Collective Bargaining in the Informal Economy

By Chris Bonner, WIEGO Organization and Representation Programme Director

Can informal workers engage in collective bargaining? Who do they bargain with and in what forum? Collective bargaining is generally understood as something that takes place between trade unions of formally employed workers and employers. But is there any reason why organized informal workers, employed or self-employed, cannot collectively negotiate with the different bodies that determine policies and conditions that affect their work and lives?

Two new studies on this topic demonstrate that collective bargaining is possible and does happen in the informal economy in many different ways. The studies, one by WIEGO in collaboration with the Solidarity Center and one by StreetNet International, are made up of a series of case studies, each with a synthesis report providing an analysis and lessons.

**New Studies**

For the WIEGO study, five cases were selected from different sectors and countries. Negotiations were at different levels, on different issues and with different kinds of negotiating counterparts. These diverse case studies illustrate:

- **Many different forms** of engagement take place between informal worker organizations and employers or authorities. The form is determined by a mix of factors such as the occupational sector, issues, organizational strength, and/or political situation. Examples include consultations and dialogues, spontaneous collective action leading to ad hoc negotiations, representation and negotiation within a multi-party committee, collective bargaining between a union and a new form of employer association.

- **Negotiating counterparts** are varied as well: local authorities are the most important for vendors, often involving several different departments within a municipality; for domestic workers it is necessary to “construct” an employer body to negotiate with; for waste pickers, local authorities, state and national governments are all important counterparts; for homeworkers, companies and central government are targeted for bargaining.

- **Support and alliances are important** in building organization, facilitating access to employers/authorities, and providing advice and technical assistance before, during and after negotiations. This can include support from trade union federation to which the informal worker MBO is affiliated, or a sectoral union with formal and informal worker members. It may also include NGOs, academics and supportive units or individuals within government.

- **Gains are possible** through collective engagement and bargaining, but it is a continuous struggle.

**Influencing Cities**

In February, WIEGO/Inclusive Cities organized a workshop on Strategies for Influencing Cities. This deepened our understanding of the many strategies employed by informal worker MBOs to influence city authorities to improve their working lives. These include using many forms of engagement, including collective bargaining and dialogues, often backed by collective action and publicity.

**Continuing the Work**

**Collective Bargaining Framework - StreetNet has produced a document for use by its affiliates called “Towards a Model Framework for a Local Level Collective Bargaining System for Street Traders”. This framework is currently being piloted and documented in a joint project between WIEGO and the StreetNet International Coordinator. Resources – WIEGO is planning to produce educational materials for MBOs on the different strategies for influencing cities and collective bargaining, drawing on the workshop case studies and lessons. In the mean time, you can find the Collective Bargaining Case Studies and Reports on the StreetNet and WIEGO websites.**

The booklet “Collective Negotiations for Informal Workers”, produced by StreetNet and WIEGO, might be helpful in preparing for negotiations. If your MBO has a story to tell about how you have made gains through negotiations, dialogues or other forms of engagement with authorities or employers, we would like to hear about it.
A victory for waste pickers’ children! Finally, waste pickers included in scholarship program in India

By Deia DeBrito, WIEGO Waste Picker Programme Communications Officer, and Maitreyi Shankar, KKPKP Activist

It was a decade-long struggle for something simple and fair: educational assistance for some of India’s poorest of the poor. Lack of access to education is one of the many struggles that waste pickers and their children have endured, coupled by the pressure to drop out of school for lack of financial resources. While there has been a law in place since 1977 that designates educational support for the children of parents who perform “unclean” occupations, government officials have created barriers and made things difficult for waste pickers. While ministers agreed in principle that waste picking is an unclean activity, it had been excluded from the official list of unclean activities; the program only specified the categories of scavengers, sweepers, tanners and flayers. For a few years, pressure by activists and waste pickers to include their children in the program paid off. Between 2002 and 2005, the Ministry of Social Welfare awarded scholarships to a total of 1,360 children of waste pickers and scrap collectors in Pune, India, under the central government-funded scholarship program. Those few years of inclusion came about thanks to the vigilant eye of Rahi, a Pune waste picker who discovered while sorting through trash about a decade ago that her son’s application to the scholarship program had been thrown out because – to her surprise – waste picking was somehow not considered an “unclean” occupation by the government. Rahi’s discovery sparked a campaign to pressure officials to include waste pickers in the program. But in 2004, a state audit objection claimed that the program did not include waste pickers and so once again they were excluded. According to KKPKP, the scholarships were discontinued as the Central government took it over and did not recognize waste picking as an unclean activity. But good news came in June 2013. As a result of intense pressure in May from activists and union members who had been lobbying high level officials as well as mobilizing on the local level for years, the children of waste pickers across India will now – finally – be eligible for the scholarship program. Read the full article with Rahi’s Story.

Waste Pickers Participate at This Year’s ILO Conference

By Lucia Fernandez, WIEGO Waste Picker Programme Coordinator, and Deia DeBrito, WIEGO Waste Picker Programme Communications Officer

The International Labour Organization (ILO) finally opened the door to talk about sustainable development. Through this same door, recyclers entered with strength in order to be recognized as workers! WIEGO saw this year’s ILC theme, “Sustainable Development, Green Jobs and Decent Work”, as an opportunity for members of the waste pickers’ sector – a sector that has represented an integral but unrecognized green livelihood for decades – to finally participate in the ILC. WIEGO invited representatives of some of the oldest and strongest waste pickers’ organizations in the world – KKPKP (India), ARB (Colombia), and MNCR (Brazil) – to join its delegation to learn about the internal ILO process and establish their presence for the first time in the history of this conference.

For the waste picker delegation, this year’s ILC was the first step in a long process of establishing a voice and presence in the ILO. One of the highlights of the team’s participation in the conference was the speech that Nohra Padilla, the Colombian delegate, delivered during the plenary session on June 13th. This was the first time in history that a waste picker had addressed a plenary audience at an ILC.

It took many years to get sustainable development on the agenda for ILC and more than a decade to discuss the informal economy. But now that the door has finally been opened, it’s time for waste pickers, advocates and the international labor community to ask: Would sustainable development be possible without waste pickers? What can we do to make sure that waste pickers become a recognized and protected labour force? We certainly don’t know the answers yet but at the ILC in June, the WIEGO/waste pickers’ delegation began to raise these necessary questions. It’s a long sought-after and deserved beginning! Read the full story.

Nohra Padilla Awarded Goldman Environmental Prize—Congratulations, Nohra!!

Unfazed by powerful political opponents and a pervasive culture of violence, Nohra Padilla organized Colombia’s marginalized waste pickers into unions and made informal recyclers a legitimate part of Bogota’s urban waste management. In recognition of her efforts, Nohra has been awarded the 2013 Goldman Environmental Prize for South & Central America. Read more about her accomplishments and watch videos of Nohra including her acceptance speech.
“Victory Was Ours” – A Historic Interview with Myrtle Witbooi

Myrtle Witbooi is the General Secretary of the South African Domestic, Service and Allied Workers Union (SADSAWU) and Chair of the International Domestic Workers’ Network (IDWN)

**WIEGO:** You’ve worked so hard to campaign for the C189 ratification worldwide. How did it feel to learn that your home country, South Africa, would ratify the Convention?

**MW:** We have been trying for nearly two years to get [the South African] government to ratify. We protested, sent letters, held meetings … until May of this year we decided that we had had enough; we are now going to call for the last time on our Labour Minister to respond. We had a meeting and she conversed with us; we informed her that we are tired, we want them to ratify before 16th June. We challenged them to show us that they care about us. In June, we contacted them every day; we sent SMS/text messages to the whole Department of Labour and Government.

Then, on 7th June we got this message: [SOUTH AFRICA] HAS RATIFIED. How did I feel? Firstly, without words, I had to pinch myself [to believe] that this is real. I asked them to send proof. When I had [the proof of ratification] in my hand, we shouted – we danced! Victory was ours, now AFRICA will follow! We are writing the final chapter now, but this chapter can only end when all of us are free.

**WIEGO:** What do you see as the next challenges and opportunities in the implementation process?

**MW:** We are now facing the greatest challenge of all: we want a convention that will work for us, so we need education. Now we need to mobilize, educate and reach as many workers as possible. This is our convention; we are slaves no more, but to enjoy our freedom we must know our Convention.

**WIEGO:** What advice or message would you like to give to other domestic workers and/or informal workers who may be reading this?

**MW:** To all domestic workers out there: organize yourselves, become part of a union, learn about your labour laws, and be proud of yourselves and the work you are doing. We are the world, and we are the workers that care for the nation. Slaves no more, but workers like all other workers, and our work is decent work.

Read more about Myrtle’s story.

**Declaration of the African Regional Domestic Workers Conference**

Source: International Domestic Workers’ Network (IDWN)

On June 16, 2013, the second anniversary of the adoption of the C189 and World Domestic Workers’ Day, domestic workers in Africa launched the Africa Domestic Workers Network (AFDWN) in Cape Town, South Africa. The historic conference brought together 95 domestic worker representatives from 17 organizations in 17 African countries, with a total membership of 95,572. They were joined by the leadership of the International Domestic Workers’ Network (IDWN) from Asia, Latin America, North America and Caribbean. Other supportive organizations came from Europe and South Africa.

The goal of the organization is to strengthen coordination and solidarity among domestic workers’ organizations in Africa, and to use collective power to achieve ratification of C189 and improved legislation for domestic workers in Africa. Read the full story and access the Declaration here.
South African Draft Business Licensing Bill Met with “Avalanche of Disapproval”

On March 18, 2013, the South African Department of Trade and Industry (DTI) invited the public to comment on the new Draft Licensing of Businesses Bill. Among many others, StreetNet International, SAITA (South African Informal Traders Alliance) and WIEGO submitted comments in opposition to much of the bill’s content, which affectively placed a disproportionate amount of power and control in the hands of municipal officials. A key concern was the bill’s repeal of the Businesses Act of 1991, which had added to the “new South Africa” a developmental approach towards street vendors and informal traders. The repeal of this act increases the vulnerability of informal vendors and traders, placing them at higher risk for arbitrary evictions and confiscation of goods. StreetNet International suggested that the legislation facilitate the management of the spatial regulation of informal trade in public space by local governments, rather than repeal the Business Act, citing the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bill no. 104 of 2012 currently under consideration by the Indian Parliament as a good example. Other key concerns were the introduction of a required license with application fees, difficult – and perhaps discriminatory – requirements for informal foreign traders, lack of evidence required for sanctions (permissibility of arbitrary revocations and/or amendments to licenses), and lack of limitations on fines and disproportionate jail sentences for violating the bill (jail sentences could be up to 10 years in length). In addition, though the DTI had put together a Reference Group in 2012 which consulted key stakeholders including informal workers, the Bill did not incorporate any of the Reference Groups’ suggested content. Drawing on its best practice documentation in making comments, WIEGO identified the key elements of licensing regimes worldwide that enable traders to maintain their livelihoods (such as making registration free and providing access to social protection mechanisms through small business registration), while also enabling authorities to better regulate small-scale enterprises. SAITA submitted comments identifying clauses of the bill that would have provided for widespread abuse of authority, and proposed instead provisions that would meet international best practice. The ministry conceded that the Bill needed to be redrafted. Although many formal business people also made lots of noise and submissions, the Minister specifically referred to the submissions by people from the Informal economy when he announced that they were withdrawing it for re-drafting.

MBO Spotlight: LDFC

With multiple wars raging in the Democratic Republic of Congo, the informal economy has grown to become the source of employment for 85 per cent of workers; Congolese women represent 90 per cent. Women in the DRC cover on average 80 per cent of household expenses.

Bikeshare displaces Street Vendors in New York

In April, New York City’s bike-share system launched. Racks of bikes for public use (rented by the hour) were placed around the city. One such rack was placed on Liberty Street in Lower Manhattan, affectively evicting the immigrant street vendors who have worked on that corner for years. “In New York and elsewhere, street vendors are integral to successful urban economies. Vending provides employment to millions of people in cities around the world who often cannot find work in the formal sector... Vendors also keep prices down in general, saving millions of dollars for low-income people who can’t afford to dine in fancy restaurants. But even more broadly, vendors make urban spaces more livable ... the presence of vendors can dramatically improve the social life of our streets” (Basinski, “When Bikeshare Displaces Street Vendors, Everyone Loses). Read more about the displacement and be sure to see what the vendors have to say.

Street Vendors and the Recent Uprisings in Istanbul, Turkey

Street Vendors played an interesting role in the uprisings in Istanbul, Turkey, selling “souvenirs”: “… [People] were purchasing [masks, goggles, and hard hats] as souvenirs of the spectacle, paraphernalia of the revolution. The abundance of the items and the ease with which people could purchase them [from street vendors] served to mock the smugness of police that had unleashed against the protestors” (Cressey, “Revolutionary Paraphernalia”). Read More.
HomeNet Eastern Europe Celebrates the Second International Festival of Homeworkers by Violetta Zlateva, Association of Home-Based Workers (AHBW) President

In June 2013, the Second International Festival of home-based workers, organized by the Association of Home-Based Workers (AHBW) and the Municipality of Rouse, took place in Sofia and Rouse, Bulgaria. Participants included organizations of home-based workers from Bulgaria, Serbia, Macedonia, Albania, Armenia, Turkey, Ukraine and Kyrgyzstan. The festivals in Rouse and Sofia were opened by the Presidents of AHBW and the Union of Economists in Bulgaria and showcased the products of home-based workers. Events were also attended by national and regional media, and included musical concerts, press conferences, market visits and celebrations. In Rouse, handicraft competitions for children took place. There were also opportunities for home-based workers to raise grievances with the municipalities of Rouse and Sofia. In Rouse, an Agreement was signed between employers and home-based workers for a strong partnership and long-term work. In addition, the owner of the gallery mall, Royal City Centre, agreed to provide free space for one year for the Association of Home-based Workers.

HNSA and SEWA Visit Bulgaria, East Europe By Firoza Mehrotra, HNSA Director, and Sapna Joshi, HNSA Regional Coordinator

In May 2013, a small team from HomeNet South Asia and SEWA Academy visited Petrich and Sofia, Bulgaria to learn about home-based workers (HBWs) in Eastern Europe and the legal and informal frameworks that govern their work and conditions, and to perform a needs assessment for an exposure visit of East European HBW groups to SEWA in India. In Petrich, representatives from several HBW organizations – Intellectual Women from Albania, Dora Dom from Macedonia, Excad (Home-based workers and Social Rights Association) from Turkey, Association of Home-based Workers from Bulgaria, and representatives from trade unions from Croatia and Bosnia Herzegovina – participated in a workshop to share their experiences. Of the six participating countries, four have ratified ILO Convention 177 concerning homework. Workshop participants visited local HBWs and an agricultural cooperative. The prime concerns of the HBWs visited were to receive regular work, punctual payments, equitable wages and social security. The workshop participants also visited the Petrich Municipality, who were aware of and sensitive to issues of HBWs. Though there is no designated legal framework or authority within the municipality, they arbitrate and mediate conflicts between the workers and the contractors/industrialists through tripartite meetings. In addition, the municipality has provided HBWs with space to market their products. In Sofia, the team met the Parliamentary Secretary and the Legal Advisor of the Confederation of Employers and Industrialists in Bulgaria. The latter was one of the key persons responsible for drafting an “agreement” between two trade unions and four industrial associations and the Bulgarian Parliament; it incorporates the key provisions of ILO C177, and includes various forms of social security as well as guidelines for conditions and hours of work, provisions for skill upgradation and equipment enhancement. If a HBW has a grievance, she can petition the labour inspector or go to the National Institute of Arbitration. Though it is a positive first step, it is difficult to enforce the agreement in the absence of having legal sanctity. Besides the agreement, there has been a recommendation to have a tripartite Advisory Body composed of trade unions of HBWs, industrial associations and the national government, represented by the Vice Premier. Read the full report of this visit here. The next steps for this group will be an exposure visit to India in November.

An Organizing Timeline: Home-Based Workers (HBWs) in Cambodia By Renu Golani, HNSA Programme Manager

2009: Inclusive Cities worked with the Artisans’ Association of Cambodia (AAC) to identify urban HBWs in Phnom Phen and Siem Reap. 2010: A task group from AAC visited SEWA Academy for a training to better understand the MBO concept and how to organize. The team mapped HBWs in Phnom Phen and Siem Reap. 2011: AAC conducted a study to identify key issues facing HBWs; the findings helped to organize HBWs and expand MBO membership. Two trainings resulted in the organization of approximately 471 HBWs into 21 MBOs in Phnom Penh, Siem Reap, Battambong & Poi Pet. 2012: Leaders from the 21 MBOs participated in a training organized by HNSA and SEWA learn to bring visibility & recognition to and improve economic conditions for HBWs. The MBOs organized around livelihood and urban issues, but there were many challenges including communication, savings, MBO management, trust building and transparency. 2013: To address these and other technical issues, the HBW leaders attended another training on organizing and leadership at SEWA Academy, with an exposure to the Parivartan Programme (Slum Networking Programme). Look for an update in the next MBO Newsletter issue!