

How to Support Women in the Informal Economy to Combine Their Productive and Reproductive Roles¹

Worldwide, legislation concerning maternity protection at work usually covers women workers belonging to the formal sector, in other words, to the official public and private sectors of the economy. Although article 2.1 of ILO Convention 183 says explicitly “This Convention applies to all employed women, including those in atypical forms of dependent work,” paragraph 2 of the same article narrows the scope down immediately: “However, each member which ratifies this Convention may...exclude wholly or partly from the scope of the Convention limited categories of workers when its application to them would raise special problems of a substantial nature.” In all countries, women working in the informal economy (IE) are one such “category of workers.”

So why discuss the informal economy here? First, because it occupies workers the world over, in rural and urban areas of both developing *and* industrialised countries, in a wide variety of tasks accomplished by individuals, collective groupings, and industries from retailing to mining to clothing and electronics manufacture. (1) Second, because the number of workers in the IE is extremely high, reaching, in some countries up to 80% or more of the workforce. Third, because “women account for a majority of informal sector workers. Women’s participation in the non-agricultural labour force in the informal sector during 1991-97 was 97% in Benin and Chad, 96% in Mali, 91% in India, 88% in Indonesia...82% in Kenya, 74% in Bolivia, 69% in El Salvador and 67% in Brazil.” (2) And finally because, along with other harsh working conditions prevalent in the sector, these women benefit

from little or no labour protection. Only rarely do they receive maternity protection, benefits or leave.

Therefore, in order to take steps towards improving the work protection these workers are entitled to, especially as they seek to balance their productive and reproductive responsibilities, this module aims to deepen our understanding and explore some of the imaginative schemes that have been put in place and which may provide ideas for potential solutions for your context.

1. What is the “informal economy”?

Definitions of the IE are many and include characteristics that may seem contradictory. The term often appears as a catch-all for all economic activities that do not belong to the formal sector (3) with activities as different as street vending or market hawking, food production in street stalls, home production, domestic labour, hand-made crafts and semi-industrial production, sub-contracting, non-declared industrial production, and sweatshop activities. Even criminal enterprises such as sex work, dealing in drugs or alcohol, the black market, sales of stolen goods, etc. (4) are included in the informal economy, but the majority of products and services produced in the IE are legal, and its products are often sold through the formal economy. Lack of regulation (of the employer) and protection (of the employee) characterize the informal economy. (5)

“...Generally, the term applies to small or micro-business that are the result of individual or family

1. This module was first added to the French version of the Maternity Protection Kit. It was originally written by Elaine Petitot-Côté, incorporating material from Menon L & V Patel (2005) *Grinding Realities: Women and Breastfeeding in the Informal Sector*, a joint publication of WABA and SNTD Women’s University. <http://www.waba.org.my>

employment. It includes the production and exchange of legal goods and services that involves the lack of appropriate business permits, violation of coding zones, failure to report tax liability, non-compliance with labour regulations governing contracts and work conditions, and/or the lack of legal guarantees in relations with suppliers and clients.” (6)

Characteristics

According to the International Labour Organisation (ILO), the informal economy can be differentiated from the formal economy on the basis of the type of enterprise and conditions of employment.

“The informal sector is thus ...characterized by low pay, no chances for upward career prospects, low security of employment and bad working conditions. As women usually have less negotiating power, lower literacy, multiple responsibilities, and their immediate need to have a job – any job at any pay – to keep the family going, they often get the worst jobs – the most tedious, the most hazardous, at the lowest wage, and with total lack of job security.” (8) In other words, they end up in the informal economy.

The informal economy is growing

It is difficult to evaluate the precise size of the informal sector. However, it exists in all parts of the world, and occupies significant numbers of workers. It shrank in the 1970s, but since the economic crises of the 1980s it has been expanding. It was estimated that in 1996, half a billion people—one quarter of the world’s working population—belonged to the IE. (9) Estimates from the late 1990s include 77% of GDP in Nigeria, 69% in Egypt, 70% in Thailand, 14% in both Hong Kong and Singapore, 67% in Bolivia, 64% in Georgia, 44% in Russia, 9% in Uzbekistan, 30% in Greece, 27% in Italy, 10% in Austria and the USA, and 9% in Switzerland.

Formal Sector (7)	Informal Sector
<i>By type and size of enterprise</i>	
Barriers to entry Uses foreign capital Capitalist enterprise Imported technology Formal training Regulated markets Within government policy	Ease of entry Reliance on indigenous resources Family ownership [often small-scale] Adaptive technology/labour intensive Skill acquired outside formal education Unregulated/competitive markets Outside government control
<i>By conditions of employment</i>	
Formal working contract Regular employment Fixed wage Clear working hours Permanent employment with legal protection [Workers often organised in unions]	No formal working contract Irregular employment No wage relation ² , uncertain earnings Uncertain hours No permanent employment and no legal protection [Workers usually unorganised]

2. The relation between the wage set in bargaining between firms and workers, and labor market conditions. <http://econ-www.mit.edu/files/767> p 1.

In urban centres, the proportion of workers belonging to the IE can reach up to 60% and even beyond in some African cities. (10)

Amongst the reasons mentioned for the recent growth and expected increase of the IE are the following factors: global financial and economic crises, globalisation forces that cause restructuring of the economy, increase in competitiveness, privatisation measures, greater flexibility of the economy, high tax rates and wages, regulated legislation, the high cost of labour. Other causes include poorly established rules of law that lead to bad governance and corruption, lack of implementation and monitoring of legislation at national and local level, opening to the market economy, structural adjustment policies, and the closing of industries and services that increase the numbers of unskilled workers looking for jobs.

Women in the informal economy

The IE occupies more women than men. The sector attracts first those who are touched by unemployment, underemployment, poverty, those who are least qualified, most docile and most submissive, i.e. women workers. “Women’s work is disproportionately located within this sphere compared to that of men.” (11) This is visible everywhere. In Zambia, 72% of workers in the informal sector are women; in Indonesia they are 65%, and in the Gambia, 62%. (12) In South Africa, women account for 57% of all workers in the IE, and 70% in domestic activities. In Nigeria, 94% of street vendors are women. As for India, 95% of all female workers are found in the informal economy, a total of approximately 96.5 million! (13)

On the worksite, women are more vulnerable than men for reasons related to their sex. Moreover, with the recent growth of the IE, and the entry of more men because of industrial restructuring, women who are already occupied in the sector are being shifted “into lower income and less-secure segments of informal work.” For example, “women in home-based work are forced into less-secure street trading activities.” (14)

Given that these workers are not organised and therefore not entitled to protective labour legislation, innumerable women receive no health or financial benefits, no leave for maternity, no job guarantee upon return after giving birth, no possibility to take daily breaks for breastfeeding or to send their infant to a nursery close to their work location.

With this picture of the informal economy in mind, let us consider how a woman worker copes with the responsibility of feeding and caring for her young child.

2. Challenges to breastfeeding in the informal sector (15)

As we have seen in other sections of this Kit, especially Section 5, there is increasing evidence that breastfeeding provides the best nutrition and care for babies in both developing and developed countries. For all families, but especially in situations characterized by poverty, lack of adequate water, and poor sanitation, exclusive breastfeeding for the first six months and continued ample breastfeeding with complementary foods to age two and beyond help to ensure the safety and good health of children. Exclusive breastfeeding is not easy to achieve, but experience shows that with support from family, workplace and community, it can be done.

Breastfeeding is widely practiced around the world, but exclusive breastfeeding, (breastfeeding without other foods or drinks or even water), is a new idea for most people. The World Health Organisation’s recommendation to continue exclusive breastfeeding until the baby is six months old is quite recent, and women get a variety of advice from family and friends, and also from health workers that have limited knowledge and skills in breastfeeding, about when or whether to supplement breastfeeding. Added to this are the realities of a life in poverty:

poverty, malnutrition, chronic ill-health, mental stress, long hours of work within the home and outside it, lack of facilities like drinking water, toilets, or water for hand-washing, lack of support within the family, daily and repeated acts of violence against [women], sexual and other forms of harassment, lack of any kind of health care and maternity protection, absence of crèches...[these are] the circumstances within which women in the informal sector breastfeed their children. It would be absurd to ask these women why they breastfeed or why they do not. For many, there is no choice but to breastfeed the baby whenever they can, and to look for alternatives when they cannot. In the presence of poverty, it is a given that the alternative baby foods fed to infants will be stretched as far as possible, making them nutritionally almost useless, that the water will be contaminated, that the feeding equipment will be dirty, that [babies] will become extremely vulnerable to [malnutrition, illness] and death. (16)

In most developing countries, breastfeeding is the traditional way to feed babies, and women freely feed their babies away from home. The situation can be different in countries where artificial feeding has replaced breastfeeding as the norm. There, a woman who wants to breastfeed may suffer discrimination. If she works in the informal economy without rights to maternity protection, she may be told it is not acceptable for her to breastfeed or to express milk on the job, especially if her baby is past the newborn period. In some situations, people may think that breastfeeding is “only for poor people,” while baby bottles and purchased foods are a sign of modernity and upward mobility.

The resources that a mother needs for breastfeeding are *information* about breastfeeding, *time* with her baby and *proximity* to her baby, *food* for her own nutrition, and *access to skilled help and support* from family, friends, or health workers if breastfeeding problems arise. Impediments to breastfeeding also should be removed. While breastfeeding requires far fewer resources than artificial feeding, for many women living in poverty even these few resources are not available.

Exclusive breastfeeding provides all the essential nutrition for the baby in the right amounts, plus antibodies and other anti-infective properties to guard against common illnesses. The milk needs no heating or cooling. The “delivery system,” straight from breast to baby, is protected, unlike replacement foods, which are easily contaminated with germs of common infectious diseases. The amount of milk is determined by the baby’s demand. Thus, by reducing her baby’s contact with the breast, supplementary foods and drinks lessen the mother’s milk supply. Some milk production will continue as long as the baby continues to suckle. Even if a new pregnancy intervenes, the mother can go on breastfeeding the older child during pregnancy and beyond.

In addition, breastfeeding does have nutritional costs for the mother. A well-nourished woman’s reserves sustain her baby even if she herself does not eat well every day. A poorly nourished breastfeeding mother makes milk for her baby, but she lacks nutritional reserves for herself. In conditions of extreme poverty, a woman who is already stunted, underweight, anaemic or chronically malnourished does not have the means to ensure her own nutritional health while breastfeeding. With her entire family to provide for, a mother may decide that it is too great a stress on her to continue breastfeeding. She may not be aware that stopping raises the risks for her baby, or she may feel that she has no other option.

What would help women working in the IE to breastfeed exclusively and to keep breastfeeding longer? What could help them achieve a better balance of their productive and reproductive roles?

3. What do women working in the informal economy need?

Workers in the IE are amongst the least protected of all workers. If changes are to take place in the sector, if work conditions are to be improved, if the sector is to be acknowledged, reported and protected by the State, the workers must find ways of being heard by decision-makers at the State. Workers have many needs (see chart), but first and foremost they need to be recognized as workers...and to become visible. Being recognized as workers implies protection as workers.

<i>Needs of women workers in the informal sector (17)</i>
<ul style="list-style-type: none"> • Recognition as workers • Supplementary development programmes • Vocational training to upgrade skills • Provision of maternity benefit and post-natal medical facilities • Protection against domestic violence and sexual harassment • Family benefits • Medical reimbursements • Retirement benefits (old-age pension) • Insurance schemes and policies • Compulsory savings schemes • Micro-finance schemes and interest-free loans • Legal guidance and awareness [• Mother and child support programmes]

4. Finding solutions to empower the informal sector

One solution is to **create associations of workers** belonging to similar fields of work, sharing similar problems. More and more of these associations exist and are defending the rights of workers or the demands of women.

Second, **IE workers can join trade unions**, and trade unions can be encouraged to defend their interests in collective bargaining rounds. In some regions, the unions have traditionally prioritised men’s issues over women’s, so this strategy calls for persistence. Some unions have been working with the informal sector for years, but have not always supported all its specific needs. “These experiences, however, show that the unionisation of workers in the informal economy is an achievable goal and that it can have mutual benefits for workers and unions alike. It allows the former to improve their standard of living, working conditions and social protection, and the latter to bolster their negotiating power... In fact, the aim is to return to the very first forms of worker organisation and to find a way of getting workers from the informal economy and workers from the modern sector to cohabit within the same organisations... Opening up to include female trade unionists is also a precondition... since women form the majority of those working in the informal economy.” (18)

Other structures can be created to defend the rights of workers in the IE. For example, in all 14 Southern African countries under the SADC Employment Labour Sector there are tripartite “bargaining councils” comprising employers, informal workers and the government. They are “charged with the responsibility of concluding appropriate collective agreements within the informal economy, handling disputes and promoting training and other policy on the informal economy. The main objective of these councils would be the promotion of a culture of collective bargaining...and avoiding the more violent forms of dispute resolution that currently characterise the informal economy in South Africa.” In some regions in India such tripartite boards also already function effectively. (19)

Campaigning at international level to widen the scope of C183 to include women working in the IE and in agriculture is still another solution to consider. C183 does not cover women working in the IE as such. It does include women in “atypical forms” of employment, but this expression refers to special schedules and contracts rather than to the IE workers themselves.

It would also be important that campaigners **examine** their **national labour laws**, for instance on night work, health-related provisions for pregnant and breastfeeding mothers, maternity leave, etc., making sure that they include rights and protection for all pregnant and breastfeeding mothers, whether in the formal or the informal economy.

Unfortunately even when the laws do exist, most workers do not know their rights. Often employers refuse to comply with legislation, and the State looks the other way. Thus, the constant and on-going task of advocates is to **raise public awareness** about the issues affecting workers in the IE. Raising awareness is a key strategy, and one that falls unmistakably under the mandate of advocacy groups.

5. Case studies

Here are a few examples of structures created to empower workers, especially women workers, in the IE. Breastfeeding advocates may want to meet and make alliances with people who are working to develop such structures.

Self Employed Women's Association (SEWA), a trade union for low-income working women founded in India in 1972, now has seven hundred thousand members and world-wide influence. With roots in the labour movement, the cooperative movement, and the women's movement, their goals are full employment and self-reliance. In India, SEWA has worked with the Ministry of Labour to obtain for home-based workers the same benefits that other workers get. An insurance scheme was set up with funding from a donor grant, the Life Insurance Corporation of India, the Ministry of Labour, and premiums paid by women workers. Over 100,000 women have been insured. SEWA was instrumental in campaigning for ILO Convention 177 on Home Work, collaborating with unions in many countries and with HomeNet. <http://www.sewa.org/>

HomeNet was organized in 1994 by several organizations that represent home-based workers. There are organizations in South Asia, Southeast Asia, South Africa, Europe, Australia, and Canada. Since the adoption of ILO C177, the network has been

campaigning for its ratification and the translation of the convention into national laws.

StreetNet is a network of vendors, primarily in Africa, Asia, and Latin America, who collaborate with researchers and activists on behalf of street vending in urban areas. Members rally around the Bellagio International Declaration of Street Vendors, advocating for national policies to protect street vending through licensing and legal recognition. Ultimately, they hope for an ILO convention to establish the rights of street vendors. <http://www.streetnet.org.za/>

Cebu City United Vendors Association (CCUVA). (20) In 1984, vendors working in the streets of Cebu City (the Philippines), who were organised in associations and cooperatives, federated to create CCUVA. Now the association counts 63 organisations and 7,000 members. It is regarded as a stakeholder in Cebu City and Philippines politics. Amongst its activities, CCUVA has been engaged in policy development related to the street vendors' specific problems; it has organised street vendors, and assisted in building national coalitions of street vendors; it has created support systems for child vendors; and has also developed access to credit and social security services for street vendors.

Women in Informal Employment: Globalizing and Organizing (WIEGO) joins women workers from the informal economy with researchers, statisticians, and international development agencies—both NGOs and inter-governmental agencies. Information collected and analysed by the academic members brings the concerns of informal sector workers more strongly into policy discussions and development plans. <http://www.wiego.org/>

Ethical Trading Initiative (ETI) is a UK-based alliance of companies, NGOs and trade unions who have adopted a Base Code which requires decent working conditions at every step of the international supply chain. Their concern was raised by the large number of home workers who participate in manufacturing, often with little regulation or protection and at very low pay. ETI is exploring what constitutes "good practice" in following the Base Code, and then sharing what they learn. They also seek to increase

the number of companies who join and to help them to meet the ETI standards.

ETI admits that its membership commitments are “exacting. Members must know who their suppliers are, understand how suppliers treat their workers and demonstrate how they are improving their suppliers’ observance of the principles of the Base Code.” This kind of self-monitoring by business should ultimately facilitate the tri-partite process of ensuring that workers enjoy a reasonable share of the fruits of their labour. “To have lasting impact we...must consider how companies can implement codes in a way that promotes dialogue between trade unions and employers and a culture of compliance with national law.” <http://www.ethicaltrade.org/>

Domestic Workers Bill Campaign, Philippines: 2.5 million Filipino households employ domestic workers, and the Philippines exports domestic workers to 70 countries abroad. Late in 2006, the first trade union for domestic workers in the Philippines (SUMAPI) was preparing to become independent after a decade of nurturing by the Visayan Forum Foundation, Inc., an NGO opposed to child labour and trafficking. At the time, SUMAPI had 8,000 members.

It had been recognised that domestic workers working abroad were especially vulnerable to abuse, and the Philippines Department of Labor and Employment was planning to implement skills training and certification of workers as a protection against exploitation. The local domestic workers wanted training and government services similar to those offered to workers who were emigrating. A “Magna Carta for Household Workers” was proposed, with the argument that protecting domestic workers in the Philippines would give credibility to demands that they be treated better when they worked abroad. The ILO and the Federation of Free Workers have both lent support to SUMAPI as it built its capacity to undertake a national campaign.

http://www.ilo.org/wow/Articles/lang—en/WCMS_081383/index.htm

Organisations like these can help workers in the IE to access financing, social protection and legal recognition of their rights as workers. Such an organization gives its members a voice, a claim on society at large for the role they play in the community, and a way to take part in making the policies that affect their working lives.

ACTION IDEAS

- Examine your national laws to find the laws that apply to women’s labour and women’s and children’s health and rights. Note particularly whether they apply to the informal economy. You may find opportunities to involve law-makers or NGOs to help you advocate for laws to fill the gaps, or for new or better regulations to implement existing laws for sectors not covered.
- Inform everyone, from policy-makers to the public, about the issues of maternity protection for women in the informal economy.
- Identify appropriate local authorities to look for creative ways to bring maternity protection benefits to women in the informal economy.
- Leverage funding by integrating maternity protection activities into existing programmes, such as nutrition and HIV and AIDS programmes in Africa.
- Be alert to the gender dynamics, as so many challenges for women in the informal economy are aggravated by their relative lack of power.
- Contact the association of workers that best matches your needs. Join it, or follow its model to start your own group.
- Look for a trade union or workers’ group to become your ally in your campaign.
- Also identify women’s groups in the community or country that may have data on the situation of women in the informal economy. Combine forces to see how best to respond to women’s needs in the informal economy to balance work and breastfeeding and child care.

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The MPC Kit was produced in 2003 by the Maternity Protection Coalition (MPC), comprising the International Baby Food Action Network (IBFAN), the International Lactation Consultant Association (ILCA), the LINKAGES Project and the World Alliance for Breastfeeding Action (WABA), with technical assistance from International Maternal & Child Health, Uppsala University, Sweden (IMCH) and the United Nations Children's Fund (UNICEF). The second edition, produced in 2008, includes two new MPC members: La Leche League International (LLL) and Academy for Educational Development (AED). LINKAGES, a former project of AED, is no longer an MPC member. The MPC supports women's rights to breastfeed and work, by advocating for implementation and monitoring of improved maternity protection entitlement.

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