore three types of population that is on margin has been selected (a) minorities (b) home maids and (c) transgender that resides within the boundary of Lahore city. Oxford (2004) defines seven types of marginalised groups in Pakistan, however this is also possible that a marginalised person can be non-poor and enjoy good status in the society. The general focus of this study on above three defined groups which broadly explains two types of marginalisation, one is religion based while the other is gender, however the selected working age population is based on certain characteristics. This study collect its entire sample of minorities from slums and katchi abadies to cover that sample which is potentially vulnerable to exclusion and discrimination, on the other hand gender based exclusion can be seen in deprived class, therefore home maids has been selected to represent female exclusion and transgender to represent a complete concept of gender based exclusion.

Each individual is asked about his or her earning level, type of employment, type of earning either daily or monthly, job related benefits provided by employer, exclusion issues from economic activity and its impact on their productivity and lives. The role of

social networks and type of social network also been covered in survey. A sound perspective of labour force participation, exclusion, networks and poverty has been asked in the survey. The distribution of respondent is as follows:

Table 1

Percentage of Respondents by Category

Category	Frequency	Percent
Minorities	897	66
Home maids	378	28
Transgender	88	6

IV. DESCRIPTIVE ANALYSIS

Table 2 given below shows the education profile of respondent by categories, the ratio of illiterate population is higher than the educated population and if educated than majority of population both male and female has education less than secondary while very few hence crossed secondary level and reached higher level of education. Statistics about minority show slightly better picture of education than families of home maids. For female labour force, situation is more critical, the proportion of educated females is less than the male but the case in home maid's families is different, here the proportion of educated female is greater than the male. Overall sample shows that the proportion rises at secondary level where ratio shows better proportion of people that have completed the secondary level. Examining the pattern of highly educated people, the proportion is very low which shows a better picture of their participation in labour force.

Table 2

Percentage Distribution of Education Profile of Respondents (Age 14+)

	Overall	Minorities	Women	Transgender
None	52.7	44.2	60.5	54.5
Pre Primary	1.1	.8	5.4	2.3
Primary	4.5	4.5	13.2	6.8
Middle	11.2	12.3	3.1	15.9
Secondary	15.8	19.8	8.0	15.9
Intermediate	6.9	8.9	1.7	2.3
Graduation	5.8	7.2	2.0	2.3
Masters	1.8	2.3	.6	-
Religious Education	.3	.1	.6	-

Table 3 illustrate the gender division in the primary activities performed by them. Majority of working age population is working to earn income, only one household reported to have child labour, while after employed population ratio, the higher ratio of working age population is obtaining education at different level, while the proportion of unemployed population is low. As expected a greater proportion of female is engaged in housekeeping and is out of labour.

Table 3

Population by Primary Activity (%age)

	Overall	Minorities	Women	Transgender
Working or Helping to Earn Income	61.0	49.7	68.0	86.4
Unemployed Looking for Work	10.8	8.8	30.3	6.8
Unemployed not Looking for Work	2.0	2.5	1.4	6.8
Obtaining Education	9.9	14.3	.3	-
House Keeping	15.1	22.8	-	-
Sick	1.1	1.7	-	-
Disable	.1	.1	-	-

Table 4 shows a sharp gender division in the main occupations performed. Among the whole sample, the majority of population has worked in low skill jobs, while very few are reported to have performed jobs at managerial level, unfortunately this ratio becomes more less or in the case of home maid's families, where very few respondents are working at managerial positions, a large number of labour force are working as service worker, labour and others.

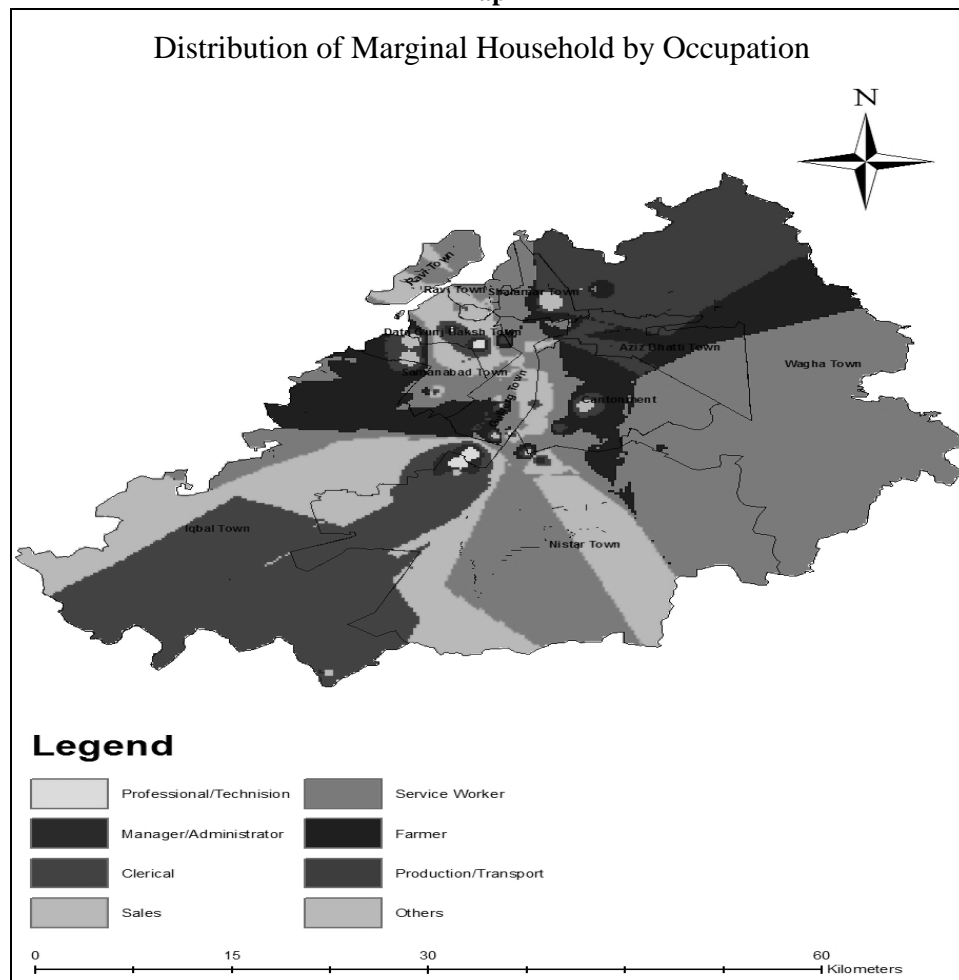
Table 4

Population by Occupation (%age)

	Overall	Minorities	Women	Transgender
Professional/Technician	5.2	3.3	1.8	-
Manager/Administrator	1.1	1.5	.6	-
Clerical	.8	.9	.6	-
Sales	3.2	3.4	3.0	3.4
Service Worker	43.7	31.8	73.4	17.2
Production/Transport	.2	.1	.3	-
Labour	16.5	15.9	17.8	16.7
Others	29.4	43.0	2.7	62.7

The category of service workers includes waiter, sweeper and other low skilled jobs which give low monetary reward. Whereas people reported within the other option in fact includes street hawkers, though being marginalised, they are concentrated in a narrow range of occupations, but among them the condition of female labour force is vulnerable, they only have restricted opportunities in manual labouring and low wage occupations. They are excluded from whole host of professional, managerial and intermediate skill occupations.

The most vulnerable fact which we found is about khawajasaraas (transgender), the lack of community support, job opportunities and skills restrict earning source for them. Around 60 percent samples of khawajasarras earn their income through unethical sources. They claim about society attitude which degrade them and they indulge themselves in such activities just to earn income for their living. Figure 2.1 shows the occupational distribution of sample with the help of a map, this map is based on GPS points of the residence of marginal labour force to see the concentration of employment in different areas of Lahore.

Map 1

IV.I. Social Network and Job Search

The use of social networks is referred by different social domains, in social sciences, labour market theory has a strong role of social network in job search [Nyoni (2012); Tona and Ronit (2011); Connie, *et al.* (2000)]. Further research reported use of social network among minorities, migrants, ethnic community and other marginal classes [Heikkinen (2000)]. This use of social networks in finding job seems common among marginal communities.

Table 5*Job Search Method by Category*

Job Search Method	Minorities (%)	Women (%)	Transgender (%)
Social Resource	74.7	77.5	83.1
Formal Method	25.3	22.5	16.9

The role of social network in job search is vibrant among minorities, 74.7 percent of total minority sample use networks in finding job in their carrier, however among women, the ratio is slight greater than minorities and around 78 percent of total women sample use social network in job search. The role of social network in finding job especially among marginal class can't be ignored, not even in developing communities; developed communities also witness the use of network in job search. Heikkinen (2000) found greater size of network among employed labour force while young people in Finland are more connected with strong network than weak network.

Table 6

Job Search Method by Job Type

Job Type	Social Resource (%)	Formal Method (%)
High Skilled Jobs	42.2	57.8
Intermediate Skilled Jobs	31.1	68.9
Low Skilled Jobs	65.5	34.5

V. EMPIRICAL MODEL

The generalised model is:

$$Y = f(X_{1i}, X_{2i}, X_{3i}, \dots, X_{ni})$$

Where Y_i is the dependent variable and X_i is the set of different independent variables related to socio-economic and labour market related variables that can determine labour force participation of marginalised community. If y^* capture the status of labour force participation either employed or unemployed then the regression equation can be written as follows:

$$y_i^* = \sum_{j=0}^k X_{ij} \beta_j + \varepsilon_i$$

In order to examine social factor that influence labour force participation of marginalised class, this work consist of two perspectives, poverty states of marginalised class (poor or non-poor) and employment states (employed or unemployed).

The logical and appropriate model that can be useful to employ is binary logistic regression model. This multivariate technique assumes dependent variable as dichotomous and independent variable either quantitative or qualitative. The probability of a category of the dependent variable by using a logistic transformation of a linear combination of the independent variables:

$$P(Y) = \frac{e^{\beta_0 \sum \beta_i X_i}}{1 + e^{\beta_0 \sum \beta_i X_i}}$$

$P(Y)$ represents the probability of having one of the categories of dependent variable whereas β_i are the coefficient values of independent variables of the model and is a row vector. The logit function is then can be written as:

$$\ln \frac{P_i}{1 - P_i} = \sum_{j=1}^k \beta_j X_{ij}$$

The Left side value is the natural log of the odds in favour of individual to be unemployed whereas β_j is the measure of change of the chance of the unemployed to be employed.

The relevant policy related variables include job benefits, type of job, working partner, social exclusion and social networking. The socio-demographic variables are age, marital status, education, health and standard of living. As far as the policy variables are concerned, age is considered to be one of the most important variables while the job benefits and job types also played an important role in reducing poverty. If there are more financial and non-financial benefits associated with a specific job, an individual can be better off when benefits are associated with his or her job. On the other hand the type of job are also associated with job security and productivity, there is more satisfaction associated with government job, while private job is assumed to be riskier than the government job [Faggio and Henry (2014); Zahir and Basit (2009); Tasci and Aysit (2005)]. The importance of working partner in reducing risk of poverty cannot be ignored, if both of family members (head and his partner) are working, they can better manage household expenses [Triebe (2013)]. Some socio-demographic variables are very important to built quality of human capital and communities with more low-skilled workers in general are more likely to experience high rates of poverty. The educational attainment as a measure of the quality of human capital is important, High educational attainment may imply a greater set of employment opportunities which can decrease poverty [Cameron (2000); Chaudhary, *et al.* (2009); Kantor (2009)]. Theory shows a fundamental impact of health on households, it is considered that the accessibility to health services directly influence the productivity of individual household [McDonough, *et al.* (2009); Zhong (2009)].

Some of the variables are derived from specific policy intervention. For example job benefits include all education, health, housing and bonuses related aspects while standard of living includes the perceived standard of living of the respondents. Survey includes some aspect to measure standard of living as per the respondent point of view. This gives an idea that how they feel themselves while moving in the society [Johnson (2014); Daniel, *et al.* (2010)]. Exclusion from labour market related issues are important to capture, theory revealed that these marginalised communities are victim of socio-economic exclusion, they face discrimination in hiring, wage determination and job related benefits [Wagle (2001); Knuth and Thorsten (2002)] and this exclusion decreases productivity and job satisfaction. Another important aspect which has been captured in this article is the role of social network in finding jobs. It is normally perceived that these communities are tied in network which helps them to migrate, to find better job and to improve earnings prospects. This aspect is captured by developing weak and strong ties. Literature made different attempts to find valid indicators, however the development and assessment of weak and strong ties is the most famous and a simple method to find network strength. The type of relationship and frequency of contact can be helpful to measure tie strength [Nyoni (2012); Tona and Ronit (2011); Kogan (2011); Heikkinen (2000), Connie (2000) Granovetter (1974)]. This paper use tie strength with the help of type of relationship, frequency of contacts and frequency of job acquisition through network. To measure tie strength and all other earlier prescribed variables, Principle Component Method has been used.

Different logistic regression model has been employed to capture the effect of labour force participation on poverty of working class or vice versa. Some studies used working poverty as dependent factor and evaluate effect of job market issues on it while some reviewed effect of poverty and job related discriminations on employment status of working class.

VI. RESULTS AND DISCUSSION

Results showed the relative predictive power of both the type of variables (policy and socio-demographic) related with whole the sample as well as with the categories of marginality and shows a comparable picture of influence of these variables on employment status and poverty status of marginalised class. Results show a mixed nature (significant or insignificant) behaviour of variables while theory also suggests the same pattern in different literature. One thing which may again be noted that the target sample of this study is comprised of minorities, women and transgender specifically living in slums and katchi abadies. The sample from these areas mainly works in informal sectors. We found a large sample of minorities working as sweepers or similar occupations, while those women were specifically selected who are working as home maids or office sweepers, the sample of transgender resides mostly in slums and difficult to target for survey, therefore study took into account the sample of transgender living in any part of Lahore. The Table 7 shows the impact of socio-demographic and policy related variables on the employment states of marginal population of Lahore.

Table 7

*Logit Estimated of Overall Marginalised Sample Population:
Dependent Variable: Employment Status*

	Coefficient	Odds Ratio	Marginal Effect
Age	-0.1513**	0.908	-0.0042
Age Square	0.0022**	1.021	
Marital Status	0.3976	1.488	0.017
Health	1.1176**	5.509	0.0746
Education	-12.459***	0.6969	-0.1579
Social Exclusion	-0.6351***	0.594	-0.4595
Job Benefits	-0.4372**	0.615	-0.2124
Standard of Living	-0.0316	1.135	0.0056
Working Partner	-4.0523***	0.198	-0.176
Job Type			
Public	-4.2892***	0.024	-0.1664
Private	-6.9113***	0.091	-0.2654
Social Networking			
Weak Ties	0.5143**	1.591	0.3564
Strong Ties	-0.4654***	0.679	-0.1688
$R^2 = 0.83$			

Significance at ***1 percent, **5 percent and *10 percent.

Table 8

Logit Estimated of Marginalised Sample Population (Minorities):
Dependent Variable: Employment Status

	Coefficient	Odds Ratio	Marginal Effect
Age	-0.1057	0.704	-0.0201
Age Square	0.00178	1.002	
Marital Status	0.3938	1.689	0.107
Health	0.6548	0.423	-0.1752
Education	1.9837**	1.037	0.0074
Social Exclusion	-0.3121***	0.716	-0.1680
Job Benefits	-0.3594*	0.675	-0.8011
Standard of Living	-0.0236	1.072	0.0143
Working Partner	-5.0788***	0.045	-0.176
Job Type			
Public	-7.3864***	0.049	-0.1018
Private	-5.1516***	0.008	-0.0838
Social Networking			
Weak Ties	-0.4721	1.451	0.4596
Strong Ties	-0.4553**	0.667	-0.1827
	$R^2 = 0.88$		

Significance at ***1 percent, **5 percent and *10 percent.

Table 9

Logit Estimated of Marginalised Sample Population (Women):
Dependent Variable: Employment Status

	Coefficient	Odds Ratio	Marginal Effect
Age	-0.1043	0.612	-0.0358
Age Square	0.0013	1.001	
Marital Status	-0.1278	1.275	0.3102
Health	-0.3553	0.652	-0.2252
Education	-0.3586	1.002	0.0854
Social Exclusion	-0.8752***	0.651	-0.2657
Job Benefits	-1.1474***	0.734	-0.6816
Standard of Living	0.4942**	1.241	0.1854
Working Partner	-4.3873***	0.695	-0.275
Job Type			
Public	-1.0785*	0.019	-0.0158
Private	1.0480	0.029	-0.1845
Social Networking			
Weak Ties	-2.0834***	1.654	0.5981
Strong Ties	-1.1980***	0.051	-0.1185
	$R^2 = 0.866$		

Significance at ***1 percent, **5 percent and *10 percent.

Table 10

Logit Estimated of Marginalised Sample Population (Transgender):
Dependent Variable: Employment Status

	Coefficient	Odds Ratio	Marginal Effect
Age	-0.14229***	0.219	-0.0927
Age Square	0.00216***	1.000	
Health	0.6275	0.549	0.379
Education	-0.59563	0.035	0.176
Social Exclusion	-0.83678***	0.652	-0.381
Job Benefits	-0.0703	0.075	-0.189
Standard of Living	-0.04253	1.366	0.252
Job Type			
Public	-1.71289	0.019	-0.0012
Private	-3.6183***	0.033	-0.294
Social Networking			
Weak Ties	-0.51509**	1.318	0.641
Strong Ties	0.16210	0.291	-0.065
	$R^2 = 0.875$		

Significance at ***1 percent, **5 percent and *10 percent.

The above table shows the determinants of labour force participation in urban labour market. As expected results show a strong influence of both socio-demographic as well as policy related variables on labour force participation. The impact of age is negative and significant on labour force participation. The variable age square captures the non-linear relationship with dependent variable, this variable positively affect the dependent variable which shows that participation of marginalised population in labour market increase when age increase, and this variables is insignificant in case of separate analysis of marginalised category, however in the case of transgender it is significant in nature. Malhotra and Debrah (1997) and Cai (2010) also shows a significant relationship of age with labour force participation however Kantor (2009) finds a both significant and insignificant impact of age and age square, she in fact divided her sample into salary based categories and found their impact insignificant in case of domestic and casual work, however in case of subcontract, she found a positive impact of both variables on employment status. The possible reason of this insignificant relation would be the exclusion of young labour force from labour market due to multiple factor i.e. lack of social networking, experience etc. As far as the other social variables are concerned, education is significant in nature with dependent variable. Education is always being considered as an important determinant of labour force participation, Kantor (2009) also shows a significant impact of education on labour force participation. The education variable comprised of only literate and illiterate categories, as all variables related to education e.g. below metric, higher education, technical education are found to be insignificant with the dependent variable. In case of the whole sample and minorities, the variables show a significant and positive impact as reported in literature, chances of getting employment increases by 15 percent more than the illiterate person, however in case of women and transgender, the findings shows it to have an insignificant relation

with the employment decision. The possible justification of having education significant in case of one cluster and insignificant in others could be the composition of respondent working in different fields like the sample of women comprised of home maids and office sweepers are not very concerned with education. Similarly sample of transgender also associated with some poor nature of work where education is not a strong determinant, therefore this variable found insignificant in our case. The role of standard of living is also found to be important in many studies and it is tested in different manners and dimensions. For example Johnson (2014) tried to develop a link between house price and female labour force participation while Daniel, *et al.* (2010) takes into account home appliances as determinant of female labour force participation. In case of overall sample, minorities and transgender, this variable is insignificant in nature, however in case of women worker this variable shows a significant and positive impact on dependent variable. The findings confirms previous research that women associated with house maids or office sweepers related work are more concerned with their standard of living. They enter or exit the job market based upon changes in their standard of living. The role of working partner is found to be important in many studies [McGinnity (2002); Triebe (2013)]. The concept of “linked lives” is important for married labour force, they have a significant impact of working partner on their employment decision. In case of our sample, it is significant for all cases, results shows a decrease in the willingness to be employed by 27 percent among sample of women who have partner earning money as compare to non working partner. On the other hand we found marital status insignificant with employment decision. Kantor (2009), Salway, *et al.* (2003), and Stoloff, *et al.* (1999) found an insignificant nature of relationship among employment decision and marital status.

The role of policy variable in defining job prospects is significant; the study takes important policy aspects related with job into account. As the study takes into account some specific and poor pockets of Lahore, this class is found to be more influenced towards job benefits as they are mostly working in informal sector. The variable job benefits as discussed earlier is derived from different factors associated with financial and non-financial benefits of job is significant with employment status. This variable is significant in all cases except transgender and shows a negative relation with dependent variable. The sign indicates that the more the job benefits, the lesser chance to be unemployed or out of employment. Its coefficient in case of women workers shows more concerns of job benefits. This variable also found to be significant in literature as Lee and Jai (2014) shows a significant effect of job benefits on employment prospects of labour force. The sector of employment especially in developing countries is very important, people feel more secure while working in public sector [Faggio and Henry (2014); Zahir and Basit (2010), Tasci and Aysit (2005)]. Results shows a significant negative effect of both public and private sector employment on job prospects, however in case of women labour force, private sector employment shows insignificant impact, it could be the results of job insecurity associated with private sector employment for female labour force.

According to Zahra and Zafar (2015) social exclusion is the later stage of marginality and a marginalised person is stuck in poverty when he or she faced social exclusion. Results show a negative and significant impact of social exclusion on

employment prospects which leads to the conclusion that if there is a decrease in the extent of social exclusion, the participation of marginalised labour force will increase. The people normally work in informal and low skilled sector and face real challenges in finding jobs. They normally need reference in finding job, Nyoni (2012), Tona and Ronit (2011), Kogan (2011) and Heikkinen (2000) also indicate the importance of social network in finding jobs. Previous literature shows that networks normally help to find jobs in the labour market, Granovetter (1974) throw light on the strength of ties and conclude that weak ties plays more important role than strong ties. Findings revealed that as women workers strongly depend on their network for their jobs because they are associated with sweeping, therefore strong and weak ties helps them to find work, on the other hand minorities depends on strong ties due to restricted interaction with the rest of community, and overall sample shows a significant reliance on weak ties which confirms Granvetter's (1974) strength of weak ties.

Table 11

*Logit Estimated of Overall Marginalised Sample Population:
Dependent Variable: Poverty Status*

	Coefficient	Odds Ratio	Marginal Effect
Age	-0.1513**	0.869	-.00021
Age Square	0.0022**	1.001	
Marital Status	0.522	0.5889	-0.0068
Health	1.1176**	1.6657	0.0697
Education	12.459***	5.2833	0.2162
Social Exclusion	0.6351***	1.3111	0.3481
Job Benefits	-0.4372**	0.619	-0.0061
Standard of Living	-1.0316	6.2962	0.0024
Working Partner	-4.0523***	1.0266	0.090
Job Type			
Public	0.6651***	1.9447	0.094
Private	-0.9113***	0.4825	0.595
Social Networking			
Weak Ties	0.5143**	0.995	0.401
Strong Ties	-0.4654***	1.428	0.530
$R^2 = 0.83$			

Significance at ***1 percent, **5 percent and *10 percent.

Table 12

Logit Estimated of Marginalised Sample Population (Minorities):
Dependent Variable: Poverty Status

	Coefficient	Odds Ratio	Marginal Effect
Age	-0.1057	0.767	-0.0044
Age Square	0.00178	1.003	
Marital Status	0.3938	0.551	-0.0098
Health	0.6548	1.767	0.047
Education	1.9837**	1.956	0.111
Social Exclusion	-0.3121***	1.141	0.2172
Job Benefits	-0.3594*	1.556	-0.7294
Standard of Living	-0.0236	6.195	0.0304
Working Partner	-5.0788***	2.356	0.1410
Job Type			
Public	-7.3864***	1.532	0.0703
Private	-5.1516***	0.403	0.1501
Social Networking			
Weak Ties	-0.4721	1.522	0.6927
Strong Ties	-0.4553**	1.634	0.0811
$R^2 = 0.88$			

Significance at ***1 percent, **5 percent and *10 percent.

Table 13

Logit Estimated of Marginalised Sample Population (Women):
Dependent Variable: Poverty Status

	Coefficient	Odds ratio	Marginal Effect
Age	-0.1043	0.534	-0.0054
Age Square	0.0013	1.007	
Marital Status	-0.1278	0.331	-0.012
Health	-0.3553	1.419	0.371
Education	-0.3586	1.666	0.081
Social Exclusion	-0.8752***	1.082	0.312
Job Benefits	-1.1474***	1.625	-0.312
Standard of Living	0.4942**	4.122	0.162
Working Partner	-4.3873***	1.231	0.241
Job Type			
Public	-1.0785*	1.474	0.0027
Private	1.0480	0.331	0.0241
Social Networking			
Weak Ties	-2.0834***	1.251	0.631
Strong Ties	-1.1980***	1.471	0.174
$R^2 = 0.866$			

Significance at ***1 percent, **5 percent and *10 percent.

Table 14

Logit Estimated of Marginalised Sample Population (Transgender):
Dependent Variable: Poverty Status

	Coefficient	Odds ratio	Marginal Effect
Age	-0.14229***	0.534	-0.0054
Age Square	-0.00216***	0.087	
Health	0.6275	1.021	0.445
Education	-0.59563	1.289	0.062
Social Exclusion	-0.83678***	1.126	0.554
Job Benefits	-0.0703	1.025	-0.092
Standard of Living	-0.04253	4.001	0.321
Job Type			
Public	-1.71289	1.074	0.012
Private	-3.6183***	0.231	0.0836
Social Networking			
Weak Ties	-0.51509**	1.333	0.716
Strong Ties	0.16210	1.271	0.143
	$R^2 = 0.875$		

Significance at ***1 percent, **5 percent and *10 percent.

At a later stage of analysis, we also try to find the impact of labour market related variables on poverty status of surveyed population (Table 14). The analysis again shows finding of overall sample, and then findings of three separate clusters. The variable age is significant in case of whole sample and minorities, but insignificant in other cases; similarly age square which we use to capture nonlinear relationship is significant only in case of women while insignificant in other cases. Wagle (2011) found a significant impact of age on poverty states on one data set while in similar study he found an insignificant impact of age for other data set. In same line Bradley, *et al.* (2001) shows an insignificant impact of age and age square on poverty status of people who are in labour market. The other variable related with demography is marital status, which is found to be insignificant in our case. Wagle (2011) and Bradley, *et al.* (2001) also found an insignificant impact of marital status on poverty. Both studies split this variable into subsample i.e. married, divorced or widowed, and found insignificant impact of all variables on poverty status. This variable is not applicable for khwaja Saraas (transgender). The role of working partner on poverty reduction is proved to be significant in literature. McGinnity (2002) and Triebe (2013) found that the household faced less poverty traps when partner of household head is working and helping to earn income. In the case of our sample, this variable is significant with negative relation which leads to prove the hypothesis that the helping hand of HHH's partner makes household out of poverty.

Employment and the quality of employment is important for poverty reduction, the informal sector growth considered to be important through education and technical education for reduction of poverty [Earnst and Janine (2013)]. Dewilde (2004) found an increase in educational attainment would cause a reduction in poverty risk, on the other hand, Dewilde (2004) found greater proportion of population with higher education

laying within poverty. Education can play a crucial role in poverty reduction, but in our case, it is found to be significant for the whole sample but insignificant for defined clusters. The possible justification of having education insignificant to employment decision can be that more than 80 percent of the sample marginalised population are reported in working in some informal and poor nature of work, where education is not a strong determinant, the proportion of population working in professional or decent work is very low, therefore this variable is found to be insignificant in our case. The studies of Wagle (2011), Bradley, *et al.* (2001) showed insignificant impact of education and health on poverty status.

Another important variable is social exclusion in the case of marginalised community poverty assessment. This variable is significant and negative in all results and shows that the lesser chances of facing social exclusion in labour market, the lesser chances to be in poverty. Zahra and Zafar (2014) and Wage (2011) also found this variable significant in case of urban poverty in Punjab, Pakistan.

The psychology related with working sector cannot be ignored, the impact of sector either public or private can't be ignored in case of evaluating impact of job related determinants on poverty status of employees. We found inconsistency related with private sector job during interviews with respondents. The role of public sector however in our case is significant in nature. It shows that the consistency of work in public sector is greater than the private sector and chances to be out of poverty are greater while working in public sector. A sufficient sample of our survey is from Lahore Waste Management Company and some other public sector organisations, however in case of Khwaja Saraas (transgender) private sector proved to be significant in poverty reduction.

The strength of ties has been proved in many studies [Thorp, *et al* (2005), Cattell (2005), Oriana (2009)], the marginalised community is connected in clan network. The role of ties in poverty reduction is significant. The whole sample revealed strength of both types of ties in poverty reduction, however in case of minorities, strong ties proved more helpful than weak ties, on the other hand weak ties in case of transgender proved to be helpful in poverty reduction.

VII. CONCLUSION

The growing economic integration motivates rural urban migration and makes market of urban centres more competitive. This study tried to highlight issues of marginalised labour force who resides in slums of Lahore city. The study focus on the labour market of Lahore to identify to issues faced by this marginalised class. One of the considerable phenomenon is the social exclusion which this working class of marginalised communities face in job search process and during job. This phenomenon not only make them deprived but also caught them in the long term unemployment or under employment. This class mainly targets informal labour market sector and the pressure on this sector restricts job opportunities for them. The important aspect which we can't ignore is the role of their networks in job search. These people are tied with strong and weak nodes and use these ties in searching job for themselves.

The dualistic role of labour market in Lahore, Pakistan can cause a sense of social exclusion and deprivation among workers specially marginalised workers. The lack of opportunities for socially excluded young labour and the major share of informal sector

employment can cause them to remain in vicious circle of poverty. These workers cannot meet challenges of globalised service sector economies due to low level of skill and education constraints and this is the reason the share of service workers which include sweeping and other low category jobs is greater than decent work in all clusters of analysis. At the same time the majority of respondents are not educated while results shows a significant contribution of education on employment decision and working poverty among marginal working class of Lahore.

On the socio-demographic side, the analysis of this study support the theoretical framework developed earlier in the study regarding role of education and health while marital status and other variables like family size and number of children are not consistent when incorporated policy related variables. The role of perceived standard of living shows an important impact as this variable captured their perception about respondent's standard of living and this variable found consistent in case of women. As well as policy related variables are concerned, the significant impact found for all variables. The role of social exclusion which this working class of marginalised communities face in job search process and during job is found to be an important factor. This social exclusion causes discrimination in job opportunities and wage determination at time of job attainment. The role of networks ties plays an important role in finding job especially in informal sector. The study captures the use of networks in job search behaviour of marginalised labour force and found a strong use of networks in job finding.

A better understanding of dynamics of labour force participation and working poverty helps to redefine or develop social policies and policies related with labour market to support the poor. The study suggest a focus of social development programs on marginalised class includes minorities, women and khwajasaras, unfortunately when these programs target to help poor to be out of poverty, these marginalised groups were still more poor. The need of policy is the productive involvement of these groups in labour force participation. One of the most vulnerable facts about khwajasaras earning patterns and source was found in this study, around 60 percent of Khwajasaras indulge in unethical activities to earn livelihood. These people failed to find some reasonable and decent earning prospects due to education level and most important their gender issue. Community does not accept them to be part of economic activity as a common man. A fruitful policy is required to define social and economic policies for them to make them a productive and decent member of society. Greater policy emphasis needed to provide education and skill for workforce to make them competitive in the labour market.

As this study focus Lahore labour market to identified deteriorating factors faced by marginalised class of this city. However due to resource and time constraints, research area and sample size was limited. Better understanding would be possible if research on the topic will extend the cases and include more marginalised communities either within city or extend boundaries of research to different areas. The need of survey which target specifically marginalised class (as done in other countries) at country level is vibrant to include these marginalised groups into policy reforms.

REFERENCES

- Abraham, V. (2012) Wages and Earnings of Marginalised Social and Religious Groups in India: Data Sources, Scope, Limitations and Suggestions. University Library of Munich, Germany. (MPRA Paper No. 37799).

- Ahmad, A. (2011) Connecting with Work. *European Societies* 13:5, 687–712.
- Aigner, D. and G. Cain (1977) Statistical Theories of Discrimination in Labour Markets. *Industrial and Labour Relations Review* 30:2, 175.
- Arrow, K. (1971) The Theory of Discrimination. In *Discrimination in Labour Market*.
- Atherton, J. (2003) *Marginalisation*. London: SCM Press.
- Aya, K. A. (2009) Social Exclusion and Earlier Disadvantages: An Empirical Study of Poverty and Social Exclusion in Japan. *Social Science Japan Journal* 13:1, 5–30.
- Banerjee, B. (1983) Social Networks in the Migration Process: Empirical Evidence on Chain Migration in India. *The Journal of Developing Areas* 17:2, 185–196.
- Banerjee, B. and J. Knight (1985) Caste Discrimination in the Indian Urban Labour Market. *Journal of Development Economics* 17:3, 277–307.
- Bayram, N., S. Aytac, M. Aytac, N. Sam, and N. Bilgel (2012) Poverty, Social Exclusion, and Life Satisfaction: A Study From Turkey. *Journal of Poverty* 16:4, 375–391.
- Brata, A. (2008) Vulnerability of Urban Informal Sector: Street Vendors in Yogyakarta, Indonesia. (MPRA Paper 12541).
- Braziene, R. and G. Merkys (2011) How Participation in Labour Market Affects Youth Poverty and Social Exclusion? A Comparison of EU Countries. *Social Sciences* 73:3.
- Das, M. (2013) *Exclusion and Discrimination in the Labour Market*. Background Paper for the World Development Report. Social Development Department. The World Bank.
- De Tona, C. and R. Lentin (2011) Networking Sisterhood, from the Informal to the Global: AkiDwA, the African and Migrant Women's Network, Ireland. *Global Networks* 11:2, 242–261.
- Dutta, P., R. Murgai, M. Ravallion, and D. Van de Walle (2014) *Right to Work?* Washington, DC: World Bank Publications.
- Heikkinen, M. (2000) Social Networks of the Marginal Young: A Study of Young People's Social Exclusion in Finland. *Journal of Youth Studies* 3:4, 389–406.
- Knuth, M. and T. Kalina (2002) Early Exit from the Labour Force Between Exclusion and Privilege: Unemployment as a Transition from Employment to Retirement in West Germany. *European Societies* 4:4, 393–418.
- Kogan, I. (2011) When Informal is Normal, On the Role of Credentials and Contacts for the Job Entry in Serbia. *Research in Social Stratification and Mobility* 29:4, 445–458.
- Lee, G. and J. Parasnis (2014) Discouraged Workers in Developed Countries and Added Workers in Developing Countries? Unemployment Rate and Labour Force Participation. *Economic Modelling* 41, 90–98.
- Papola, T. (2012) *Social Exclusion and Discrimination in The Labour Market*. New Delhi: Institute for Studies in Industrial Development. (ISID Working Paper 2012/04).
- Zahra, K. and T. Zafar (2015) Marginality and Urban Poverty: A Case Study of Christian Community of Lahore, Pakistan. *Pak J Commer Soc Sci* 9:2, 322–335.