Social Protection for Informal Workers: International Perspectives

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Outline of input

• What is WIEGO?
• The scale of informal employment
• The informal economy
• What informal workers want
• Gender, occupational and place of work segmentation amongst informal workers
• Exclusion of informal workers from access to social protection
• Some recent national interventions
• Bottom up interventions – local and national
• Two big questions
WIEGO www.wiego.org

- WIEGO seeks to increase the voice, visibility and recognition of the working poor, especially women in informal work
- Works primarily in four sectors – with Membership Based Organisations of domestic workers, home workers, waste pickers and street vendors
- WIEGO does this through organising support and advice to MBOs as well as advocacy/public education. WIEGO activities are strongly supported by policy research.
Dignity in work has meaning for all workers

Waste picker member of KKPKP trade union and SWACH Coop in municipal sort site, Pune, India
The scale of informal employment in non-agricultural sectors 2004-2010 (ILO 2012)

- **South Asia**: 82%
  range: 62% in Sri Lanka to 84% in India
- **Sub-Saharan Africa**: 66%
  range: 33% in South Africa, 52% in Zimbabwe, **76% in Tanzania** & 82% in Mali
- **East and Southeast Asia**: 65%
  range: 42% in Thailand to 73% in Indonesia
- **Latin America**: 51%
  range: 40% in Uruguay to 75% in Bolivia
- **Middle East and North Africa**: 45%
  range: 31% in Turkey to 57% in West Bank & Gaza
- **Eastern Europe & Central Asia**: 10%
  range: 6% in Serbia to 16% in Moldova
The informal economy

- It is where many people make their own work - ordinary people are a huge employment creator.
- Incomes are lower, risks are higher (especially health risks), and worker benefits barely exist.
- There has been a vast improvement in national statistics about numbers in informal employment.
- There are poor statistics on the economic contribution of informal workers and the informal economy as a whole, but it is accepted that in developing countries the IE contributes up to 50% of gross domestic product.
- This invisibility and lack of recognition characterise the sector as a whole and impacts on how workers are treated by social protection policies and schemes.
Informal workers want

- A decent income
- Legal identity & rights and social recognition as workers
- Social rights & social protection including health and child care
- Access to basic infrastructure
- Education and skills training
- Voice, bargaining power and organisation
But just like formal workers, informal workers are not all identical

• They are segmented by gender and by occupation
• The informal worker occupations where women are concentrated have the lowest incomes e.g. Homeworkers/industrial outworkers
• Where informal workers are “own account” e.g. Street vendors, women and men are more or less equal in numbers and incomes are higher. But women vendors tend to sell perishables, while men sell durables
• Amongst waste pickers, women tend to recycle cardboard and plastics, men recycle metal
• Social protection solutions must take these differences into account, with the addition of risks that are specific to women e.g. Lack of access to property rights and sexual harassment
Segmentation of the informal economy: by average earnings, poverty risk and sex
Place of work as a key variable in determining appropriate protections

Who controls and regulates the work place of the informal worker

– Street vendors: control by local authority
– Industrial outwork: own home
– Domestic work: someone else’s home
– Market stall holder: local authority or private firm
– Waste recyclers: local authority or private firm
Gendered & location specific informal work in Ahmedabad, India

Woman rolling beedies at the entrance to her home

Men making wheels in a covered workshop
And right here in Dar es Salaam

Women selling bananas

Male boda boda operators
Informal Workers still largely shut out of social protection

• There are some improvements in recognition of informal workers e.g. ILO Recommendation 204, and Convention 189 (Domestic Workers) but social protection lags behind

• User Pays has hurt the poor: Since the 1990s and the push by the World Bank and IMF for “reform” of social protection - in particular the financing of pensions and health

• Over and above exclusion based on ability to pay, informal workers face other barriers to access to Social Protection e.g. time

• But we are beginning to see a push-back and recognition that social spending is an investment
Some recent national interventions

• Ghana NHIS 2003, funded through a VAT levy plus District Wide Mutual Health Insurance, including a once off registration plus premium. *But WIEGO research has found barriers 1) cost – ability to pay is not properly assessed 2) child registration is being charged 3) poor administration 4) lack of information 5) long waits at facilities 6) out of pocket payments for medication. Note: similar barriers to health service access were found in Lima, Peru*

• Conversion of Thailand’s low cost insurance scheme into a free universal health care system (with significant input from Homenet Thailand)

• South Africa has ratified C189 but continues to exclude domestic workers from occupational health compensation

• Mozambique now recognises domestic work as work
A bottom up local intervention

Durban’s Warwick Avenue Markets –
1) Diagnostic health camps - bringing health services to informal workers
2) Work health risk audits.
Resulting in policy & infrastructure interventions to reduce risks.
(Aseye eTafuleni)

Risk auditing of cook’s food stall by informal worker reps and officials from Disaster Management and the Fire Department
SEWA India: The Bunyan Tree
A Movement Approach

Since 1971 a trade union of over a million members as trunk and multiple activities as branches & roots – including the provision of social services (largely through cooperatives)
SEWA member run social services

• SEWA Cooperative Bank with 1.25 million members
• Housing Trust, part financed by the SEWA Bank
• Savings and credit groups
• National Insurance cooperative
• Health care cooperatives
• Child care cooperatives
• Mother and child education centres
• Skills training Academy
SEWA Women & Child Mandal, Ahmedabad

Prokrudee. I read books, tell stories. I want to be a teacher

I can now write my name & read to the members
SEWA Sangini Child Care Coops

Coop members as care givers and informal workers as users

One of 13 child care coops in Ahmedabad

President and Board Member of SEWA Child Care Coops
SEWA 24 hour Coop Pharmacy for low cost medicines

Women run. Selling at prices below those of other commercial pharmacies

Chased off the hospital premises across the road by corrupt officials but still preferred by customers
SEWA Skills Training
A Platform of common demands for a Social Protection Floor based on basic securities & that will work for informal workers

- Free Universal health care & free essential medicines
- Child care provision
- A Basic Income Grant
- Public infrastructure security (water, sanitation, spaces for markets etc)
- Food security including targeted assistance via women
- Inclusion of informal workers in affordable, flexible contributory retirement schemes
One thing is certain

- Inclusion of informal workers in negotiations & consultations is a prerequisite to the development of appropriate Social Protection solutions
- In turn, the mass organisation of informal workers is a prerequisite for negotiations.
- Meaningful consultation can’t exist without the other!
Nothing for us without us

CHOWDA Tanzania June 2016

SAWPA National meeting,

SAITA plans action

KKPKP India

Waste Pickers demonstration Bogota, Colombia