1.) You don't have to pay for WINZip.

2.) WinRAR is nice but after 30 days you get annoying messages saying to purchase the product, it's shareware.

3.) Try TUGZip. It's freeware and in my opinion, better than WinRAR.

   * Supports ZIP, 7-ZIP, A, ACE, ARC, ARJ, BH, BZ2, CAB, CPIO, DEB, GCA, GZ, IMP, JAR, LHA (LZH), LIB, RAR, RPM, SQX, TAR, TGZ, TBZ, TAZ, YZ1 and ZOO archives.
   * Supports BIN, C2D, IMG, ISO and NRG disc-images.
   * Support for external plugins.
   * Windows® shell integration, e.g. drag & drop, shell context menu and drop handlers.
   * Create 7-ZIP, BH, BZ2, CAB, JAR, LHA (LZH), SQX, TAR, TGZ, YZ1 and ZIP archives.
   * Script support which allows you to make automated backups.
   * Basic features like: add, extract, delete, rename, run, view, checkout, install, test, comment, SFX, virus-scanning, disk-spanning and much more.
   * Repair corrupted ZIP and SQX archives.
   * Can extract multiple archives at once using Multi Extract.
   * Encrypt archives using 6 different algorithms. Blowfish (128-bit), DES (56-bit), Triple DES (168-bit) and Rijndael (128-bit, 192-bit and 256-bit).
   * Create self-extracting encrypted archives.
   * Automatic updates using the "Web Update" function.

http://www.tugzip.com/