

## **MODULE 3: GENDER AND THE INFORMAL ECONOMY**

## MODULE 3: GENDER AND THE INFORMAL ECONOMY

- Module objective
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- Facilitator/presenter's key talking points and messages:
- Group work
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### 3.1 Objective

- a) The overall objective is to provide trade unions with the analytical capacity to understand the role of unions in organizing the informal economy with the specific intention to stand up for informal economy women workers and those specific issues that are most important for women workers in the informal economy;
- b) to understand the linkages between feminized poverty and the informal economy .

### 3.2 Strategy

Session structure	Theme	Materials	Time required
<b>Opening</b>	Inform and explain main purpose and procedures of session	Powerpoint/Flip chart	15 minutes
<b>Key talking points and messages</b>	a) What is the informal economy?	Powerpoint/ Flip charts	30 minutes
	b) Women workers' concerns and other gender dimensions of the informal economy	Video or Power point/Flip chart	45 minutes
	c) Comprehensive strategy required and the trade unions' role: guidelines.		60 minutes
<b>Group work</b>	a) Examine the informal economy in your country, the efforts at unionization, and the lessons identified, especially the coverage of women and other gender	Flip charts	120 minutes

	<p>questions. Present group results in plenary. <b>OR</b></p> <p>b.) Examine the informal economy, the problems encountered in particular by women in this economy, what has been done to tackle them and what still needs to be done.</p> <p>Present group results in plenary.</p>	Flip charts	45 minutes.
<b>Wrap up</b>	Summary of main points and issues raised in session.	Flip chart	30 minutes

### 3.3. Facilitator/ Presenter's key talking points and messages

#### a) What is the informal economy?

The informal economy, in contrast to the formal economy, consists of economic activities that are often not recorded in statistics, not registered, not protected nor covered by labour and other relevant laws of the state. The individual activities tend to be very small in size. In place of the earlier term of informal sector, the current trend is to use informal economy because the activities do not fall into one sector only but span several in both urban and rural areas.

The 15<sup>th</sup> International Conference of Labour Statisticians (1993) defined informal enterprises as private unincorporated enterprises whose size in terms of employees is below a certain threshold to be determined according to national conditions (but are usually small) and which are not registered under specific forms of national legislation. The informal activities and the people operating them, in urban and rural areas, tend to be very marginalized and vulnerable. They often have little capital, low skill and productivity levels; irregular or low incomes, long working hours, lack of access to information, training and technology. Poor people are attracted to the informal economy because of its ease of entry. Other characteristics of the informal economy are: labour intensive technologies, high levels of competition; production of low quality goods and services; limited capacity for accumulation of capital and restricted access to credit and other services; and lack of social protection and stability of relationships of production. Additionally, the informal economy is not covered by labour legislation and, therefore, the workers operating in it cannot defend their fundamental rights. Their work places are often unsafe and unhealthy. One of the significant features of the informal economy workers is that they tend to be poor because of the aforementioned characteristics.

The workers in the informal economy are of diverse types. They include own-account workers like street and market hawkers; paid domestic workers in household employment; home workers; operators of micro-enterprises in self-employment or working with family members or a few apprentices; family workers who are not remunerated; and some casual wage workers. Home workers, for example, are often invisible, work long hours and also have income insecurity and are also very poorly paid. They lack networks. Domestic workers also tend to be hidden and isolated. They tend to be migrants, mainly women and girls (child labour), from the rural areas (or other countries).

While some of the informal economy workers may have their own associations, many remain unorganized and therefore, weak to defend their rights. Their organizing should thus constitute a priority for the trade unions as an important channel for empowering them.

As the formal economy is not expanding appreciably in size in Africa (the public sector has, for example been shrinking), it is rather the informal economy that is growing in leaps and bounds as a survival strategy for the jobless and the poor. Therefore, in sub-Saharan countries the informal sector is larger than the formal sector in terms of the numbers of workers participating in it. It is also important to note that there are close linkages between the formal and informal economies. Some of the outputs of the informal economy feed into the formal and vice versa.

*(The facilitator can ask the participants to give examples of other linkages between the formal and informal economies and to discuss them.)*

In the developing world, especially sub-Saharan Africa, the majority of workers are found in the informal economy. For example, according to the ILO (2001), work in the informal economy currently forms 80 per cent of non-agricultural employment, over 60 percent of urban work, and over 90 per cent of new jobs. Thus sub-Saharan Africa has the highest proportion of informal to total employment. Apart from the small size of the formal economy and its limited labour absorption capacity, the ease of entry into the informal economy constitutes one of the factors accountable for this trend. Even workers in the formal economy in several of the African countries supplement their low salaries by carrying out a second income earning activity in the informal economy.

Another major development that has added to the expansion and growth of the informal economy is the downsizing of the formal economy, including the public sector under the retrenchment exercises that accompanied the structural adjustment programmes and other macro-economic policies. For instance, civil service posts reduced from 54 per cent jobs in 1975 to 24 per cent in 1993 in Burkina Faso. The informal economy then becomes the natural port of call for those who lose their formal economy jobs as well as the new entrants into the labour market who cannot be absorbed by the formal economy. Other poor people also resort to informal economic activities as a survival strategy. It is estimated by the ILO that almost 93 per cent of the jobs generated in the urban areas during this decade will be in the informal economy. While the informal economy grew at 5.6 percent annually, the formal economy's growth has been estimated as infinitesimal, less than 1 per cent. Paying special attention now to the informal economy by the unions is thus vital for the trade unions to rebuild their current dwindling membership.

## **b) Women workers' concerns and other gender dimensions of the informal economy**

There are significant gender differences in the informal economy. Unlike the formal economy, there are more women than men in this economy. For example, more than 95 per cent of the female non-agricultural labour force is reported to be in the informal economy in Benin, Chad and Mali. Apart from agriculture, the women's informal economy activities include food processing, handicraft production, and retail trade. The range of their activities tends to be more narrow compared to the diversity of men's activities in the informal economy like transport, manufacturing, construction, auto mechanics and trading. Additionally, women are more likely than men to be in the informal activities that are very small in size and escape counting including production for own consumption and invisible domestic work.

Informal economy work, on the whole, cannot be described as “decent” work as it is not secure, protected nor recognized in national budgets to enable them to receive support. The decent work deficits suffered by the workers – women and men – in this economy include the following:

- They are not covered and are, therefore, unprotected by labour and other laws. They, thus, tend to lack rights.
- Their work tends to be unstable and also with low income and other poor working conditions. Thus a high proportion of informal economy workers tend to be poor.
- They are hardly able to organize for effective representation and, therefore, have no “voice.”
- They are unable to benefit from public infrastructure and facilities and often have to rely on “informal, exploitative institutional arrangements for information, markets, credit, training or social security.”
- They are sometimes harassed and repressed by city and national authorities.
- They face unfair competition from formal sector work and products. For example, women's handicrafts have in some cases been displaced by products from the formal enterprises.
- The workers in the informal economy tend to be poorly educated. A large proportion is without any formal education at all.
- They often lack shelter for their operations and are thus subjected to the vagaries of the weather and other occupational health and safety hazards.
- They lack appropriate technology, relevant skills, access to loans and markets to be able to upgrade their operations.
- Without established employee – employer relations as found in the formal economy, informal economy workers have tended to be ignored by national labour laws.

## **c) Required comprehensive strategy and what the trade unions can do**

The strategy for dealing with the above problems of the informal economy, including those related to the gender dimensions of this economy, should of necessity cover the following main issues together:

- Promoting the employment-creating and productivity potential of the informal economy;

- Extension of social protection, welfare and regulation to activities here;
- Organization of the informal economy workers and producers to have a “voice.”

### **Promoting the employment-creating and productivity potential of the informal economy**

Despite the informal economy’s large size in terms of the numbers engaged in it, its productivity and general output and contribution to GDP are quite low. Closely linked to this is the limited investment in this area of the economy in terms of improved productive tools, and techniques. Inefficient tools continue to be used which makes tasks time-consuming and back-breaking. There is also inadequate investment in terms of training and retraining. Work quality is thus very poor. Earnings from work in the informal economy tend to be generally low. The informal economy, however, holds the key to reduction of unemployment in the developing countries and requires productive and time – saving technologies, skills training, credit and other investments to boost employment. The informal economy has sometimes been referred to as the “shock absorber” of the economic and other crises encountered by these countries. The employment and productivity promotion strategy can, however, sometimes appear to be in conflict with the strategy of extending social protection to the informal economy.

### **Extension of social protection, welfare and regulation to activities in the informal economy**

As the informal economy workers constantly face a number of risks and disadvantages, they need to be covered by social protection as a strategy to reduce these risks and to enable the workers to cope with the risks when they occur. Social protection is being used here in the ILO sense as a generic term similar to social security, namely all forms of social programmes including social insurance, social assistance, social safety nets and care that contribute to poverty reduction. Social assistance, unlike social insurance, is non-contributory and is formulated to meet the diverse basic needs. Both social insurance and social assistance form an integral part of social security. Social safety nets can be compensatory measures, such as food vouchers and cash supports, to address the negative effects of national and other policies. The ILO’s Social Security (minimum standards) Convention No. 102, lists nine such risks or contingencies to be covered, namely health care, incapacity for work due to illness, disability through work, unemployment, maternity, child maintenance, invalidity, old age and death of the bread winner.

Many of the participants and their small enterprises in the informal economy are not covered by any social protection scheme at all. Many women informal economy workers do not have access to maternity health. The informal workers’ lack of social protection is linked to the fact that they are unprotected by existing national labour laws and are also not organized by the trade unions. They resort to informal social protection including: support from relatives; making their children to work; and rotating savings-and-credit schemes as well as their own meagre savings or assets they can sell. These informal sources tend to be inadequate. When coupled with the adverse impact of HIV/AIDS on the workers and their families, the informal social protection is completely unable to meet the demands, such as for health protection and care of the dependants upon the early death of the breadwinner. Women’s care and other forms of burden increase tremendously. Innovative social protection approaches are required to assist informal economy workers including women and men.

***An initiative to extend social protection to informal economy workers***

To extend maternity protection to women in the informal economy, the ILO Global Programme, STEP\* Strategies and Tools against Social Exclusion and Poverty - and the Conditions of Work Branch (CONDIT) have started an initial research effort.

The current focus is on community-based health financing schemes which provide limited, demand-driven benefit packages of health services at affordable prices. Next to delivery with complications, normal delivery, pre- and postnatal care, many schemes also engage in preventive and maternity care training, recruit local traditional birth attendants, and organize awareness-raising activities including HIV/AIDS.

Including maternity protection in the benefit package meets an urgent need among poor women. One lesson learned so far is that schemes are most successful when they reflect specific maternity needs articulated by their members. Installing the radio transmitter is the solution which the scheme in Buhweju, Uganda uses to cope with the transportation problem. In other communities, women may choose to receive benefits not in cash but in food, clothes or medicine, thus avoiding the risk of a family member spending the money. Some schemes also cover the health care needs of the woman's husband.

Still, to the ILO, the sheer existence of maternity protection within health micro-insurance schemes is not an end in itself. Rather, to effectively promote maternity protection, the ILO wants to encourage links between schemes at the community level and national policies and programmes, especially with social security institutions.

With all the cultural and regional differences characterizing the schemes, there is no "one size fits all" solution. A set of provisional guidelines has been developed by the ILO, based on the information gathered in nine countries in Africa, Asia and Latin America. These guidelines can be used by the ILO's tripartite partners as well as by social organizations and other parties active in the health sector.

Source: ILO: Women in the informal economy: Urgent need for maternity protection, in *World of Work*, No. 45, Dec. 2002 (Geneva)

Social protection for the informal economy will entail efforts by the state, by collective social mechanisms of the informal economy workers themselves, mutual support, community-based organizations and international assistance. Furthermore, emphasis has to be given to occupational safety and health. The government can extend coverage of existing formal social insurance schemes to the self-employed and other informal economy workers. Here the rights of women and other poor people to social protection should be very much ensured and also recognition should be given to intra-household inequalities in resources. Some targeted interventions may be envisaged.

The introduction of the social protection schemes can be done on a gradual basis, such as starting from health insurance including maternity protection initially and later broadening it to include income security, family support such as a grant for expenses of school children. The people engaged in the informal economy have, sometimes, pooled their own resources together for their mutual support, such as provision of credit facilities, crèches and health services, as done by SEWA (the self-employed women's organization in India). Such informal social protection mechanisms can be strengthened by the state and other institutions.

To ensure that women have an enhanced access to these innovative social protection schemes for informal economy workers, some have exclusively targeted women and or their activities and roles, such as reproductive health, childcare and family planning.

### **Organization of the informal economy workers and producers to have a “voice”**

While the informal economy workers are yet to realize their full potential in terms of organizing themselves or being mobilized by the trade unions to strengthen their bargaining power, some significant progress has nevertheless been attained in this area. The trade unions now realize, especially in the developing countries, that promoting their survival, strength and credibility depends, among other things, on broadening their base to be able to speak on behalf of all workers. They therefore cannot continue to focus on only one segment of society, namely the formal economy workers and neglect the informal economy where the bulk of workers are engaged and also face the most problems.

The principle of gender equality is now widely accepted by the unions, but much remains to be done by them in terms of its practical application in their work. For example, they need to reflect the concerns of women, whose numbers are gradually increasing within the trade unions, in collective bargaining and the unions' other activities and refrain from neglecting the sex segregation and discrimination that exists in the larger society. Furthermore, the unions have to help the informal economy workers, a significant proportion of whom are women.

Organizing the informal economy workers is, however, not easy. The precarious nature of their work, their daily toil and moil to make a living and uncertain future often leave them no time to attend union meetings and other events. Furthermore, the informal economy workers do not represent a uniform group. The unions may not have the relevant strategies nor the resources for mobilizing the informal economy workers. Additionally, current union members who are predominantly from the formal economy may not perceive the rationale for their union's coverage of the informal economy. The informal economy workers may also lack knowledge about how union participation can benefit them. The existing labour law may not facilitate the organizing process as it does not cover the informal economy workers. The unions may themselves lack the special policies and internal structures needed for this work as their standard mobilization strategies and policies, geared to the formal economy workers, may not be effective with regard to the informal economy. The unions should, thus recognize the major challenge they face in confronting this issue.

The unions can demonstrate their relevance to the informal economy through providing such practical services as assisting the informal economy women and others to interact with city councils and local governments (for example to press for roofed and decent work premises and pipe borne water) and banks (to gain access to loans without insistence on collaterals). The unions can also help these workers to form cooperatives which will enable them to gain access to other needed services like markets and other business support services. They can organize legal literacy programmes for these workers to deepen their knowledge of the national laws that affect them as well as to sensitize them on such pertinent issues as occupational health and safety, childcare, contraceptive use and other family planning techniques. With large a number of women operating in the informal economy, women trade unionists and women's units of national and regional trade unions have sometimes been at the fore front of the unions' work here.

Additional funding is often required for this work by the unions and, therefore, resource mobilization efforts have to be made. Furthermore, the unions have, sometimes, liaised with women's groups and also adopted community-based approach to be able to reach the women and other informal economy workers.

The informal economy workers can also form their own unions if they know how to go about it. Thus awareness raising and workers' education training and advocacy work will be vital. Additionally, changes in unions' constitution, other statutes and structures may be needed as well as efforts to organize special services for the informal workers. In some of the African countries, like Ghana, Benin and Senegal, this change has already occurred. At the same time, the government may have to be lobbied to amend the labour law to also cover the informal economy.

There are some international labour standards that can guide the unions, the state and the informal economy actors in organizing informal economy workers. Among them is the Home Work Convention, (No. 177) 1996. It for example, specifies the following in Article 4:

1. The national policy on homework shall promote, as far possible, equality of treatment between homeworkers and other wage earners, taking into account the special characteristics of home work and, where appropriate, conditions applicable to the same or a similar type of work carried out in an enterprise.
2. Equality of treatment shall be promoted, in particular, in relation to:
  - (a) the homeworkers' right to establish or join organizations of their own choosing and to participate in the activities of such organizations;
  - (b) protection against discrimination in employment and occupation;
  - (c) protection in the field of occupational safety and health;
  - (d) remuneration;
  - (e) statutory social security protection;
  - (f) access to training;
  - (g) minimum age for admission to employment or work; and
  - (h) maternity protection.

With special reference to domestic workers, the unions can reach them by working with other civil society groups like women's associations and religious groups. The unions can also ensure that domestic workers can easily contact the unions. They can conduct publicity and media campaigns on domestic workers and their plight. They can lobby for national legislation to cover domestic workers and to improve their working conditions including hours of work, minimum wage, vacation, sick leave and overtime pay. They can also provide them with training.

In recent years, some of the trade unions have begun to broaden the scope of their work to include workers in the informal economy and other unorganized workers. The two case studies below on Namibia and Burkina Faso show the strategies adopted as well as the positive results gained by the informal economy workers and also by the unions.

<b>Case study of domestic workers and the trade unions in Namibia</b>
In several countries around the world, trade unions have assisted domestic workers, despite the scattered nature of their work locations, to organize themselves to seek an improvement in their very

poor working conditions, including very long working hours, very low wages and lack of job security. In Namibia, for example, before independence, the domestic workers were assisted by the National Union of Namibian Workers (NUMW) to form the Allied Workers' Union in 1990, which is currently affiliated to the NUMW. Despite its short history, about a third of the total number of domestic workers in the country are already members of the union.

Information on the Union is provided regularly on the Namibian Broadcasting Corporation, and through this, a number of domestic workers have learnt about it and applied to be members. The Union has branches in each region and a section steward at the local levels, not a shop steward. The Namibian Domestic Allied Workers' Union (NDAWU) assists its members to negotiate with their employers and also places considerable emphasis on the provision of education to them about trade unionism. Study circles have therefore been established. NDAWU is constrained by limited funds but, through organization, it has attracted financial help from some outside bodies such as the Finnish SASK for the educational project and OXFAM for a cooperative project for its members. It has also established a catering service as an income-generating activity for some domestic workers who lost their jobs. Furthermore, NDAWU plans to set up a literacy programme for its members since most of them are illiterate. By organizing, therefore, some improvements are beginning to occur in the working conditions of Namibian domestic workers.

**Source:** Date-Bah, E. : African trade unions and the challenge of organizing workers in the unorganized sectors, in *Labour education*, 1992-1993/3 , (Geneva, ILO, 1993)

#### **Case Study of women market traders in Burkina Faso and the trade unions**

In Burkina Faso, the association of women market traders in Ouagadougou and the Cissin Natenga Women's Association (together with other informal economy groups) have been affiliated to the central trade union body , the Organisation National des Syndicats Libres (ONSL) since the inception of the Union. The ONSL, compared with other unions in Africa, can almost be described as quite progressive since five women are represented on its executive board of 37 members and it also has a women's committee which is responsible for training, organization and implementation of various projects for women. Furthermore, it has organized several seminars specifically for women. The ONSL Women's Committee has set up a Market Women's Committee and also organized seminars for the leadership of the women in the different trading activities in the informal sector. When the rents of market stalls were raised following renovation of the market place, the union approached the relevant authorities on behalf of its members to have such rents reduced, in some cases by half of the original amount.

The Cissin-Natenga Women's Association, which had grown out of a literacy programme for Catholic women and now embraced various women irrespective of religious persuasion, approached the ONSL's assistant secretary for workers' education for help. The women were advised to form a women's association with specific objectives, to become affiliated to the Union and to pay a subscription fee to the Union. The association then obtained various forms of assistance from the Union including guidance from its official in charge of women's programmes, learning materials and even lamps to enable them to organize evening courses to supplement the ones organized during the day. Later, the ONSL assisted the association to apply for, and to obtain a site from the relevant authorities to construct a permanent literacy and craft centre. Moreover, the ONSL used its links with UNICEF to obtain further assistance, such as a weaving machine and soap-manufacturing plant for the centre. In addition, UNICEF trained two of the Association's members in soap manufacturing and vegetable drying. Further assistance for the centre was also obtained from the ICFTU and the Belgian General Federation of Labour (FGTB).

Through the above effort, a number of women of Cissin-Natenga have become literate and have acquired a trade. In addition, the ONSL has assisted with the sale of the products from the association's activities such as tablecloths, bracelets and woven cloth and, thus, enabled the members

to earn an income. Furthermore, the ONSL has organized courses in trade unionism for them together with the market women in Ouagadougou. The ONSL has also managed to obtain a loan from the bank for these women workers' activities.

The ONSL, through its work with the informal sector workers, has increased its membership. This work has, furthermore, made the ONSL a trade union which is adapted to the socio-economic context within which it operates.

**Source:** Date-Bah, E. : African trade unions and the challenge of organizing workers in the unorganized sectors, in *Labour education*, 1992-1993/3 , ( Geneva, ILO, 1993

In some cases, the informal economy workers formed an association and approached the trade unions for help. In other cases, the central trade union body identified the need to organize the informal economy workers. Among the benefits that the workers have gained are training, access to loans, improved work sites and marketing outlets. Outside support, such as from international trade unions and other bodies, the government, women's organizations and other civil society groups, have also sometimes facilitated this effort. On the whole, through such mobilization of the informal economy workers, these vulnerable workers have become empowered to seek solutions from city councils and governments to their needs.

### **Other relevant approaches by the trade unions**

Organizing strategies will differ depending on whether the informal economy workers are setting up their own membership-based organization or existing trade unions are reaching out to organize and represent them. Even when an existing union is not directly organizing workers, it can still assist informal or unprotected workers in several ways, for example by assisting them with capacity-building, structuring of their existing organizations and associating them with the activities of the formal trade unions. The strategies required would also depend on the specific groups of workers and their particular situation and needs.

From an analysis of the Ghana TUC's experience, other guidelines have also been identified. These include the following:

- Since the sector is heterogeneous, it is important to target existing informal sector associations as organization points rather than the individual operators.
- Focus on the problems of the various categories of operators and formulate strategies together with them to address their concerns. Note that the problems of the sector vary from one association or operator to another. Sometimes, you need to discuss their production chain with them and try to determine where their problem is actually located. Sometimes, they do not even know their own problems, and are therefore not able to trace their source.
- Improving occupational health and safety in the sector is very important some informal workers do not know the side-effects of the chemicals that they use in their work.
- Enhancement of the packaging and marketing of their products is another area where informal sector workers have a lot of problems. Assistance could be given to them to expand the market base of their products. For example, the Industrial and Commercial Workers' Union of the Ghana TUC has created a sales opportunity for the tie-dye batik producers to the Hall of Trade Unions in Ghana... arrangements are also made for them to advertise their products during national trade fairs.
- Access to credit is a further problem area..... Thus the unions can use their strength and influence to access credit for them and also ensure that the monies are paid back.....". (Ghartey and Dokenoo, 2002)

Below are other general guidelines for organizing and protecting informal economy and other vulnerable workers:

- Special outreach ;
- Awareness raising and education campaigns ;
- Changes in union statutes and internal structures;
- Special services for informal and unprotected workers;
- Inclusion in collective agreements ;
- Assistance to form own associations, unions , alliances and coalition building;
- Undertake research and identify areas you want to link up with;

### **Special outreach**

There are difficult challenges in reaching informal workers, mainly because of the differentiation among them. Some workers are home based, others are scattered over small production units that are often invisible and hard to locate and to contact. There is therefore the need to go out and look for them. Among the other special outreach measures, to be adopted by the unions, are the following:

**Use community-based approach** in conjunction with other proven shop floor organizing methods. There is the need to link up with community organizations that have contact with these workers, especially non-governmental organizations. For example, trade union workers employed in the formal economy, who have relatives or friends in the informal economy, can serve as the link between the unions and the informal economy workers concerned.

**Build bridges** between the trade union movement and informal or unprotected workers. The union experience of members and activists who have been forced out of the formal economy through retrenchment policies should be capitalized on.

**Places and times for activities**, chosen by the unions, should suit the heavy and uncertain work schedules of informal economy operators.

**Awareness raising and education campaigns** should be undertaken to focus not only on workers' legal rights but also on the benefits of unionization. One reason why women do not join unions is that they do not understand how unions can help them. A campaign strategy to transmit information can include radio and television, role play, musical performances and rallies.

**Widely publicize union successes** in improving the position of informal workers. Sharing information about mechanisms used by the unions.

**Use innovative ways** of educating and mobilizing workers. Most informal economy women have low levels of education and literacy. Alternative communication tools such as role-play, drama and songs can be effective communication tools within education programmes addressing women's issues.

**Develop leadership potential** of informal economy workers through a holistic approach that covers normal union issues such as collective bargaining and other issues that address the specific needs of such workers such as legal literacy and how to access credit among others facilities.

**Use participatory methods** and forums to enable women workers to express themselves freely.

**Changes in union status and internal structures** because some unions do not have a mandate to organize informal workers, they need to change their constitution and internal structures by creating special departments or units and allocating specific budgets for this purpose. The

women's section in trade unions can play a critical role by developing services that are relevant to informal economy operators.

### **Special services for informal and other unprotected workers**

- Job placement and business centres established nationwide help informal workers' access necessary resources, such as information, credit and so forth; they also help informal operators and vulnerable workers regularize their employment status;.
- Assist workers to deal with banks, creditors and local authorities in obtaining licenses, subsidies, marketplaces, etc.;
- Facilitate the organization of cooperatives to pursue economic and social objectives;
- Link operators to medical facilities, education benefits, medical insurance and loans among others;
- Undertake research to formulate policies, assist informal economy operators to link up with one another.

**Inclusion in collective agreements** the trade unions can also assist workers in the informal economy or those that can be described as "atypical" workers to be included in collective bargaining. Collective agreements can be extended to cover them to give them access to benefits and also to enable them bargain for the regularization of their employment status.

### **Assistance to form own associations/unions and alliances and coalition building**

Trade unions have different options for organizing informal or unprotected workers. Whatever option is decided on should have the endorsement of current union members.

These options are:

- to amend the trade union constitution or statutes to include informal workers as direct members. This means the union would have to widen its interpretation of the traditional trade union "base" to include a broad spectrum of workers, regardless of their employment status.
- To broaden its organizational base through an expansion of membership, the unions would have to consider:
  - How such workers should be integrated into existing union structures;
  - In case such informal workers are unable to pay regular membership fees, the union should find alternative solutions such as setting lower rates or offering a grace period.
- Help informal or unprotected workers establish their own union-type membership-based associations and forge close relations with them. Where there are major problems directly recruiting informal or unprotected workers as members, it may be more effective in the short-term to provide guidance, training and other supports to build the capacity of such workers to organize themselves. The unions could then form close partnerships or affiliations with these self-organized groups. This would lead to the development of mutual trust and overcoming reservations that informal workers may have in joining existing unions.
- Lobby on behalf of these informal organizations and fight for their recognition, especially with those with whom they need to negotiate – public authorities, contractors, employers and so forth. Established trade unions have a role to play in assisting these informal organizations to achieve recognition, bargaining power and legal protection.
- Build coalitions with appropriate informal economy organizations that share basic principles of the trade union movement. These groups can provide opportunities for organizational partnerships or integration with existing trade union centres.
- Retain union identity as organizations of workers acting in defence and promotion of their interests. On this basis, build more general alliances with NGOs, religious groups and other civil society groups as one component of the overall campaign to organize and improve conditions for informal or unprotected workers.

- Launch information campaigns on relevant ILO standards, such as Home Work Convention, No. 177 (1996)
- Establish criteria for organizing various groups for training purposes.
- Identify areas in which they require training.
- Provide advisory services to the various groups.
- Monitor and mentor various informal and vulnerable workers.
- Undertake research to identify the operators the trade union wants to link up with.
- Find ways of assisting other unorganized groups
- Influence policy formulation.

Finally, in the conclusions of the African social partners forum, that preceded the extraordinary session of the Africa Union on employment and poverty alleviation, the trade unions committed themselves to the “transformation of the informal economy through strategies such as the development of cooperatives, the promotion of youth and female entrepreneurship, and the provision of technical and vocational training for informal economy workers.”

### **Group work**

- a) Examine the informal economy in your country, the efforts at unionization, and the lessons identified, especially the coverage of women and other gender questions. Present group results in plenary.
- b) Examine the informal economy, the problems encountered in particular by women in this economy, what has been done to tackle them and what still needs to be done.

### **Further reading**

The African social partners’ forum: Conclusions. (Ouagadougou, Burkina Faso, September 2004).

Date-Bah, E.: “African trade unions and the challenge of organizing workers in the unorganized sectors,” in *Labour education*, 1992-1993/3, ( Geneva, ILO, 1993, pp 42- 50).

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ILO: Reader’s kit on *Gender, poverty and employment*, Module 7. Extending social protection (Geneva, 2000).