IFWEA

Building Democratic Worker Organisation and Representation in the Informal Economy

a manual in two parts
Building Democratic WORKER ORGANISATION and REPRESENTATION in the Informal Economy

a manual in two parts
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ACKNOWLEDGMENTS

1 The production of this manual would not have been possible without the support and experiences of the many unions, informal economy organisations and worker educators affiliated to the International Federation of Workers’ Education Associations (IFWEA) and those who work in partnership with IFWEA. Particular thanks is due to:
...The Workers Education Association of Zambia
...The Trade Union Congress of Tanzania
...The Malawi Union for the Informal Sector
...The Zimbabwean Congress of Trade Unions
...The Alliance for Zambian Informal Economy Associations
...StreetNet International
...Women in Informal Employment Globalizing and Organising (WIEGO)
...The Development Institute for Training, Support and Education for Labour, Ditsela, (South Africa)

2 This manual draws on materials developed by IFWEA and others around organising in the informal economy. Specific mention and immense acknowledgement is due to two of the following International Labour Organization (ILO) manuals:
...Let’s Organize. A SYNDICOOP handbook for trade unions and cooperatives about organizing workers in the informal economy, produced by Stirling Smith
...Organising in the Informal Economy: A trade union education manual for trade unions organising in the Asia Pacific Region, produced by the IFWEA.

3 Finally the production of this manual would not have been possible without the financial support of the United Kingdom Department for International Development (DFID).
OBJECTIVES of this training manual

Increasingly in many countries and regions, the majority of workers are forced to seek a living in what has become known as the informal economy. The nature of the informal economy, and the status and conditions faced by workers within it, demands an approach to workers’ education that is distinct from the provision for workers in formal employment. This approach must embrace and develop new organising skills and strategies designed to strengthen informal economy workers’ organisation within the democratic labour movement and other organisations of the working class. It must also build solidarity between informal and formal economy workers.

The development of awareness and understanding of the informal economy within the context of globalisation is an essential and basic element of educational provision needed to promote and defend the interests of informal economy workers.

This training manual is one step in building this awareness and understanding.

As more and more workers face a future of survival in informal work, the more important it is for us to give priority to informal economy worker organisation and representation.

The training manual aims to:

... Further our understanding of globalisation and changing forms of employment both globally and in our home countries.

... Deepen our understanding of key debates and perspectives around informal work so that advancing the rights of women and men in the informal economy becomes a priority.

... Enhance our understanding of decent work and the role of our trade unions and organisations of informal economy workers in promoting a decent work agenda among workers in the informal economy.

... Explore how best to promote the organisation and representation of workers in the informal economy through an exploration of current strategies, models and approaches for organising in the informal economy.

... Begin to develop appropriate skills and expertise for the organisation and representation of workers in the informal economy.

... Explore the various roles in developing and supporting strategies and approaches for the future.
This training manual is a guide for worker educators to use in training and planning for:

(i) trade union organising in the informal economy and
(ii) for building democratic organisation among worker activists in the informal economy.

How the manual is structured

The manual is subdivided into five sections:

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An outline of the overall manual is included on page 7 to give you a pictorial view of how the different sections fit together.

TARGET GROUPS

The manual assumes that its primary users are trade union representatives, informal economy organisation representatives or staff members on both fronts who have responsibility for education programmes. It is not assumed that the reader has formal training in worker education. The manual includes guidance notes throughout, as well as a supplementary module on facilitation skills for those with less experience.

It is assumed that the primary beneficiaries of the education activities contained in the manual are trade union representatives, informal economy worker leadership and organisers, who may either have organisation experience in the ‘formal economy’ and have yet to apply that experience in the informal economy or who may have very little experience in democratic worker organisations at all.

Ultimately of course, the manual is targeted towards workers in the informal economy themselves, as an organising tool for the development of trade union and workers’ rights for those workers for whom they are most often denied.
The manual has been developed on the basis of participatory activity guides. These guides are structured into 3 parts in most instances:

**NOTES FOR FACILITATORS** These are very brief guidelines to use in planning the activity and in understanding how the activity will proceed. They are clearly tagged as facilitator notes and are printed on a shaded background. They include education materials or resources to support the ‘teaching’ of particular activities. They are included for your benefit and would therefore not usually be distributed to participants, unless you are conducting ‘training of trainers’.

**THE ACTUAL ACTIVITY** This is the activity to be engaged by participants. It includes the activity aims, a suggested timing for the activity and the task/s that need to be undertaken. Activities should be reproduced and distributed to participants for use in a training session.

**FURTHER READING/REFERENCE MATERIALS** These are supplementary handouts or suggested readings that accompany the relevant activity. They could be used for preparing your own inputs but may also be reproduced and distributed to participants. For some activities you will also find case studies. These case studies have been integrated into the activity design.

The appendices contain a supplementary section on worker education and facilitation skills. This is included to give the novice educator some tips and ideas around participatory education and methodology. If you are using this manual in ‘training of trainers’ you may find it useful. Remember however that you only really build educator skills through practice!

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**How to use this manual**

The manual has been designed for you to ‘dip in and out of’ and can be used in many ways, depending on the time available and your target group. You can use the manual in a way that best suits your training objectives and the participant’s needs.

Each activity is designed in a way that would allow it to ‘stand alone’.

We have also included some additional resources:

... An appendix containing a few sample programme designs. This might help you draw up a programme which fits your particular circumstances.

... A list of additional resources and references that you may want to draw on.

Finally we are indebted to a range of individuals and organisations for the production of this manual.

Over to you.

*Good luck!*
HOW THIS MANUAL is structured

INTRODUCING THE MANUAL

GETTING STARTED

PART ONE
FOR TRADE UNION ORGANISERS WHO ARE NEW TO ORGANISING IN THE INFORMAL ECONOMY

PART TWO
FOR ACTIVISTS IN INFORMAL ECONOMY ORGANISATION

EDUCATION EVALUATION

SUPPORTED WITH A SUPPLEMENT ON FACILITATION SKILLS AND SAMPLE PROGRAMME DESIGNS

... Manual objectives
... A note to educators

... Getting to know everyone
... Globalisation and the growth of the informal economy

... The needs and demands of informal economy workers
... Does the informal economy contain “real” workers?
... Workers’ rights and decent work in the informal economy
... What is a democratic trade union?
... The need to organise in the informal economy
... Learning the lessons from trade unions organising in the informal economy
... Negotiations in the context of the informal economy
... Developing a union strategy for workers in the informal economy

... The challenges facing informal economy workers’ organisation
... What kind of organisation for informal economy workers?
... Building democratic worker organisation
... Being a democratic and accountable leader
... Building internal democracy – effective and democratic meetings
... What negotiations are we (or should we be) involved in?
... Preparing for a negotiation in the informal economy – mandates and practice
... Extending democratic participation and organisation – the cooperative option
... Building solidarity and strategic alliances
... Next steps – priorities for development

... Conducting evaluations

INTRODUCTION

How this manual is structured 7
ACTIVITIES and suggested timing

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PLEASE NOTE: These times are a guide only
NOTES
Getting started

INTRODUCTORY ACTIVITIES
ACTIVITY 1  Getting to know everyone

1 HOUR

FACILITATOR AIMS:
... To allow everyone to introduce themselves and to get a sense of collective experiences
... To introduce the aims and programme for the workshop

FOR THIS SESSION YOU WILL NEED:
... Paper and pens for participants
... Chart paper
... Different colour markers (enough for each participant)
... Cards or strips of paper

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Welcome participants, explaining that everyone (including the facilitator/s) will get a chance to introduce themselves to the workshop.

Introduce the activity and allow participants between 5-7 minutes to introduce themselves. Don’t forget the facilitator/s introduction!

Ensure that the introductions are light and fun.

As participants share their expectations and concerns, record these on chart paper, grouping like expectations and concerns.

At the end of the introductions take them through the aims and programme, linking these to the particular expectations and concerns that have been raised, explaining what can and cannot be met based on the workshop objectives.

Explain that these will be revisited at the end of the workshop to see how expectations have been met and how concerns have been addressed.
ACTIVITY 1

Getting to know everyone

1 HOUR

AIMS

To help us to:
... Create an open & relaxed environment for our time together
... Get to know everyone else present at the workshop
... Agree the aims and outcomes for this workshop

TASK

A good start to any workshop is taking the time to get to know everyone present. This is important in creating an open and constructive learning environment.

In this activity we will all get a chance to introduce ourselves, our union/s, our organisations and the aims & programme we will be working with. This session will also allow us to begin initial conversations about the informal economy.

In plenary please introduce yourself by ‘answering’ the headings below:

1) Your name
2) Where you live and work
3) A brief history of your involvement in either trade unionism or in informal economy worker organisation
4) Your position within your union or organisation
5) Your expectations and concerns for this workshop,

(Try not to spend more than 5-7 minutes introducing yourself.)

At the end of this activity the facilitator will draw together your experiences and varying levels of engagement before taking us through the aims and programme and making the linkages to the particular expectations and concerns that you have raised.
FACILITATOR AIMS:
... To facilitate a shared understanding of globalisation and its effects on the informalisation of work
... To allow for participant considerations on the core challenges confronting workers in the informal economy

FOR THIS SESSION YOU WILL NEED:
... Huge sheets of cardboard or paper on which collages can be developed
... Old magazines, newspapers, other bits and pieces for the collages
... Different colour markers
... Cards or strips of paper

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW
Take participants through the activity, explaining what a collage is and what is expected. Encourage creativity!

Usually participants enjoy the construction of a collage, they get quite carried away, so do watch the time, ensuring that they manage within an hour.

At the end of the hour remind them to answer the questions that follow. No model answers are provided for these questions, as responses will depend on participant experience.

Allow groups to present their collages and the responses to the questions. Hopefully the discussion will reflect how globalisation presents a new set of factors that are largely unprecedented, and that poses a new set of challenges to the workers movement.

Using the further reading as a base, conclude with an input on globalisation and the increased informalisation of work. The content and length of your input will depend on the level of experiences within the room. However it would be key to draw out:
... The growth in transnational corporations (TNCs)
... The reality of rising unemployment and falling wage levels
... The impact of structural adjustment programmes and free trade zones
... Debt servicing and the impact on social expenditure and sustainable development
... The policies and impact of globalisation, especially on women workers
... The increasing undermining of nation-states

* Refer participants to the further reading.
INTRODUCTORY ACTIVITIES

AIMS

To help us to:

... Develop a collective picture and understanding of the current global context

... Explore the key manifestations of globalisation and in particular its effect on the development of the informalisation of work

... Begin to develop an understanding of the core challenges confronting workers in the informal economy

TASK

Now that we know everyone we will spend some time talking a bit more about globalisation and the informalisation of work.

Globalisation has presented a number of key political and organisational challenges for workers and their organisations. Many of these directly impact on the development of worker organisation and in the development of strategies to engage.

What are these challenges?

Working in a small group:

1) Construct a collage* of what you envisage as some of the key challenges confronting workers under the current context of globalisation. Make use of magazines, newspapers, your own drawings and text, anything that you can find. You have 1 hour in which to build your collage.

Be Creative!

* A collage is picture made from a random collection of cloth, pieces of paper, photographs, and other objects; all of which are stuck onto a surface.
After having finished your collage, spend **30 minutes** reflecting on whether there is anything from what you have built that tells you about the experiences of workers, their families, and communities. Reflect on these questions:

2) How is the informal economy linked to the challenges you have identified?

3) Is informal work a recent development? If not, why is it such a central issue today?

4) How are men and women affected differently within the informal economy?

5) Why is the informal economy continuing to expand?

Please elect someone to share your collage and the responses to your questions in plenary.

At the end of the hour and 30 minutes, the facilitator will draw together responses and we will engage in an **interactive plenary discussion** on the world economy, globalisation, and the shifting focus towards informal employment, and in particular the impact on women workers.
Globalisation has set in motion a process of far-reaching change. The current process of globalisation is generating unbalanced outcomes, both between and within countries. While wealth is being created, many countries and people do not share in the benefits. Seen through the eyes of the vast majority of women and men, globalisation has not yet met their simple and legitimate aspirations for decent jobs and a better future.

Globalisation is manifesting in our economy through the triad of policies identified as liberalisation, deregulation and privatisation. These policies seek to integrate the national economy in the global village. A number of factors have contributed to the spread of market-led globalisation:

GLOBAL ECONOMIC CRISIS

From the early 1970s, the global capitalist system has experienced a crisis or a downturn. This is seen in the collapse of early financial systems and institutions, and was helped along in the post-Cold War era with the fall of the Soviet bloc. Further crises developed in Asia from 1997 and quickly spread across the globe, severely affecting many countries. The worldwide scramble to appropriate wealth through ‘financial manipulation’ is the driving force behind this crisis, leading to the restructuring of both global and national economies. Financial markets and the key players in those markets have developed a role that has severely limited the powers of national governments. This economic and financial crisis in virtually all major regions of the world have contributed to destabilising national economies and has precipitated entire countries into poverty, giving space to powerful capitalist countries like the United States, to increase their power and influence in the global economy.

POLICY SHIFTS

We have witnessed the rise of neo liberal ideology in government and intergovernmental institutions. This is seen in the implementation of structural adjustment programmes, the name given to a set of free-market policies imposed on our countries by the World Bank and International Monetary Fund as a condition for receiving financial assistance. These programmes, designed to attract foreign investment, undermine social and labour rights. They purport economic policies centred on international competitiveness, in which countries and workers underbid each other, and increased labour productivity and output, where flexibility
in employment is sought in the drive to increase market share and profits. Coupled with the strong influence of notions of ‘market imperatives’ which exaggerate the wisdom and the role of markets, and the actors in those markets, without consideration for the other imperatives, this has presented new relationships and realities.

TECHNOLOGICAL ADVANCES
In the last twenty years advances in technology have taken place, making it easier for business to operate globally. Advances in telecommunications such as personal computers, faxes, e-mail, the Internet, and satellite links have made it possible for companies to move money or access information about production in other parts of the world in just a few seconds. This had made it much easier to create global production chain and distribution networks. While technology facilitates working across borders, it also brings changes in work relations; production techniques; and facilitates the rapid flow of capital worldwide. In the absence of the right policy frameworks these changes have placed greater pressure on workers.
PRIVATISATION

Privatisation reduces the role of the state in the economy as a producer, owner, or provider of services. It is believed that the state is never as efficient in producing goods or delivering services as a private business. With the diminished role of the state, privatisation becomes the norm. Many countries have sold off state owned enterprises. Selling off state enterprises is not the only form of privatisation. Other measures of privatisation include:

... outsourcing or subcontracting: when certain services which have been performed by the state are no longer done by state employees but are contracted to a private company;
... promoting partnerships between the state and the private sector;
... selling state-owned land; and
... increasing the user charges for services (e.g. schools, electricity, water).

DEREGULATION

Deregulation refers to further measures that reduce the state’s role as a producer, provider of services, and promoter of social welfare. More specifically it involves removing barriers to trade and opening economies up to world markets by eliminating protectionist measures and minimising state interference in markets. Some of the key policy measures of deregulation are:

... Removal of subsidies: There are many services provided free or at low cost. For example, the state may subsidise the cost of building houses by providing certain building materials free of charge. With deregulation these are removed or reduced.
... Removal of price controls: The state may impose price controls on a number of items. Price controls set the highest legal price that can be charged for these items. Price controls are usually imposed on basic necessities like bread, milk, meat, eggs, cooking oil, rice, maize etc. With deregulation, sellers set their own prices, often placing them beyond the reach of the poor.
... Reduction of direct taxes: Direct taxes are charged on income or profits of private companies. The thinking behind lowering taxes is that individuals or companies will be able to use the funds otherwise paid to governments to invest in producing more goods and services.
... Easing or removal of state regulations on business: Deregulation targets laws which impose controls on how businesses operate. These may include regulations around minimum wages, working conditions, and the environment.
New technology has created a world more interconnected than ever before. This reinforces not only growing interaction and interdependence in economic relations – trade, investment, finance and the organisation of production globally – but also social and political interaction among organisations and individuals across the world.

The global market economy has demonstrated great productive capacity. Wisely managed, it can deliver unprecedented material progress, generate more productive and better jobs for all, and contribute significantly to reducing world poverty. But we are far short from realising this potential. Some of the less favourable effects of globalisation impacting on the lives of workers and the poor include:

### REDUCED PUBLIC SPENDING ON SOCIAL SERVICES

The notion of the public sector as wasteful and ineffective and the private sector as effective and responsible has caused enormous damage. The need to rationalise public finances is used to justify recurrent cuts in public expenditure and to further attacks on public services. Tax reductions and rebates which favour the private sector have further depleted government revenues, reducing the capacity of the state to provide social services.

### TRADE AND FINANCIAL LIBERALISATION

This allows goods, services and money to move more easily across borders. The motive is to make it easier to do business internationally. It rests on the belief that goods and services find their best market in an environment where they are allowed to move freely. Governments often use trade liberalisation measures to try to attract foreign investors. For example, trade agreements may aim at creating ‘free trade’ zones where foreign investors are exempted from local laws and taxes. The key trade liberalisation measures are:

- Removal of tariffs – (i.e. taxes on imported goods)
- Removal of quotas (limitations on the amount or quantity of a certain good that can be imported)
- Removal of limitations on how much of a firm or industry can be owned by foreigners

Financial liberalisation removes restrictions on movement of money across borders. In particular, financial liberalisation makes it easier for companies to invest in a country and to remove their investment with ease.

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**Globalisation and its impact**

New technology has created a world more interconnected than ever before. This reinforces not only growing interaction and interdependence in economic relations – trade, investment, finance and the organisation of production globally – but also social and political interaction among organisations and individuals across the world.

The global market economy has demonstrated great productive capacity. Wisely managed, it can deliver unprecedented material progress, generate more productive and better jobs for all, and contribute significantly to reducing world poverty. But we are far short from realising this potential. Some of the less favourable effects of globalisation impacting on the lives of workers and the poor include:
INCREASED FLEXIBILITY OF WORK

The pressure for business to survive the more intense global competition forces them to cut production costs through a number of means such as subcontracting; outsourcing; scaling down production; and relocating to other countries. Consequently job losses ensue. Flexible employment arrangements such as labour-only contracting and homework are increasingly accepted and practiced. The emerging human resources strategy is that of keeping a core workforce composed of a few highly skilled, tenured and better paid workers while utilising in the periphery an army of poorly-paid, often non-unionised and contract workers.

THE INFORMAL ECONOMY

The debt crisis; the dismantling of the public sector; job losses in the private sector; the deregulation of the labour market under structural adjustment programmes; the removal of subsidies and social services; and the successive economic and financial crises since the late 1980s up to the 1990s, have pushed millions of people worldwide out of formal employment and into the informal economy. The majority are not in the informal economy by choice, but as a means of survival.

FEMINIZATION OF WORK

Pressures on households to earn additional income have pushed women to actively look for work. This is seen in the trend in many countries towards higher labour force participation among women. Where they are able to find work, they are often found in less advantageous forms of employment in terms of income and conditions of work.

THE CROSS-BORDER MOVEMENT OF PEOPLE

The cross-border movement of people is a substantial and widespread phenomenon involving more than 10 million people a year over the past decade, as well as a growing number of countries. What was once a predominantly South to North flow, now has a significant intra-developing country dimension. Declining costs of transportation and the advent of cheap mass travel have greatly reduced one important barrier to movement.

Thus while the promise of liberalisation – that of goods and services finding their best market in a free environment – may be fulfilled when it comes to more mobile factors of production such as technology; capital funds; and skilled labour, it has not been so with unskilled labour. Unskilled labour remains one of the least mobile factors of production and this has benefited least from a globalised world.

NOTES

..................................................................................................................................................................................................................................................................................................................
Part ONE

FOR TRADE UNION ORGANISERS WHO ARE NEW TO ORGANISING IN THE INFORMAL ECONOMY
ACTIVITY 3

Understanding the needs and demands of informal economy workers

2 HOURS 30 min

(for allow time for travel to and from workplace interviews)

FACILITATOR AIMS:
... To allow participants to explore key issues and challenges confronting informal economy workers
... To build understanding of the importance of organising informal economy workers

FOR THIS SESSION YOU WILL NEED:
... Paper and pens
... Digital cameras and display equipment – if available
... Transport – if necessary

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

This activity is a simple piece of ‘action research’, where participants are able to find out about the day-to-day nature of work in the informal economy by meeting and interviewing the workers themselves.

You will need to arrange, in advance, visits of small groups of participants to different workers, preferably in varied sectors and workplaces, obviously ensuring minimum disruption to their working routines, and without compromising their security.

You may, for example, divide a class of sixteen into four groups of four, sending one group each to
(a) a market to interview vegetable vendors,
(b) a bus station to interview taxi drivers,
(c) a local community to interview own-account garment home workers, and
(d) a street-market to interview workers in food stalls and restaurants.

You may have to provide transport; if so, allow plenty of time.

Provide each participant with the questions they may wish to use in their interviews, but encourage them to follow-up with their own questions as appropriate. Remind them that ultimately, they are trying to discover:
... What are these workers’ key demands?
... With whom should they negotiate?
... What are the possibilities for collective action?
... Why unions should consider organising these workers?
Some problems (and hence possibilities for demands) that are likely to emerge?

... Unregistered and unrecorded in official statistics
... Little or no access to organised markets, credit institutions, etc.
... Lack of access to formal education and training institutions or to many public services and amenities, as well as lack of access to technology and resources
... Often compelled by circumstances to work outside the framework of the law
... Even when registered, they are most beyond the pale of social protection with no government support and protection
... Generally low level of organisation and beyond the scope and action of trade unions or employers’ organisations
... Low level of capital, technology and skills
... Unstable employment
... Unjust/exploitative labour relations
... Work in appalling, often dangerous and unhealthy conditions leading to ill health
... Low income and overwork
... Poor quality of tools and raw materials
... Poor quality premises and services
... Harassment from government officials
... Lack of information and advice on rights and opportunities
... Lack of a voice in policy-making/politics
... Etc.

(With all of these being more pronounced among women workers.)

During this activity surface the scepticism some unions offer when arguing against organising in the informal economy. These include the belief that:

... The informal economy is a transitory phenomenon and not an enduring, growing element of the new economies;
... Since they face problems in maintaining and mobilising membership in the formal economy, they are not in a position to dedicate scarce resources to the informal;
... They have difficulties in locating informal economy workers and come up against barriers to organising, so that they feel it is not an efficient use of resources;
... Self-employed workers are entrepreneurs and not potential trade union members.

Pull together the discussions, drawing on the further reading. Highlight the importance of ensuring that organiser’s understand that reaching out to the informal economy is a major priority for their future survival and for turning around the precarious situation of workers in the informal economy.

* Refer participants to the further reading.
ACTIVITY 3

Understanding the needs and demands of informal economy workers

2 HOURS 30 min

(plus allow time for travel to and from workplace interviews)

AIMS

To help us to:

... Gain a first-hand understanding of some of the problems faced by informal economy workers, and some of their demands

... Consider the role of trade unions in relation to the informal economy

TASK 1

A key challenge for trade union organising is understanding the needs and demands of workers in the informal economy. And what better way to find out than to meet with informal economy workers themselves and to hear from them what their key issues are.

Working in small groups (maximum four people per group), travel to meet a group of informal economy workers, and ‘interview’ them using the questions below. Do make sure that you interview women workers as well!

The facilitator has arranged for you to travel to their place of work, and the workers are expecting you.

Make sure you introduce yourselves properly, and explain why you are interested in asking the questions.

How did you come to do this work?

Can you describe a typical day?

If you have to buy your own supplies, where or who do you get them from?

Have you attempted to co-operate with other workers to try and remedy these problems?

How much do you earn in a month?

What are the major problems you face at work?

What have you done to try to remedy these problems?

Are you a member of a union or an association? If so, what benefits does it bring?

Please take careful notes of the answers. If any of the questions seem inappropriate, quickly move on to the next. If some questions spark particularly interesting responses, don’t be afraid to explore further.

(Allow 45-60 minutes for the interview.)

Return to the education venue.
ACTIVITY 3 ... continued

TASK 2

Working in the same small groups, elect someone to report back to plenary, refer to your notes, and discuss the results of your interviews.

When preparing your presentations, refer to the questions outlined above, but also consider the following:

1) What are these workers’ key demands?
2) Are there any specific demands not already mentioned emerging from women workers?
3) With whom should they negotiate?
4) What are the possibilities for collective action?
5) Why should unions organise these workers?

{ You have 30 minutes to prepare your presentation. }

Having shared our responses the facilitator will flip up and cluster similar ideas.

If you have access to a digital camera, take photographs of the workers and their places of work, and display the photographs as part of your presentation to the plenary.
Always get permission from the workers before taking photographs.
Informal work has always been a feature in our countries, but it has increased massively in the last ten years. The debt crisis of the developing countries, the dismantling of the public sector, the deregulation of the labour market and the succession of economic and financial crises since 1997 have pushed millions of people out of formal employment and into the informal economy.

By cutting down the jobs of permanent full-time workers, by decentralizing and subcontracting all but the indispensable core activities, and by relying wherever possible on unstable forms of labour (casual, part-time, temporary, seasonal, on call), transnational corporations deregulate the labour market, not only to reduce labour costs but also to shift responsibility for income, benefits and conditions on to the individual worker.

Workers in the informal economy face serious deficits in decent work - they are engaged in poor quality jobs, with low productivity and incomes, little to no social protection, poor working conditions, and occupational health and safety standards and limited access to knowledge, technology, finance and markets. For the most part, informal workers are women. These workers' problems are compounded by their lack of organisation and democratic representation.

One of the greatest challenges facing trade unions today is the growth of the informal economy. Without a serious and sustained effort in organising workers in the informal economy, it is impossible to even think of organising a majority of workers on a global scale - and thereby changing the existing global power relationships.
OBSTACLES TO ORGANISING

The reality of a restructured and fragmented economy and the changing nature of employment relationships makes trade union organising more difficult. Many unions face the challenge of finding and applying strategies for effectively organising workers in the informal economy. Strategies are needed to defend and promote the rights of the ever-growing number of informal economy workers and to get them to become members of and fully integrated into the trade union movement.

Several national trade union centres have had a negative view and have neglected the organising in the informal economy, four basic attitudes can be identified:

... there is still a belief that the sector is a transitory phenomenon and not an enduring, even growing element of the new economies;
... they believe that, since they face problems in maintaining and mobilising membership in the formal economy, they are not in a position to dedicate scarce resources to the informal;
... they have difficulties in locating informal economy workers and come up against barriers to organising, so that they feel it is not an efficient use of resources;
... self-employed workers are seen as entrepreneurs and not potential trade union members.

If unions still want to be relevant to today’s workers, they will have to overcome their misgivings and fight to attract the unorganised. Organising the informal economy will be one of the most important tasks facing the trade union movement over the next decade.

THE SPECIFIC INFORMAL ECONOMY CHALLENGE FOR TRADE UNIONS

The diverse nature of the workforce and employment relationships in the informal economy poses a number of challenges to unions attempting to organise and represent informal economy workers because:

... Such workers do not represent a uniform group and may have obvious differences of interests;
... They may not share common interests with the bulk of current union members. For example, ethnic, family and kinship ties may be stronger among such workers than working class solidarity;
... They are often so caught up in the daily struggle for survival that they are not inclined to join in collective action, especially since they cannot see how such action or membership in a union can help them solve their practical problems and basic needs;
... The highly precarious nature of their work means that they are often too worried about losing their jobs to join a union;
... They are often not covered by existing labour legislation;
... Informal workers, especially home-based workers and those in micro-enterprises, may be hard for unions to contact and to mobilise - organising drives can be costly and difficult and time and resource consuming;
... Many unions do not have tested strategies for organising them;
... Current union members may not see the rationale for organising such workers and may object to the necessary changes in policies and resource allocation required to reach out to such workers.
Unions must take up these challenges and in doing so address some of the following issues:

1 **POLITICAL WILL AND CLARITY OF DIRECTION**: getting trade union leadership to prioritise the organisation of workers in the informal economy, and to make human and financial resources available to implement this. This may require attitudinal shifts.

2 **LEGAL CHANGES**: if a country’s laws are an obstacle to organising workers in the informal economy – for instance, it only recognises organisations of wage workers with clearly identifiable employers – unions need to lobby for the necessary changes to the laws.

3 **CONSTITUTIONAL CHANGES**: changing trade union constitutions where this is the obstacle to organising informal workers.

4 **NEW ORGANISING STRATEGIES**: learning new organising strategies that are more appropriate for workers in the informal economy. This could mean identifying new negotiating partners (e.g. municipalities in the case of street vendors, rather than employers) and new collective bargaining strategies and demands (e.g. industry based collective bargaining and mediation strategies, rather than firm-based). Recruitment methods must be adapted to the situation of informal workers, targeting in particular women and young workers.

5 **APPROPRIATE POLICIES AND SERVICES**: becoming acquainted with and devising services for workers in marginalised sectors and for the self-employed; shifting from the services that are primarily concerned with labour relations, dispute settlement and collective bargaining on behalf of wage workers to polices and services linked to determining new bargaining counterparts, accessing micro credit and extending the scope of labour laws.
6 TECHNICAL COMPETENCE IN SMALL BUSINESS AND COOPERATIVE DEVELOPMENT: learning the technical aspects of enterprise development, including business opportunity identification, management of enterprises, financial schemes, social credit and cooperative formation and development, land reform etc. that could enhance the capacity to pay dues and to elicit the desire to secure union membership.

7 ORGANISING WOMEN AND DEVELOPING WOMEN LEADERSHIP: organisation of workers in the informal economy depends on the ability to organise women workers and to cooperate with women’s movements. This requires major changes in the prevailing culture and traditional male bias in formal sector trade unions in order to have significant leadership by women in the informal economy. This means introducing affirmative action programmes within the union structures, moving women’s demands to the top of the bargaining agenda and changing cultures, customs and practices.

8 LEARNING FROM THOSE DOING IT ALREADY: by means of exchange visits or other engagements, unions can learn from the experiences of those who are already organising in the informal economy, avoid some of the mistakes and replicate the more successful strategies – rather than re-invent the wheel. There are many different models operating in different countries – so sometimes a combination of different models can be applied where no single one fits exactly. Positive examples of trade union centres and federations which have successfully combined informal and formal economy workers within their constituency would provide inspiration and guidance (as this manual sets out to do).
ORGANISING WORKERS IN THE INFORMAL ECONOMY AS WORKERS AND AS EQUALS: because of the greater marginalisation of workers in the informal economy, their often lower levels of formal education, there is often a tendency for formal workers to want to do things on their behalf instead of organising for them to represent themselves and set their own organisational agenda. Formal workers need to be always conscious and well disciplined to avoid this tendency remembering the struggles they previously had to wage to represent themselves instead of being represented by others.

JOINT CAMPAIGNS: it needs to be borne in mind that, for successful joint campaigns, there must be demands set by the workers in the informal economy as well as the demands of the formal workers. If the formal workers set all the demands and the agenda and expect the support of workers in the informal economy when there is nothing in it for them, it will not work.

TACKLING GLOBALISATION: workers need to confront the negative consequences of globalisation in a unified way (i.e. formal and informal workers should identify their common ground and organise around that) in order to find ways of influencing or acting on the way in which they are affected by globalisation. This must include popularizing and encouraging debates on the economy especially in terms of its impact on households and work systems, and for clarifying issues which concern informal economy workers.

TAKING A LEAD IN CIVIL SOCIETY: if trade unions are sufficiently representative of the working people (which is usually the majority of adults) in any society, they are the natural leaders of any civil society or social movement. They become much more representative of the wider working class if they genuinely represent the workers in the informal economy, and are then much better equipped to take up a leading civil society role.
In the last few years there has been some progress as regards organising workers in the informal economy. A coalition of women’s NGOs, informal workers’ organisations, international and national unions and workers’ education organisations has come together to drive the organising agenda forward.

This has led to various organising initiatives - from India, the pioneer in informal economy organising, to Zambia, South Africa, Colombia, the Philippines, Ghana, Brazil, Mexico, England, Namibia, Uruguay, Peru, Hong Kong etc. There are multiple examples of workers organising themselves, particularly the self-employed, domestic workers and home workers. Many national trade union centres are now giving their support to such structures, or are taking the initiative themselves, often in collaboration with other sectors of civil society.

In addition to its international trade union affiliations, two international networks of informal economy workers have also been created. One is StreetNet International, which includes organisations or support groups in 11 countries and was founded in 1995 at a meeting on the rights of street vendors. It was officially launched in 2002. The second is HomeNet (centred in South and South East Asia), founded in 1994: a network of small organisations which represent homeworkers, as well as other associations of homeworkers.

Women in Informal Employment Globalizing and Organising (WIEGO), established in early 1997, is an international network of individuals from unions, NGOs, academic institutions and international development agencies concerned with advancing the interests of women in the informal economy through research, action programmes and policies.

The International Federation of Workers’ Education Associations (IFWEA), the umbrella organisation of labour movement educational institutions, at its general conference in 2000, committed itself to assisting the organisation of informal workers through education programmes.

More recently the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Association (IUF) has launched an initiative to build an international network to realise and respect rights for domestic workers. Work is currently underway to ensure that the International Labour Organization (ILO) will vote in a convention in 2011 on decent work for domestic workers.

The International Trade Union Confederation (ITUC) is part of a unique collaboration called SYNDICOOP. This is a collaboration between the ILO and the trade union and cooperative movements, aiming to organise informal economy workers and reduce the decent work deficit.

As is evidenced, trade unions are placing increasing emphasis on organising in the informal economy. A significant recent development is the establishment of the International Coordinating Committee (ICC) for Organising in the Informal Economy. The ICC comprises HomeNet Thailand, the Nigerian Labour Congress, SEWA India, StreetNet International, the Ghana Trades Union Congress of Ghana (GTUC), Confederacion Revolucionaria de Obreros y Campesinos (CROC, the Mexican trade union federation), and the ITUC’s regional organisation of trade unions of the America’s. Its priority is to ensure increased representation and discussion of workers in the informal economy through building informal economy organisation.

INITIATIVES UNDERWAY

In the last few years there has been some progress as regards organising workers in the informal economy. A coalition of women’s NGOs, informal workers’ organisations, international and national unions and workers’ education organisations has come together to drive the organising agenda forward.

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**ACTIVITY 4**

Does the informal economy contain “real” workers?

> 2 HOURS

**FACILITATOR AIMS:**

... Drawing on participant experience, to reflect on current debates around informal economy workers

**FOR THIS SESSION YOU WILL NEED:**

... Paper and pens
... Chart paper
... Colour markers

**A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW**

Take participants through the aims and task. Point out the need for reports to be presented on chart paper.

Allow small groups 45 minutes for the discussion; but do check in, as they may need some more time.

It would be useful if you prepared a simple presentation based on the handout either by producing slides or chart paper. The handout headings, a far as possible, make direct links to the viewpoints that were discussed in the activity:

... Introductory paragraph (viewpoint 1 in brief)
... What’s covered by the scope of the ‘informal economy’? (viewpoint 2)
... Who works in the informal economy? (viewpoint 3)
... What characterises informal employment? (viewpoints 4 and 5)
... An expanded concept of informality (viewpoint 2)
... The continuum between formal and informal employment (viewpoints 1 and 3)

At the end of the activity it would be useful to identify the different forms on informal work (some of these may have emerged in the interview with informal economy workers, if this was in fact done).

Here it would be important to note that while street and market vendors are key, so too are other sectors e.g. transport workers.

* Refer participants to the further reading.
ACTIVITY 4 Does the informal economy contain “real” workers?

AIMS
To help us to:
... Reflect on debates around the informal economy
... Relate our experiences of the informal economy to definitions and perspectives offered
... Draw out a common definition and understanding of the informal economy

TASK
There are many debates around the informalisation of work, the concept of the informal economy and its definition.

In this activity we will consider some of these differing views and perspectives. These will form the basis for developing a collective understanding of the informal economy and informal work.

Spend some time reading through the views/definitions below and then discuss the questions that follow in small groups:

{ Please elect someone to report back to plenary. }

VIEW 1
“Creating jobs are critical and all efforts should focus on survival needs and income security. The quality of jobs and decent work objectives like good working conditions and decent wages, are secondary issues. By understanding the informal sector, we can fully understand how this sector can create jobs, particularly where the formal sector is failing.”

VIEW 2
“The term ‘informal economy’ refers to all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements. The term ‘informal economy’ is preferable to ‘informal sector’. Workers and enterprises do not fall within any one sector of economic activity, but cut across many sectors. ‘Sector’ does not help suggest what the work or workers being described have in common.”

VIEW 3
“It is not helpful to make too big a distinction between the formal and informal economies. Many formal workers are paid wages that are far too low to cover living costs and so they also have an informal job. All workers are workers, some workers are simply unprotected by law and are deprived of their rights – what’s this distinction between formal and informal? Formal and informal work overlap in many ways, e.g. many formal workers are paid low wages, are denied basic rights and are unprotected by the law.”
"Workers in the informal economy, irrespective of their sector of employment (e.g. transport, construction, farming etc.) have more in common with one another than with those in the formal economy, even those in the same sector. These workers need organisation and representation in particular industries or sectors of employment."

"Workers in the informal economy are all workers in unregulated and unprotected work. This includes all work in informal enterprises as well as informal jobs (jobs that pay no benefits or provide no social protection), such as own-account workers and some wage workers, for example casual workers without fixed employers, most domestic workers and even factory workers in unregulated and unprotected work, typically in the free trade zones. They all depend on someone else for the specification and remuneration of their tasks"

"Why are we even having this debate? We do not need to get our terminology right before we start organising. The informal economy is like a giraffe: it may be difficult to describe it, but you know one when you see it."

1) Do any of the views expressed above support your understanding of worker’s in the informal economy? Please explain.

2) In light of your own experiences, the earlier discussions held and the ‘viewpoints’ presented above, develop your own definition or viewpoint around informal work/employment.

Once your deliberations are over, prepare to present your discussions on flip chart paper along with your definition on informal work to the plenary.

{ You have 45 minutes for the group work. }

The facilitator will synthesise your inputs, and we will collectively develop and agree a consolidated definition.
In 2002 the ILO’s International Labour Conference (ILC) adopted a resolution containing conclusions concerning Decent Work and the Informal Economy. This represented a new departure in addressing an understanding of the informal economy which has generated a good deal of controversy over the past 30 years.

WHAT’S COVERED BY THE SCOPE OF THE ‘INFORMAL ECONOMY’?

The first step in the new consensus was to move away from the words “informal sector,” since informal activity is quite diverse, and occurs in many economic sectors; and instead use the term “informal economy.” By this, it referred to:

“All economic activities by workers and economic units that are -- in law or in practice -- not covered or insufficiently covered by formal arrangements. Their activities are not included in the law, which means that they are operating outside the formal reach of the law; or they are not covered in practice, which means that -- although they are operating within the formal reach of the law, the law is not applied or not enforced; or the law discourages compliance because it is inappropriate, burdensome or imposes excessive costs”.

WHO WORKS IN THE INFORMAL ECONOMY?

It is important to note the diversity of those working in the informal economy because the problems and needs are different, for example, for those engaged in survival activities, for homeworkers, whose employment relationship with an employer is not recognized or protected, and for the self-employed and employers, who face various barriers and constraints to setting up and operating formal enterprises.

Informal economy workers include own-account workers in survival-type activities, such as street vendors, shoeshiners, garbage collectors and scrap- and rag-pickers; paid domestic workers employed by households; homeworkers and workers in sweatshops who are “disguised wage workers” in production chains; and the self-employed in micro-enterprises operating on their own or with contributing family workers or sometimes apprentices/employees.

WHAT CHARACTERISES INFORMAL EMPLOYMENT?

These different groups have been termed “informal” because they share one important characteristic: they are not recognized or protected under the legal and regulatory frameworks. This is not, however, the only defining feature of informality. And because they lack protection, rights and representation, they remain trapped in poverty.
Another useful way of describing the situation of informal workers and entrepreneurs is in terms of seven essential securities which are often denied them:

LABOUR MARKET SECURITY: adequate employment opportunities through high levels of employment ensured by macroeconomic policies

EMPLOYMENT SECURITY: protection against arbitrary dismissal, regulation on hiring and firing, employment stability compatible with economic dynamism

JOB SECURITY: a niche designated as an occupation or “career”, the opportunity to develop a sense of occupation through enhancing competences

WORK SECURITY: protection against accidents and illness at work, through safety and health regulations, limits on working time etc.

SKILL REPRODUCTION SECURITY: widespread opportunities to gain and retain skills, through innovative means as well as apprenticeships and employment training

INCOME SECURITY: provision of adequate incomes

REPRESENTATION SECURITY: protection of collective voice in the labour market through independent trade unions and employers’ organisations and social dialogue institutions
**ACTIVITY 5**  
Workers’ rights and decent work in the informal economy

………………→ 1 HOUR

**FACILITATOR AIMS:**
... To introduce the notion of decent work  
... To support an understanding of decent work deficits within the informal economy as a basis for understanding what’s needed to promote decent work

**FOR THIS SESSION YOU WILL NEED:**
... Chart paper  
... Colour markers

**A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW**

Introduce the activity, starting off with an outline of the four pillars of the ILO definition of decent work:
1) Employment opportunities,
2) Workers’ rights,
3) Social protection and
4) Representation.

Not much time has been allocated to this activity so it’s probably best to allow small groups to develop from people sitting closest to each other.

At the end of the 30 minute discussion, allow for feedback and then pull together the common threads and themes emerging. Some of the responses for this activity may have emerged in earlier discussions, ensure that these are not left ‘hanging’.

It is important that the activity draws out responses to the following:
... What is decent work in the context of the informal economy?
... Is decent work possible?
... How can decent work be achieved?

It is also important to ensure that the point is made around the need to address macro policies and governance issues alongside the more micro issues of organisation/representation/voice, market access enhancement, social protection, etc.

* The further reading should support the facilitation of this activity.*

*Refer participants to the further reading.*
AIMS

To help us to:

... Understand what is meant by decent work and what decent work deficits are within the context of the informal economy
... Explore the necessary rights required for the promotion of decent work

TASK

The International Labour Conference in 2002 held an important discussion on decent work and the informal economy. The report of the discussion recognised decent work for all as the goal for all workers. The four pillars of decent work, according to the International Labour Organization (ILO) are; employment opportunities, workers’ rights, social protection and representation.

In this activity we will be provided with an opportunity to understand the ILO concept of decent work and begin thinking about what is needed to promote decent work.

The facilitator will provide a brief input on the ILO report.

While listening to the input, jot down your key observations and concerns, before answering the following questions in groups:

{ Please elect someone to report back to plenary. }

1) What is your collective understanding of the concept “decent” work?

2) How are “decent work deficits” observable within the informal economy?

3) Is decent work possible within the informal economy?

4) What is needed to promote decent work? Think about what you would like to see in place.

{ You have 30 minutes for the group discussion. }

Prepare to share your responses in plenary, following which the facilitator will draw together your suggestions.
Decent work and the informal economy

Poor-quality, unproductive and unremunerative jobs that are not recognised or protected by law, the absence of rights at work, inadequate social protection, and the lack of representation are most pronounced in the informal economy, especially among women and young workers.

A key goal should be to promote decent work along the entire continuum from the informal to the formal end of the economy, and in development-oriented, poverty reduction-focused and gender-equitable ways. A progressive approach must involve an improvement of working conditions for informal economy workers. As informal economy workers are better protected and as they earn higher incomes they are potentially assuming more formal characteristics, ascending the transition upwards along the continuum toward the formal, decent and protected end. This would also be part and parcel of a decent work approach to poverty reduction.

USING THE DECENT WORK AGENDA TO ADDRESS INFORMAL ECONOMY ISSUES
Since 1999, the ILO has organised much of its analysis and even its structure around the Decent Work Agenda. This approach places decent work at the heart of development.

THE DECENT WORK AGENDA HAS FOUR “STRATEGIC OBJECTIVES”:

... Promote and realise standards and fundamental principles and rights at work
... Creating greater and better employment and income opportunities for women and men
... Enhance the coverage and effectiveness of social protection for all workers
... Strengthen tripartism and promote social dialogue.

DECENT WORK INDICATORS
The development of Decent Work Indicators in the ILO is based on the goal of decent work for all. Based on this general framework, a set of thirty statistical indicators were identified for initial consideration. They are organised under ten headings concerned with decent work itself and an eleventh on economic and social context. Of the 30 Decent Work Indicators initially identified, seven have been more extensively developed. They measure what are essentially “decent work deficits”:  
... low hourly pay,
... excessive hours of work for economic or involuntary reasons,
... national unemployment,
... children not at school (as a proxy for child labour),
... youth unemployment,
... the male-female gap in labour force participation, and
... old age without a pension.
THE CHALLENGE REMAINING
The World Commission on the Social Dimension of Globalisation made a series of recommendations for greater policy coherence and fairness which, if followed, would create opportunities for women and men to have better lives. Among many other measures, decent work for all would be seen as a global goal at the heart of poverty reduction efforts. Decent work would serve as a guidepost for institutional reform towards a fairer globalisation, with respect for rights acting as a stimulus to productive innovation.
FACILITATOR NOTES

FACILITATOR AIMS:
... To allow participants to consider various forms of trade union organisation
... To develop a set of basic trade union principles and values

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... Colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Take participants through the task, allowing them 30 minutes for their small group discussions. To ensure that all the scenarios are covered you could ask two of the groups to work from scenario 7 upwards.

There are no obvious yes/no answers for these scenarios. Their interpretation will differ depending on the context in which they are located and participants will definitely have different reactions.

The idea is to stimulate debate and discussion on what constitutes a free and democratic trade union.

As groups report, ask them only to introduce new points, those not raised by the previous groups. Record contributions on chart paper under the heading ‘basic principles and values of trade unions’.

While there are no definitive answers, you might find it useful to compare the response of the participants to the following points of view and additional discussion points:

1) The Centre for Workers’ Welfare is not a union. Many unions organise a range of welfare and cultural activities (that is not a problem), but the organisation’s management committee is not controlled by the workers themselves.

2) The Women’s Small Business Association, despite its name, appears to be a genuine trade union. It is independent, democratic, and engages in collective bargaining.

3) The National Union of Bus Drivers: any union that has not held elections for ten years is no longer a democratic trade union, irrespective of having 200 or 20 members.
4) The United Union of General Workers is a genuine union, as long as it is democratically controlled by the members, and not by the political party. Whether or not the law recognises the union is irrelevant.

5) The National Union of Informal Economy Workers example represents a very common and important problem: financial sustainability. It can be argued that no union is genuine and independent if it relies on external finance for its survival, and even the poorest of workers can afford something, even if just the tiniest contribution. This example also raises the question of dependency on development agency finance, and its impact on union policy.

6) The Taxi Drivers Association is a difficult example, and choosing whether to accept that it is a genuine union is a matter of judgement and debate. The critical question here are ‘can employers and employees both be members of the same union?’ and ‘When does a worker become an employer: when he/she owns one minibus? Two? Eight?’

7) The Soft Drink Factory Workers’ Union is not a genuine trade union, simply because senior managers are also members. Nevertheless, in some circumstances, it might be appropriate for supervisors and managers to be union members, although most commonly they would be members of a separate union. The question – again based on judgement – is whether the managers are representing their own interests, or simply those of the employer. Is there a difference?

These are simply opinions, which are perhaps worth comparing with participants own views. More generally, we are hoping to focus discussion on a number of key questions which determine whether we can regard a union as independent and democratic.

These might include:
... Is it controlled by the workers themselves?
... Is it democratic?
... Is it independent of employers?
... Is it independent of the government?
... Is it free of discrimination against some workers?
... Is it sustainable?
... Is it dependent on external financing?
... Is it founded on principles of solidarity?

* Refer participants to the further reading.
ACTIVITY 6

What is a democratic trade union?

1 HOUR 30 min

AIMS

To help us to:

... Consider various forms of trade union organisation

... Determine key principles of trade unionism

TASK

Voluntary organisations, associations, co-operatives, clubs and societies take numerous forms, making up what some have called “civil society”. Trade unions are also part of civil society, but sometimes there are arguments about what is, and what is not, a “genuine” trade union. Some genuine trade unions are not called trade unions, some organisations calling themselves trade unions are not genuine. How do we tell the difference?

In this activity we consider a number of different sorts of organisation, and attempt to agree some basic principles of trade unionism before considering union organisation in the informal economy in more detail.

Working in small groups, consider the examples of organisations given on the next page, and answer the following questions.

( Please elect someone to report back in plenary. )

1) Which of these organisations is a ‘free’ and democratic trade union?

2) What are the main criteria by which we make our judgement?

( You have 30 minutes for the small group discussion. )

Following this, the facilitator will draw together your responses and lead a discussion on democratic trade unions.
A foreign NGO has established a Centre for Workers Welfare, which workers can join for a small annual payment. Members are entitled to use sporting facilities, gain advice on small businesses, join in cultural activities, and attend English-language classes. The centre is overseen by a Management Committee composed of NGO representatives, local community leaders, and members.

The National Union of Bus Drivers represents workers employed by the state-owned bus company. The union is registered with the authorities, and is affiliated to the National Trades Union Congress. In recent years, membership has fallen dramatically from 250 to 23 members. Its Executive Committee meets rarely, and it has not had formal elections for more than ten years.

The National Union of Informal Economy Workers was set up as the result of a project undertaken by the National Trades Union Congress, with financial support from foreign trade unions. It has 35,000 members from many different sectors, and is overseen by a democratically elected Executive Committee. Most of the members are extremely poor, so it was agreed that no-one should have to pay union dues. The union continues to receive funds from overseas, which pays the salaries and expenses of the union office.

The Taxi Drivers Association has 200 members, all self-employed. Some own their own taxi or minibus. Some own more than one, and let others drive them for a daily rent.

The Soft Drink Factory Workers’ Union was established by the 120 workers employed by a soft drinks company at their bottling plant. Originally, the workers had wanted to join the National Food Workers’ Union, but the factory owner was fearful that it would lead to conflict, and persuaded the workers that they should have a union for their factory alone. The union is not affiliated to the National Trades Union Congress. All staff members, including senior managers, are members.

The United Union of General Workers was established by a leading member of an opposition political party, as a breakaway from the General Workers’ Union, in protest against the dominance of the ruling party in the GWU. It has held its first Congress, and democratically elected the opposition leader as union President, but the authorities are refusing to allow the union to formally register as a lawful union.

50 self-employed women running food stalls in the local market have formed the Women’s Small Business Association. The association meets regularly to discuss common problems, buy food in bulk from wholesale suppliers to gain discounts, and occasionally lend money to one another when one of them faces difficulties. From time to time, they elect representatives to negotiate with the market authority or wholesale suppliers on behalf of the association’s members.
Trade union organisation - purpose and principles

Trade unions have a very long history. Trade unionism is a natural and a world wide phenomenon. Wherever and whenever workers come together - in mines, factories, offices, markets, on ships or nearly all kinds of workplaces, they have formed trade unions to protect their interests. In a classic book, Beatrice and Sidney Webb gave their definition of a trade union. It was: “a continuous association of wage-earners for the purpose of maintaining or improving the conditions of their working lives”.

Workers come together into trade unions because alone, they cannot negotiate on a basis of equality with an employer. But what about many workers in the informal economy who do not have a regular employer? Many unions have and still do include workers in the informal economy, without regular employment, because unions can negotiate with the government or local authorities, or the police or other agencies.

TRADE UNION STRUCTURES

Over their history, and across the world, trade unions vary enormously. Some unions have millions of members. Some have less than one hundred.

The basic building block of union organisation is a branch or workplace unit. Branches are based on an area where members live or work. A branch or workplace unit will run its own affairs, and have its own leaders; it may negotiate with an employer. It can deal with problems like health and safety in the workplace, or transport for the workers to get to and from work. In some countries, for example South Asia, a trade union may be based on the workplace or the employer. In other countries, the union is a national organisation, and has branches based on a geographical area, or a workplace. Unions in the workplace or local branch are run by workers themselves. Members take up positions that have many different names such as ‘shop steward’, ‘union representative’, ‘works council member’, ‘branch secretary’. The key point is that they are elected by the union members and represent those members in meetings with employers and various agencies.

TRADE UNION MEANS OF ACTION

Collective agreements

Where there is an employer, paying wages to a worker, then negotiation on behalf of workers with that employer is one of the main tasks of the trade union. This is called ‘collective bargaining’ and results in a ‘collective agreement’, so called because it is between a collective group – the union members – and the employer. Collective agreements can be signed at the level of the individual employer, or a group of employers, at an industry wide level. Collective agreements can cover a wide range of issues, including wages, hours of work; holidays; leave for sickness, maternity and other
reasons; pensions; HIV/AIDS; discrimination in recruitment, promotion and training; health and safety; vocational training – and others. A lot of time is spent by trade unions on ensuring that workers do receive the benefits that they are supposed to get according to the collective agreements. Collective agreements can also be made dealing with procedures for representing workers.

**Representing workers**
An important function of a union is representing members if they are disciplined by their employer. Unions say that all workers should be treated fairly. If they have made a mistake or been absent without authorization, there may be a good reason, and they should have a fair hearing before being disciplined. Unions often sign a collective agreement with employers, setting out the ‘stages’ of a disciplinary procedure, and the punishment that can be given to workers.

If a worker feels that she is not being fairly treated – say she is not promoted or offered training when a male worker is given these advantages, then the union can take up her case. This is also a form of representation and a collective agreement can be made, often called a ‘grievance procedure’ setting out the ‘stages’ of how a grievance can be dealt with.

**Collective agreements and the law**
In some countries, collective agreements are registered with government, and are supposed to be legally binding. In other countries, the system is different, and collective agreements are not enforceable in courts. Generally, trade unions prefer to persuade employers of the benefits of having sound industrial relations and a productive workforce that feels valued – not only by having good conditions, but by being listened to – through their union.

**Non bargaining activities**
Many unions provide education for their members, as a way of getting more active in the union, or they provide basic education, such as literacy, or vocational education. Unions can also help members with a range of non-bargaining activities, including welfare projects to support income generation. Unions often set up financial services for members, on their own, in conjunction with friendly organisations. Unions also conduct campaigns on a very wide range of national and local issues that effect members and their families.

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**TRADE UNION VALUES AND PRINCIPLES**

- **DEMOCRACY**... recognises the right to participate, to be informed, consulted and involved in making decisions.
- **EQUALITY**... if people are to participate fully in, they must have equal rights, responsibilities and opportunities.
- **COLLECTIVITY**... collective effort can be more powerful than an individual acting alone. Together we can help each other to succeed to mutual benefit.
- **SOLIDARITY**... there is strength through joint action – working to create a successful, united movement.
- **UNITY**... to join together with others who share the same interests, principles and ideals.
- **OPENNESS**... striving to be truthful requires being more open, to disclose information when asked by members.
- **INDEPENDENCE**... to be free from dependence on or control by others, be they people, organisations or governments.
- **WORKER CONTROL**... to constantly maintain an organisation for the workers, run by the workers and in the interest of the workers.
ACTIVITY 7 The need to organise in the informal economy

FACILITATOR AIMS:
... To focus on organising in the informal economy
... To support the development of an ‘organising framework’ for workers in the informal economy

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... Colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Take participants through the activity, emphasising that it will be important for each group member to be able to report back on their discussions.

For this reportback an interactive report back methodology is suggested. This will help to absorb what each of the groups have discussed, and will also involve lots of people in giving the reports. That’s why it is important that all members of the group feel able to give a reportback. You may of course decide not to use this, but it’s encouraged, as it will break up the routine of reporting.

Here’s how the report back will work:
(i) Each of the groups will prepare a detailed report on chart paper, outlining their main points and the issues they want to get across to everyone else;
(ii) Each of the groups will be given a separate ‘reportback station’ where they will put up their charts etc in a distinct part of the training room/facility;
(iii) What will then happen is that new mixed groups drawn from all of the groups will then visit each of the ‘reportback stations’ in turn, and those who were in the group that is being visited, will be given the task of leading the reportback;
(iv) Each reportback station will have blank sheets of chart paper where members of other groups can comment, pose questions or ‘flip up additions.

* Refer participants to the further reading.
ACTIVITY 7 The need to organise in the informal economy

AIMS
To help us to:
... Understand the peculiarities of organising in the context of the informal economy
... Begin developing appropriate trade union organising responses and strategies for workers in the informal economy
... Develop an understanding of the key skills and abilities required of a good organiser

TASK
Organising is a key and central function of trade unions. Many argue that it is the core around which trade unions exist, as it involves building the active participation and the power of union membership in their workplaces and in the union.

But are traditional trade union organising strategies appropriate for reaching out to workers in the informal economy?

In this activity we explore organising assumptions and principles, focussing on the organising issues specific to workers in the informal economy.

Working in your union groups read through the ‘conversation’ with a former trade union organiser contained on the pages that follow and then answer the following questions:

Prepare to share your responses in plenary.

1) What is trade union “organising” and why do trade unions “organise”?

2) And in the context of the informal economy? Does it mean anything different?

3) What are the challenges or opportunities facing your union in organising informal workers and women workers in particular?

Please write up your responses on flipchart and ensure that every group member is in a position to explain what’s been discussed by the group.

(You have 45 minutes for the group discussion.)

At the end of your discussion we will conduct an interactive report back, following which the facilitator will summarise the ideas presented and provide a brief overview on organising in the informal economy.
Pat Horn, co-ordinator of the international network for street vendors StreetNet International, speaks about the changes she feels are necessary in trade union thinking so that informal economy workers can be brought into the union movement.

“We have to ask: what is it that prevents us from organising in the informal economy? We have to turn upside-down old assumptions which we may not even know we have. After organising in the paper and chemicals unions in South Africa from 1976-1991, I turned to the informal economy. I did this from a union perspective. I believe that trade unionism does work in the informal economy, as long as we think ‘outside the box’ and then build a strategy for organising, while constantly rechecking our assumptions. For example, there is an assumption that to be a union you have to be enterprise-based or craft-based. But a union is an organisation of workers. If workers are not in an enterprise or a craft, why then is your union based on this? Why does a union have to relate to an employer? Perhaps there is another organisation with whom you can bargain. Unions are not only about wages. We must ask the workers what are their issues.

We must rethink our approach to legality, because what is deemed ‘illegal’ is not necessarily criminal or anti-social. Criminal activities also happen in the formal economy. White-collar crime does not stop us from organising white-collar workers. So, it becomes necessary to reconceptualise. We may need to redefine the employment relationship, the labour market, the working class, etc.

Unions were formed when workers looked at the rise of capitalism and how it worked in the 19th century. We need to look at it now, with globalisation, mass migration, etc., and decide on our organisational response. You may need to start a new union, such as SEWA did in India. Or the established unions may need to start something new, as they did in Ghana [see case study one in activity 8]. It does mean making a commitment to build the human resources, train organisers, etc., it means building up the political will to organise in the informal economy.

These are investments which not a lot of unions are making as yet. We do have to drop the idea that we need to finish organising in the formal economy first. Because it is disappearing. So, we may as well do both at once. We need to stop using caricatures of the informal economy that prevent us from seeing the workers who are there. Some ignore them because they fall outside the existing legal framework. They say, “Street vendors are not tax-payers”. But in fact they pay revenues to local authorities. Ask them if they want to continue being ‘outside’.

It is not very different organising people in the informal economy from the formal economy. Whether you are scared of your employer or the local mafia boss, it is much the same. Ask the workers what their needs are. Don’t tell them; don’t presume. In a union, you turn the workers’ needs into a set of demands. You identify who is the most appropriate authority with whom to negotiate these demands. There can be multiple partners for different issues, for example the local municipality (one or more departments), the provincial government, the police, traditional leaders, etc. Then you initiate collective bargaining. Usually no kind of bargaining framework yet exists, and so you must be creative and experiment. If the law is not appropriate, the union project must be to change the law. You campaign, lobby, mobilise mass support. Assume you will be creating new institutions. You need to find allies. Here, existing unions have the advantage over new organisations. You also need research data which may well not exist. Authorities must be shown the vast numbers of people who are involved (in the informal economy), and the economic activity that they are generating.
**Organising workers in the informal economy**

Organising is the process of bringing people together to achieve specific objectives. In the trade union context “organising” has a specific meaning that arises from the situation of imbalance between workers and employers, where workers hold a less powerful position in relation to more powerful employers who have control over resources and production processes.

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**THE NEED TO ORGANISE**

*In the informal economy workers suffer exploitation and poor working conditions. There is discrimination against women workers, migrant workers, indigenous and tribal peoples and minority groups. Child labour and forced labour will be found. Workers here are more likely not to be covered by social security schemes. The informal economy is not usually a question of choice by workers who want ‘flexibility’ and to become an entrepreneur. The vast majority of workers are in the informal economy because there is no place for them in the formal economy. Working in the informal economy is the only way to survive. They are poor and their only asset is their labour. The most powerful weapon workers have is their “solidarity” i.e. their capacity to unite and act as one body around clear demands for change. Once workers are organised they have the power to effect change, they begin to think and to ask questions about how to make the changes. It is when workers have a genuine opportunity to act and to change conditions that they begin to think their problems through – they show their competence, raise questions, seek special professional counsel and look for the answers.*

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**WHY IT HAS BEEN DIFFICULT TO ORGANISE WORKERS IN THE INFORMAL ECONOMY**

... Any attempt to organise informal economy workers can (and often does) pose risk of denial of work and threat to livelihoods;

... The traditional form of organising against a well-defined employer does not work since in the informal economy employers keep changing as does the workplace and often the nature of work;

... The identity of the workers and the employers is hard to establish as per the existing requirements of the labour law;

... The law often does not cover home based workers (a major form of employment in the informal economy) who are often thought of as self employed workers;

... Trade unions have shortage of resources (cadres and finances);

... Trade unions, being male dominated, have little access to the women workers (who constitute a sizeable part of the informal economy workers);

... In the informal economy, often it is more a case of providing social protection services (such as micro-insurance, health care, access to markets, schemes for training and welfare) rather than negotiating against any one particular employer (though in many cases this too can be done);

... The reluctance of governments to extend effective legislative protection to the workers in the unorganised sectors and inadequacy of the labour law administration have also hinder the efforts of trade unions to improve the situation in the unorganised sectors.
WHAT IS TRADE UNION ORGANISING?
Organising in the trade union context is the process of bringing workers together as a united group so that they can use their labour power to win changes in their wages and working conditions and at every level of the economy and society. Trade union organising therefore extends beyond the workplace to the level of the industrial sector as well to the level of government.

Trade union organising also seeks to expand worker’s power by organising alliances with other pro-worker groups such as people in the community, students and pro worker political parties. Trade union organising seeks to resolve the root cause of the problems that workers experience. Therefore trade union organising involves the struggle for alternative political and economic structures that serve workers and the poor.

TRADE UNION ORGANISING IS:

1) A STRATEGY for societal change.
2) A TOOL for empowering the masses.
3) A PROCESS of facilitating worker’s trust in themselves and their own capacities.
4) An ORIENTATION that is humane, democratic and participatory.
5) A MEANS for resolution of problems.

THE ORGANISING PROCESS AND ITS ELEMENTS
The organising process is made up of all activities that seek to build the power of workers:
... Recruiting
... Building structures
... Representing
... Information, education and training
... Building worker leadership

A PROGRAMME FOR ORGANISING IN THE INFORMAL ECONOMY
Many argue that organising informal economy workers needs to be a priority of the international trade union movement because 1) it is here to stay; 2) it is growing, whilst the formal sector is declining in terms of organisational potential; 3) these two trends are linked and are irreversible in the short and medium term; 4) consequently, the stabilisation of the formal sector organisations and building trade union strength internationally depend on the organisation of the informal economy.

Organising the informal economy serves the interests of the majority of workers worldwide. It is impossible to conceive at the present time of organising a majority of workers at world scale without serious organising in the informal economy.

A programme of organising the informal economy and at the same time defending the informal economy workers’ interests has to have two aspects: an external and an internal one. The external programme
consists of the demands directed outside of the labour movement (to employers, public authorities, international organisations, etc.). The internal programme focuses on what the labour movement itself has to do to improve its capacity to organise and represent informal workers.

EXTERNAL

... Social protection and services under the guiding principle that all workers need social protection (health, life and property insurance, old age security and safety nets) as well as social services (health, education and child care), irrespective of their position in the process of production.

... Pressuring states to strengthen and help develop alternative systems that may be developed by informal economy organisations, through funds, political and technical support, and making employers accountable. Political support includes providing the legal space and framework for trade unions and informal economy organisations to provide social support services for all workers.

... Lobby for informal workers to be covered by labour laws, economic, statistics, minimum wage and social programmes (health, education and social security).

... Using international labour standards relevant to the informal economy as organising and campaigning tools.

INTERNAL

... Campaign for informal workers to gain recognition by the authorities, provide services like micro-credit, savings, insurance, child care facilities etc.

... Lobby for change in constitutions which do not allow membership for temporary workers.

... Developing coordinated organising strategies and practical cooperation in organising as well as building coalitions, alliances and networks and developing a program of common demands.

... Information sharing at all levels.

... Developing contact points for coordination of the informal economy so as to provide
permanence and continuity to co-operation in organising and in pushing common demands.

... The creation of cooperatives as an important flanking support measure for informal economy workers organisations as it already is for unions in many countries.

... Conducting worker education programmes to build organising e.g. the production of popular and accessible materials about existing organisations could be developed, people from these organisations could be identified who could talk about their experience and, resources permitting, exchange programs and visits could be organised. Also develop materials on ‘Know your rights’.

... Struggling for the representation and recognition of informal economy workers by those with whom they need to bargain (public authorities, contractors, etc.) with at different levels.

... Include informal workers in the scope of collective agreements.

... Develop and implement community based action programmes.
ACTIVITY 8  Learning the lessons from trade unions organising in the informal economy

................. ➔ 2 HOURS

FACILITATOR AIMS:
... To develop perspectives on organising in the informal economy
... To introduce detailed case studies on organising in the informal economy

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... Colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

There are numerous case studies and models and examples of trade unions organising in the informal economy. It is unfortunate that we are not able to cover these more extensively.

This activity introduces 5 carefully selected models, in the form of case studies, that unions have used in organising workers in the informal economy. They are:

CASE 1: A section/desk (Ghana)
CASE 2: Worker cooperatives (Philippines)
CASE 3: Launching a new union (India)
CASE 4: A sectoral affiliate joins (Holland)
CASE 5: Women organise (Philippines)

Allow participants an hour to read the case study allocated to their group and to complete the questions that follow.

Model answers are not provided here; all answers are however present in the actual cases. In addition participants own knowledge and experiences should enhance contributions made.

Lead a discussion in plenary around the models and case studies. It would be useful to emerge with a consolidated list of the key lessons and considerations for trade unions.

It would be important to ensure that the following points are highlighted:
1) Unions throughout the world are still experimenting with different ideas and structures on how best to organise informal economy workers, and there is no overall model of “best practice”.

* Refer participants to the further reading.
ACTIVITY 8 ... continued

2) Which model is most appropriate depends on a variety of factors, such as:
   ... Current union structures and organising priorities
   ... The strength of unions in the employment sectors where informal workers are found
   ... The level of resources available
   ... The extent of non-union organisation (associations, clubs, co-operatives etc) within the informal economy already
   ... The role, if any, of NGOs in supporting informal economy workers, or other organisations with whom unions can work

Conclude by asking participants to have a considered reflection (perhaps individually or with others from their union) on the applicability and usefulness of these models for their own contexts.
ACTIVITY 8 Learning the lessons from trade unions organising in the informal economy

AIMS

To help us to:
... Reflect on trade unions organising in the informal economy
... Share and work with ‘live’ case studies of trade unions organising in the informal economy
... Draw the lessons emerging from these case studies for developing our own thinking and ideas around organising in the informal economy

TASK

Trade unions play an important role in the informal economy. They work with various strategies and approaches to include, represent, support and build alliances with workers in the informal economy.

In this activity we will work through a series of case studies involving trade unions organising in the informal economy. These reflections will provide an opportunity to share, draw and develop lessons for our own strategies and approaches.

Working in five groups, you will be allocated one of the case studies developed. Read through the case study allocated to your group and then answer the questions that follow.

Please draw on your own experience and knowledge of the cases presented.

(Please select someone to report back in plenary.)

1) Provide a very brief overview of the case study, remembering that others will not have the same level of familiarity with the case study as you do.

2) Identify two key features from the case study that demonstrates how trade unions extended their reach into the informal economy.

3) How were informal economy workers organised within the case study?
   ... How were they recruited?
   ... How were structures organised?
   ... What were the key issues that were organised around?
   ... What activities did they run/provide?

4) What are some of the key triumphs/achievements for the unions involved? How did they overcome difficulties?

5) What are some of the key lessons from the case study for trade unions to consider in the future?

(You have 1 hour to read the case study and prepare your answers (on chart paper) for presentation to the plenary.)

We will draw together the ideas and suggestions raised, allowing for a considered reflection of the applicability for your own union contexts.
Moving towards being a union that is truly representative

“The Ghana TUC Expands to Organise the Informal Economy”

In 1996, the Ghana Trades Union Congress (GTUC) and its 17 affiliated trade unions, with half a million members, took up the challenge of organising informal economy workers. The 17 national unions affiliated to the GTUC set up informal sector desks in order to reach out to workers in the informal economy. In Ghana today, 80-85% of the workforce is in the informal economy. The GTUC’s strategy is explained here:

They were motivated by three factors:
1) Solidarity with informal economy workers who are the most vulnerable and disadvantaged of the entire working population.
2) The dramatic drop in the unions’ own membership.
3) The growing similarities between the conditions of work in the formal and informal economy, due to the ‘informalisation’ of work.

The GTUC unions are organised on an industrial or sector basis, such as mineworkers, transport, agriculture, etc. The new policy encouraged the unions to bring in informal economy workers. They could either recruit them into their existing structures, or recognise and affiliate existing informal economy associations. One model did not have to be followed by all. Unions were asked to review their own constitution and structures so that they could mainstream informal economy workers into their activities. Some of this was already underway in some affiliates.

The overall approach entailed:
... encouraging and supporting affiliates;
... identifying existing informal economy organisations and developing relations with them;
... encouraging existing informal economy organisations to affiliate either to national unions or directly to the GTUC; and
... identifying specific informal economy workers and undertaking pilot organisational projects to draw lessons for further organisational work.

At the basis of a trade union structure is a coherence of interests among wage-workers. The interests of self-employed workers are more fragmented. So, what structure can be adopted to bridge this difference? At one end of the spectrum, informal sector workers’ organisation is brought into existing union structures. At the other, informal sector workers’ organisation exists autonomously but has
on-going interaction with the trade union movement. The GTUC policy recognises both and has underlined the need for a redefinition of trade union membership and the introduction of different categories and levels of membership to introduce flexibility that accommodates informal economy workers.

In 2001 the GTUC set up an informal economy desk with the organising department of the national centre. The main aim of the desk is to coordinate the various organising initiatives undertaken by the GTUC and its affiliates in organising workers in the informal economy.

Organisation of informal sector workers in the GTUC did not come on a silver platter. It required new ways of approaching and organising. Some unions won confidence in the communities and marketplaces by, for example, voluntarily solving problems with local authorities. They took initiatives before they knew what the benefits would be. Trade unions depend on dues paid by members. The ability to pay dues depends on regular income, which is difficult for informal economy workers. The GTUC recognised this. There was no expectation of dues at first; union members were sympathetic, and operated on the principle of the stronger helping the weaker.

The GTUC also researched local and national ‘labour friendly’ NGOs with whom they could cooperate - those that have experience, that have developed services related to the needs of workers in the informal economy. They recognised that while the unions were good at bargaining the NGOs were better at making project proposals. The GTUC also co-operates with StreetNet International to organise street vendors and hawkers, and recognises that via WIEGO research can be initiated.

The GTUC has identified their biggest challenge as developing collective bargaining for informal economy workers. Despite, GTUC affiliates have served as the medium for representing the workers in negotiating for tax rates, rents, fees or fares. They are often widely consulted and make themselves heard on a wide range of issues before different public bodies. The unions all show evidence of acting as channels for collective bargaining with public authorities or any other body on one matter of interest or the other.

Overall the GTUC has benefited. Union membership was dwindling but now it is growing again.
There is no specific formula for organising the informal sector, but based on the experience of the GTUC, the following recommendations are offered to help in this task:

... Target existing informal sector associations as organisation points rather than the individual operators.

... Promote the self-organisation of informal economy workers - encourage them to organise within existing trade unions and organise on their own and develop relations with the trade union movement.

... Focus on the problems of the various categories of operator 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.

... Improving occupational health and safety (OHS) in the sector is very important.

... Enhancement of the packaging and marketing of their products is another area where many informal economy operators have a lot of problems. Assistance could be given to them to expand the market base of their products.

... Access to credit is a further problem area. Most of the informal economy operators cite lack of funds as their number-one problem. The unions can use their strength and influence to access credit for them and also ensure that the monies are paid back.

... Offer or source training and education – facilitate access to existing programmes; facilitate the institution of relevant programmes and appropriate schemes where they do not exist.

... Explore the possibilities of extending social protection in particular insurance schemes for guarantee against income losses during sickness, and for workers’ compensation and pension.

... Undertake advocacy and campaigns to secure a legislative framework that guarantees minimum standards for all workers, and campaign for the effective functioning of regulatory institutions to assure the application of labour standards.
Within the Philippines much of the work of trade unions has focused on enhancing productivity within the informal economy to support many members who are understood to live on a subsistence basis. Some unions have also considered productivity enhancement as a means to mobilise around issues of social protection, as informal economy workers who are invariably preoccupied with survival needs.

In their efforts to improve productivity and to develop more progressive and alternative type enterprises unions have introduced more innovative approaches to productivity enhancement. This includes the promotion of collective enterprises organised as cooperatives.

Examples of this include the Federation of Free Workers (FFW) who is now assisting a group of 20 workers who have been retrenched from a pastry company to set up their own cooperative cake shop. The National Federation of Labor is also assisting rubber plantation workers who have been awarded individual land titles as a result of the government’s agrarian reform programme and are now managing their land individually as well as the rubber factory collectively. NUHWRAIN Development Cooperative (NUWDECO), which is a development cooperative under the National Union of Workers in Hotel, Restaurants and allied Industries (NUHWRAIN), has set up a cooperative restaurant (now closed) and catering service managed by the former employees of a restaurant that closed down. Another labour organisation is assisting a group of garment workers who, as a result of a dispute followed by negotiations with their employer, have been given ownership of the factory and have organised it as a cooperative enterprise, funded from their separation pay.

One of the big success stories using this approach is the Progressive Skills Multipurpose Cooperative (Proskills) which was established independently by a group of workers retired from a leading beverage company. Starting in 1993 with 19 workers and 900,000 pesos in capital pooled out of the members’ retirement pay, Proskills convinced the company to grant them the distribution and warehousing contracts and to assist them through the developmental stage. Today, Proskills has a membership of 200, a workforce of 500, an asset size of 30 million pesos. It now services all the logistical and warehousing requirements of their former employer nationwide and acts as warehousing consultant to other companies. It boasts of relatively high salaries for its workers, including benefits such as health insurance, educational assistance and...
pension funds, including workers’ participation as associate members and part-owners. Thus, workers also enjoy a share of the cooperative’s profits.

Given the successes, the option of forming workers’ cooperatives is gaining interest among trade unions, but not without some misgivings. However, for many unions who would think twice about business development falling within their mandate, the promotion of collective action which promotes the realization of broader objectives of securing employment, better incomes and enhanced living conditions among workers are clearly beneficial. It is argued that trade unions can actually find their niche in worker cooperatives and collective action, as this option is an attractive one since the risks associated with setting up and running enterprises are diffused in the collective effort ethos. The promise of improving people’s lives through collective initiative, supported by successful experiments and concrete opportunities, propels trade unions towards replicating this model.

Still, the process of developing such collective enterprises is fraught with challenges including the managing of different perspectives and the need to develop new competencies in running a ‘business’. Despite, for a long time now, trade unions in the Philippines have been organising the informal economy through cooperatives through which members support one another by means of loans, post-production services, affordable consumer goods, insurance and other mutual benefits. Many of these cooperatives are formed by trade union members themselves or are organised among informal economy workers.

The Trade Union Congress of the Philippines (TUCP) and the Federation of Free Workers (FFW) have experience in this area, especially in organising farmers and women, providing social credit and supporting livelihood activities. They are further supported by the Workers’ Fund, a non-profit organisation created to service the three labour centres in the Philippines in their socio-economic projects and the formation of workers’ cooperatives.

The FFW, through its Farm Crop Program, assists farmers in forming cooperatives, mobilisation of savings and mutual aid, identification of land reform beneficiaries, training of beneficiaries in sustainable agriculture and relevant farming technologies, and providing social credit. It also supports self-employed women through the FFW Women’s Network (FFW). Since 1997, the FWN has been organising and supporting women’s cooperatives, providing them with training in cooperativism and entrepreneurship, and extending loans to them when required. So far, FWN is supporting ten cooperatives and women’s associations in various parts of the country.

The Trade Union Congress of the Philippines (TUCP) has also recognised that they have to go beyond collective bargaining and that informal workers can be organised into cooperatives. In this way they could be associated with the trade union movement through indirect linkages. Their example is LEAD-CO (Labour Education for Assistance and Development), a cooperative initiated by the TUCP for families living in a depressed coastal community. It started as a loan assistance programme, and then converted into a multi-purpose cooperative providing savings deposit, loans, training, enrolment in the social security programme, a home financing agency, and a TUCP insurance programme, marketing of members’ products and bulk buying of prime commodities for its mainly self-employed members.

Through extending their social protection initiatives and programmes the TUCP has reached the informal economy. Through their advocacy they have also managed to get cooperatives accredited as social insurance collection agents with respect to their members, making it increasingly possible for informal workers to become part of the formal social security system in the Philippines.

In addition the TUCP, together with two cooperative insurance agencies (Coop-Life Mutual Benefit Services Association (CLIMBS) and Cooperative Insurance System of the Philippines (CISP)) and a leading cooperative federation (PFCCO), is seeking to expand its Worker Mutual Benefit Association to include more workers from both the formal and informal economy, and more benefit packages within its insurance scheme. Currently, it is raising capital as required by the Philippine Insurance Commission for the benefit packages that it seeks to provide.
The Self Employed Women’s Association (SEWA), based in Ahmedabad, Gujarat, grew out of the Women’s Wing of the Textile Labour Association (TLA), India’s oldest and largest union of textile workers. SEWA is a trade union for women workers in the informal economy in India. It was founded in 1972 and today is one of the largest informal economy organisations in the world, with a total membership of over 1 million constituting mainly poor, self-employed women workers. These women earn a living through their own labour or small business and constitute about 94% of the labour force.

SEWA’s main goals are to organise women workers and their families for full employment, where they obtain work security, income security, food security and social security. Practically this strategy is carried out through the joint action of unionization and cooperative development.

The first struggle of SEWA was to gain official recognition as a trade union. The Labor Department refused to register SEWA on the grounds that since there was no recognized employer, the workers would have no one to struggle against. SEWA argued that the main function of a union was to unite the workers, regardless of their employment relationship.

Finally, SEWA was registered as a union in April 1972. SEWA grew continuously from 1972, increasing its membership and including more and different informal workers within its fold. 69% of its membership is in rural areas, and 31% in urban areas. The largest group (59%) is labor and service providers (paper pickers, garbage collectors, head loaders, rural agricultural workers, construction workers) followed by home-based workers (bidi and incense stick rollers, food producers, artisans) (26%), producers (dairy products, salt, gum collectors) (8%) and street and market vendors (7%).

Organising in the cities developed considerably through a campaigning approach, whereby workers of the main trade groups participated in and developed their own economic issue-based campaigns aimed at improving their working conditions and wages or earnings. In rural India SEWA’s strategy has been aimed at increasing local employment opportunities and thereby focuses on:

- Increasing employment opportunities for women and thus increasing women’s bargaining power
- Developing women’s assets
- Capacity-building and leadership development of rural women
- Providing food & social security
... Becoming self reliant both in economic terms and in terms of running their own economic organisations.

... Eco-regeneration through employment for rural women.

... Collaborating with government’s rural development programmes.

It took a decision that men would not be allowed as members or as office bearers of the union. Subsequently, SEWA discussed on several occasions allowing male members to join the union, since many issues of the self-employed are common to both men and women. Ultimately, they decided against it, believing that if men are admitted they would take over the union and SEWA’s purpose would be lost. SEWA stresses women’s need for self-confidence in order to grow and believes that the cultural conditioning which makes women defer to men would undermine women’s confidence in a mixed forum.

However, SEWA’s perspective is not exclusionary: it believes that by improving the conditions for the woman, it can improve the conditions for the entire family, and thus for society. As many occupations are family occupations, setting up networks and support for women contributes to the support of the family. For example, when the union demands identity cards for bidi workers, their entire family gains access to the medical clinic, or, if a vendor-members’ husband is harassed by the police, SEWA will take up his case also. The new situation that has been created through an all-women membership, however, is one in which family members get access to support and services for the family: the fundamental difference is that resources are channeled through the women’s hands.

SEWA has been described as a trade union, a women’s movement and a co-operative movement. These are complementary and mutually reinforcing functions of the organisation reflecting an integrated approach to gaining work security and social security for its members.

Through its co-operatives and service organisations, SEWA has built an extensive support network for its members. It includes cooperatives for child care and at its centre is its largest co-operative, the SEWA Bank, which was established in 1974 with 4,000 members. It provides micro-credit and other financial services to SEWA members. In addition, SEWA has set up service organisations providing health care, child care, insurance, housing and affordable electricity. In times of crisis (earthquakes, recurrent communal riots) it has materially assisted its members to survive and to recover their livelihood.

SEWA runs over 170 projects, which are largely financed by outside funding agencies. These include the SEWA initiated National Alliance of Street Vendors of India (NASVI) launched in 1998, which has 320 membership-based organisations from 49 cities in 22 states. Recently, consultation with the Urban Development Minister led to a special task force which has been working out a national policy for street vendors. Another is the SEWA Academy, established in 1991, it stresses the self-development of the member so that her latent talents may be encouraged and developed. It offers programs in organising, leadership training, research, writing, planning and communication. It also runs programs to develop practical skills (literacy, marketing, budgeting, book-keeping, conducting a meeting, writing the minutes of a meeting, etc.).

In addition Vimo SEWA is an integrated insurance scheme started to support women in times of crisis. Operative since 1992 in collaboration with nationalised insurance companies, it has demonstrated that insurance for the poor can be run in a self-reliant and financially viable way. The scheme provides protection against various crises that threaten the lives and work of members, including illness, widowhood, accident, fire, communal riots, floods and other natural and human-made calamities that result in loss of work, income and assets for poor working families.

In 1983, SEWA affiliated to the International Union of Food and Allied Workers’ Associations (IUF), subsequently to the International Textile, Garment and Leather Workers’ Federation (ITGLWF) and to the International Chemical, Energy, Mine and General Workers’ Unions (ICEM). SEWA is also a member of the International Co-operative Alliance (ICA), of StreetNet International and of HomeNet, the international alliance of home-based workers’ organisations. The SEWA Academy is a member of the International Federation of Workers’ Education Associations (IFWEA) and, in 1997, SEWA was instrumental in setting up Women in Informal Employment Globalizing and Organising (WIEGO). More recently SEWA has gained official recognition as a national centre, through its affiliation to the International Trade Union Confederation (ITUC).
Many unions have adopted the approach of forming or building sector or industry based unions for organising workers in the informal economy. In this way informal economy workers can articulate issues pertinent to their specific sector.

An unusual example of this is the Red Thread (De Rode Draad), a trade union for sex-workers in the Netherlands that is affiliated to the Dutch Trade Union Federation, the FNV. In many other countries, sex-workers are ‘illegal’ and not considered as ‘workers’. For these and other reasons, the trade union movement usually has little to do with them officially.

The Red Thread came into being in 1985, founded by a self-help group of sex-workers with the aid of some prominent feminists. In 1987 it received funding from the Ministry of Labour and Emancipation. (Now it is funded by the Welfare Department.) The decriminalisation of prostitution was in sight.

In 1991, the Red Thread made first contact with the trade unions. The trade unions were no longer totally opposed to sex-work as a concern of the labour movement, however they felt they couldn’t do anything for sex-workers. They only took on members who were employees in a clear employer-employee relationship. At the time, Red Thread members preferred the status of independent entrepreneur or self-employed contractor, as this gave them anonymity, which an employment contract could not do. But legalisation of brothels meant ‘normalisation’, and paying taxes. And there is no way to pay tax anonymously. So, the Red Thread gave up the idea that employment with a labour contract was out of the question.

Meanwhile, and more importantly, the FNV set up a department for sole entrepreneurs. This paved the way for a second round of contacts, right before the legalization of brothels. The FNV Executive Board decided that they should take up the rights of sex workers. Formally, members could stop them, but in fact they never did. Working with a regular trade union is seen as a great step forward.
Through this work with the trade union movement the Red Thread has received:
... official recognition ... expertise in the case of labour conflicts, e.g. with brothel-owners a weighty partner in political issues because the FNV is fully recognised by the government as a social partner
... support in building the union for sex-workers resulting in a small but growing number of members
... support in the development of a tailor-made training programme for sex-workers so that they can become fully fledged shop stewards
... support in the development of publicity materials
... last but not least, the Red Thread is entitled to make a collective labour agreement that should be valuable nationwide for those sex-workers who want to enter into an employer employee relationship.

According to the FNV, all this is only possible because legalisation gave them the authority to defend our case against their ‘traditional members’ and to lobby the government. But can a union only do something for a ‘legal’ workforce? Currently there are debates about the exploitation of ‘undocumented’ sex-workers. Is there some kind of action possible parallel to that for people in garment sweatshops or domestic work in conditions of slavery? Undocumented sex-workers should have a means of redress that is better than just deportation.

The Red Thread wants more women to be documented. Their view is that migrant sex-workers should enjoy the same rights and restrictions as migrants in other professions.

And in the words of one of the Red Thread organisers: “The 50,000 Euro question for the Red Thread is: what can we offer to a sex-worker who won’t or can’t join the union, such as the undocumented women? Or to sex-workers who don’t see themselves as sex-workers and have taken up the work ‘just for a few days, for a bit of money’? The answer is simple: they should be able to apply for support, even if we don’t know their names and legal status. We, as a union, are not the police. We don’t check residence permits or other papers. We don’t do the work of the police.

How have the brothel-owners reacted? We encouraged the organisations of brothel-owners to become members of the official organisations for employers. Some of them had come up with the idea themselves. Some are willing to take their seat at the negotiating table. But on the whole, they have been aggressive, not unlike the great captains of industry in the nineteenth century when workers got organised. In practice, we get often kicked out of brothels. There is a long way to go. We don’t expect we will succeed within the next year. But there is one thing worse than fighting brothel-owners and that is not fighting brothelowners. There is one thing worse than fighting exploitation, and that is not fighting exploitation. There is one thing worse than organising and that is not organising. And there is one thing worse than just a small group of organised sex-workers, and that is no group at all.”
Half of working Filipino people are made up of women. Women can be found working in the formal sector (wage and salary workers); in the informal sector (i.e. ambulant vendors, home-based workers); and within the households working as full-time homemakers.

The Manggagawang Kababaihang Mithi ay Paglaya, which means Women Workers Aiming for Freedom, or Makalaya for short, was set up in 1998 in the Philippines by women trade unionists, community leaders and women working in informal employment. Their aim was to challenge the trade unions to be more responsive to the issues of women workers including those in the informal economy. They sought to empower women through awareness on gender issues, organising for mutual benefits, capability-building and mobilizing to struggle for a gender fair and equitable society.

Today, Makalaya has over 5,000 members organised into 9 chapters throughout the country. It focuses on developing leadership capacity among women workers, strengthening the women’s structures in mixed organisations, and organising women in informal employment.

Makalaya is trying to mix two perspectives in organising - those of trade unionism and community organising. In this way, it acts as a pressure group within and outside the union movement. It employs different approaches when organising workers in the informal economy, however most of their chapters use the community organising approach; though their bias is to organise informal economy workers into “sectoral, self-managed workers cooperatives”. As part of their social investigation, organisers determine what types of work people are engaged in; then, through brainstorming identify what type of workers will be prioritised. Priority is given to “sectors” that are organisable, i.e. there is interest to act on issues and willingness to be organised.

An example of work in the Cagayan de Oro City (CDO) chapter is explained. This chapter comprises five communities in the city and implements their activities and programs according to four components:
(a) education and training;
(b) organising and membership consolidation;
(c) campaign advocacy and networking; and
(d) political participation.

The gender education and training in Cagayan de Oro gathered women vendors, barangay health workers, employees and volunteers, homemakers, barangay councillors and students.

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These education activities provided the opportunity for women to discuss gender issues, "develop their personal competencies and sense of sisterhood," and stressed the need for women to organise and fight for their rights. Follow up, all-year-round study circles deepen this training by tackling further issues about family and the community (i.e. violence against women, livelihoods, etc.).

Nationally Makalaya provides a link between informal economy workers and official institutions through lobbying, negotiating, and providing practical support. For example, Makalaya plans to collect social security contributions from members and submit them to the local government system. They also provide training and empowerment for women so that they can do their own negotiating so they can get access to the social protection that they need and are entitled to. Makalaya has also been encouraging indigenous mutual insurance schemes to be set up, though these are still very limited because informal economy workers are only able to make very small contributions.

In addition Makalaya uses government job creation schemes to encourage skills training and, as an alternative, encourages and supports the formation of workers' co-operatives. In partnership with local government, they are developing schemes that give access to small capital and non-finance inputs. In these kinds of ways they are trying to assist informal economy workers to benefit from the formal systems.

Makalaya works hand in hand with trade unions on the issue of workers rights. The interaction between women from the trade unions and women in the informal economy opens a lot of possibilities for engagement on common issues e.g. decent work and issues peculiar to women workers. New women committees and women core groups are formed within the trade unions and worker cooperatives are encouraged to join the labor movement so that their issues are integrated in the priority concerns of the trade unions. More specifically, Makalaya chapters are spread among the local unions and workers’ associations of the Alliance of Progressive Labor (a labor center for workers in agriculture, industry and service sectors), Confederation of Independent Unions, (labor federation of unions in the public sector), community-based organisations, Akbayan (a party-list political party) and women in development work and NGOs.

A good example of the link with trade unions is through Kahayagan; one of the first Makalaya affiliates. Kahayagan organised seasonal women workers at a Basilan-based company. They focussed on negotiating for the inclusion of their issues in the collective bargaining agreements between the union and the management. Following comprehensive land reform and the displacement of these seasonal workers they have grouped themselves into teams handling different business endeavours in the community - running a bakery, refreshment stores, food processing and selling, street vending of food items like maruya, banana, etc. Given the women's resilience and unity, Kahayagan flourishes as a women's livelihood organisation.

Key priorities for Makalaya’s chapters into the future include:

... A focus on capacity-building aimed at systematising internal resource development e.g. systematic dues collection system, continued ideological discussions and community building activities and the exploration of partnerships with local government units on other training expertise.

... Increasing membership and building leadership by organising further community women's organisations and adopting new strategies in organising women in the trade unions.

... Further programmes related to education and documentation of experiences, work on medical insurance coverage for members and other health benefits, strengthening the culture of sisterhood, collectivity and diversity and campaigning and advocating around issues of reproductive health and organising young women.
**ACTIVITY 9: Negotiations in the context of the informal economy**

**2 HOURS**

**FACILITATOR AIMS:**
- To draw out participants’ experiences of negotiations
- To support the exploration of negotiation issues, counterparts, demands and collective action in the context of the informal economy

**FOR THIS SESSION YOU WILL NEED:**
- Chart paper
- Colour markers

**A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW**

This activity considers collective bargaining in the context of the informal economy. It does not cover the entire gamut of issues requiring consideration when preparing for collective bargaining e.g. it does not look at questions of research and information; instead the focus is on needs, demands and counterparts.

**TASK 1** is a quick ‘lead in’ to the activity. It’s provided to get participants talking about their experiences of conducting negotiations. Allow them to complete the task and then take feedback. Try not to spend more than 30 minutes on this part of the activity.

For **TASK 2** you could divide participants into four groups and give each group two scenario’s to explore. Point out that while all the scenarios are based on actual cases, the organisations’ names are entirely fictitious.

Encourage participants to build on or embellish the cases based on their own experiences; they need not stick to the facts presented within each scenario.

Model answers are not provided. It is hoped that the mini scenario’s spell out the issues very clearly and that the demands and ideas on collective action will draw on participant experiences.
For each of the scenario’s the following possible bargaining counterparts are offered:

SCENARIO 1: Ministry of Labour (or equivalent) and the Global Union Federation
SCENARIO 2: Government and employers’ representatives
SCENARIO 3: Retailers and suppliers in the textile and clothing industry.
SCENARIO 3: Retailers and suppliers in the textile and clothing industry.
SCENARIO 4: Employers
SCENARIO 5: Local municipality
SCENARIO 6: Ministry of Education (or equivalent) and vocational training bodies
SCENARIO 7: Banks and micro credit institutions
SCENARIO 8: Government and employers

In taking feedback, allow for extensive discussions on the issues, demands and options for collective action. Remember to ensure that concerns and issues specific to women workers are not left out!

At the end of the report backs engage the following questions in plenary:
... How could unions ensure proper research and information gathering to support bargaining processes?
... How can bargaining strategies be more empowering for membership?
... What are the key action areas for a good negotiator?
... If agreements are reached how can they be implemented and monitored?
... What role and possibilities are there for alliance building and public campaigns?

If necessary you could close the activity with a brief input based on the further reading.

If you have time, you may want to ask participants to identify the various positions and underlying interests in each of the scenarios. This could help them practice the underpinnings of ‘position’ and ‘interests’ as outlined in the further reading.

* Refer participants to the further reading.
AIMS

To help us to:

... Reflect on the range of negotiations we are currently involved in and that we should increasingly become involved in

... Begin to identify negotiating issues, demands and counterparts in the context of the informal economy

... Consider informal economy worker actions when negotiations fail

TASK 1

Negotiations are a key tool in building strong trade union organisation. Through negotiations unions can exert their power and collective force in advancing the interests of workers.

In the context of the informal economy, considerable creativity is needed when considering negotiations. In all likelihood informal economy negotiations will have unusual (from traditional employers) negotiation counterparts and will therefore require new collective bargaining strategies and demands.

In this activity we will get a chance to share our current negotiating experiences before considering bargaining partners and approaches for our task in the informal economy.

Working in groups with those immediately around you, share your experiences of negotiations by answering the following questions:

1) What are the worker demands and issues that you have had to negotiate around?

2) With whom have you had to negotiate these issues? At what levels?

3) Where were women and the issues confronting women in the negotiations process?

( Please elect someone to report on your shared experiences in plenary. )

( You have 15 minutes for the discussion. )

After the group reports, the facilitator will draw together the common issues, levels and partners within the ‘traditional’ negotiations arena.
ACTIVITY 9 ... continued

TASK 2

Working in small groups you are asked to turn to the informal economy scenarios allocated to your group.

Imagine that you are the trade union organisers for the union within the scenario. Read through the situation confronting you and then prepare to answer the following questions:

Please feel free to embellish the scenarios in answering the questions.

1) What are the key issues faced by the workers in the scenario?

2) What are the forums or meeting points and who are the bargaining counterparts represented in this scenario?

3) What are the key demands that need to be negotiated around?

4) If not mentioned above, what are the demands/issues peculiar to women within this scenario?

5) What options are available for worker action if the negotiations fail or breakdown?

{ Please elect someone to report back to plenary. }

{ You have 1 hour for the small group work. }

The facilitator will pull together the key challenges emerging before ending with a short input on position and interest based approaches to negotiations.
The Women’s Association for Homeworkers (WAH), the first organisation of women homeworkers, is struggling with registration and recognition. It is understood that gaining recognition is important for gaining legitimacy as a union. Not only will recognition help in negotiations with employers, sub contractors and those buying products produced; but it will also build confidence in women homeworkers that they are joining a legally recognised structure. Further, through recognition WAH will be able to represent workers in national and international forums. It also means that it can form part of the international trade union community, and will encourage homeworkers to join and participate in union activities.

The WAH has not been able to register and has been struggling with recognition since its inception. Up until now WAH has had nothing but rejection - from formal trade union organisations and by the government.

The National Union Congress (NUC) changed its policy to reach out to informal workers. In some unions, workers were recruited into existing structures whilst in others associations of informal workers were affiliated. Having done this the NUC has set out to review the national labour laws and have discovered that the labour laws are outdated, fragmented and that they do not fit with work realities, nor the country’s Constitution - in fact they restrict the unions’ ability to extend into the informal economy.

A new Labour Act must redefine an employee and what constitutes a trade union. It must also contain special provisions for workers in the informal economy, allowing them to benefit from the provisions of collective agreements, equal pay for work of equal value, access to the same medical provisions available to permanent workers, full minimum wage for all days in attendance (even if the weather prevents work) and the benefit of public holidays. Up until now the government and employers have resisted!
In competing with other retailers for prices and profits, big brand retailers have been driving down employment conditions for workers in the textile and clothing industry. They have consistently been undermining labor standards they claim to uphold. By squeezing their suppliers to deliver, pressure is placed onto the mainly women workers at the very end of their supply chain in the form of ever-longer hours at faster work rates, often in poor conditions and with no job security. These workers do not receive a minimum wage, holiday or sick pay, parental or pension rights. This is ruining women’s health, breaking up families and communities and undermining prospects of future generations.

The Textile and Clothing Union (TCU) has agreed to negotiate a Code of Practice with employers, exporters and retailers. According to the TCU this code must commit employers to ensuring homeworkers are paid a proper rate, are working not less than 30 hours or more than 70 hours, are covered by workers compensation and that pension contributions are being paid. TCU wants retailers to ensure that their suppliers conform to the code. They also want responsibility for monitoring the code and full information and records on request.

The Seasonal Workers Association (SWA) has 450 members who are working at a company that produces palm oil, rubber and coffee. These workers are employed as the coffee pickers and also include workers who are responsible for applying fertilizers to palm oil trees, rubber trees and coffee plants. The Food Workers Union (FWU) also organises at the company and has successfully bargained around issues ranging from basic worker rights, wages and conditions through to the promotion of socially and environmentally sustainable agriculture. A current collective agreement also protects the rights of workers to health and safety at the plantation and offers access to vocational training. This however does not extend to seasonal workers.

SWA wants the scope of collective bargaining and agreements to extend to their members as well. They also want the inclusion of issues specific to their conditions to be included in collective agreements. SWA members have long spoken about pushing for a Christmas bonus and grocery items during December and would also want to be paid in cases where they are unable to report for work.
ACTIVITY 9 ... continued

SCENARIO 5  OVERNIGHT ACCOMODATION & CHILD CARE FACILITIES

Many street vendors, who are members of the National Association of Street Vendors (NASVE), work and sell wares in the city centre but live and travel in from rural areas. Their rural homes are too far away to be able to go home every day. Because there is no affordable accommodation in the city centre these traders sleep on the street next to their goods, overnight. This is obviously not very safe, especially for women street vendors, and more so for those who have their children with them – but for those who depend on this work to support their families, they have no other option.

NASVE needs to negotiate for affordable overnight accommodation for their members. They want this facility to offer storage space for their goods and also provide child care facilities. The association has identified an old building near the market that could be converted into affordable accommodation. It hopes that agreement can be reached on the site and that the management, cost and the cleaning of the accommodation will be negotiated with the vendors.

SCENARIO 6  NEGOTIATING FOR SKILLS DEVELOPMENT

The Trade Union of Self-Employed Workers (TUSEW) has about 800 members mostly made up of home workers from the city who are involved in home repairs, plumbing, domestic work and sewing. The union’s work includes training for members that can improve their qualifications, representing workers before contractors, and providing members with legal counsel.

Given that government resources have recently become available for skills training, TUSEW has identified education and training as a priority. They want to introduce a programme of formal education by distance learning for members and would also like to offer members courses in computer science, cutting and sewing. Their hope is that successful negotiations will ensure that such training can be offered at the place where members are; that training be part-time so that trainees do not have to give up their income-earning activities altogether; and that the training be offered in the appropriate languages, with written materials.
Informal economy workers have had long battles with consumer credit companies around the provision of socially oriented microcredit. As a result, many members of the Association of Informal Economy Workers (AIEW) are now saddled with excessive, high interest debts and many operators, particularly women are not able to access credit at all; particularly since microcredit institutions demand bigger, more tangible guarantees before granting loans. In addition the banking authorities have brought in stricter rules on risk assessment - increasing the cost of credit and, therefore, making it more difficult for the institutions to offer attractive products.

Members feel that AIEW must step in to ensure better access to funds. They are insisting that there should be no need for collateral for loans below a certain amount; that nobody be required to have her husband’s signature as a condition for getting access to credit and that credit be granted directly to members (not to members’ suppliers) and paid into their bank accounts which they manage themselves.

A further wave of entrenchments has led to yet more workers being forced to find work within the informal economy. The National Union Centre (NUC) continues to lose membership rapidly. Having lost their jobs, such workers automatically cease to be union members. It is against this background of retrenchments, the inability to defend their members against retrenchments, dwindling membership and a reduced financial base that NUC has been considering policies and approaches that could support and service the needs of retrenched members; particularly as they enter the informal economy.

The NUC continues to attempt to prevent retrenchments and save jobs wherever possible, but that in the event they do, recognises that it must attempt to ensure that counselling, retraining, timely payment of benefits and avenues for redeployment must be worked out between the union, its members and the company.
What is negotiation?

Negotiations is the process when two or more parties meet each other to get agreement over the use of distribution of a particular resource, the granting of a right etc. In a negotiation each party seeks to advance their own interest. Negotiations can be between individuals or on behalf of a group. In unions we talk about collective bargaining i.e. negotiating for the collective rather than for individual interests.

POWER IS THE UNDERLYING DYNAMIC OF NEGOTIATIONS

The underlying dynamic in most negotiations is the relative power of the parties. Sometimes this is obvious at other times it is more hidden. The relative power often determines the form and content of the negotiations.

For example if one party is extremely weak and the other extremely strong, the stronger party will determine what is to be negotiated, how it should be negotiated and even when or whether it should be negotiated at all. The powerful party will also dictate the terms of implementing the agreement.

THE WEAK CAN USE NEGOTIATIONS TO BUILD POWER

It is possible in the process of negotiations for the weak to develop power. This depends for example on:

- Their negotiations strategy, i.e. how they frame their demands
- Their understanding of the issues being negotiated
- Their understanding of the positions and interests of the other party, their strengths and weaknesses
- The tactics in the negotiations i.e. how well they present their case whether they are able to win support among the other side, divide them, appear to be conciliatory, appear to be stronger than they really are etc.
- Whether they could use the negotiations to win support and unite their own members
- Whether they are able to use the negotiations to win support among the community who may be able to influence the negotiations either directly or indirectly

NEGOTIATION IS A SKILL BUT ALSO AN ART

Negotiating is a skill to be learnt. There are rules, procedures to be followed, research to be done, and framing of demands and arguments. All these can be learnt and developed through practice. At the same time negotiating is an art, it depends as much on personal style, flair, charisma, the ability to think imaginatively and creatively, the courage and strength of the negotiator to hold ground or to give way at the right time. The power of the union negotiations team depends on the state of their organisation of workers. Because the trade union has longer term goals within industry and the economy, a specific negotiation is not simply an end in itself but also a means to building stronger organisation and power for more successful negotiations over time.
Some negotiators distinguish between a ‘position’ and ‘interest’ and argue that if we focus on the interests of the parties we will be able to create mutually acceptable agreements.

**FOR EXAMPLE:** A SUPERVISOR IS ALLEGED TO HAVE SEXUALLY HARASSED A WOMEN WORKER.

**THE UNION POSITION:** We want the supervisor fired.

**THE DIRECTOR’S POSITION:** He does not want the supervisor fired but transferred.

**WHAT INTEREST UNDERLIES THE UNION’S POSITION?**

The union wants to end sexual harassment and feel if the supervisor is dismissed this will send a message to other supervisors to stop their practise. While they are concerned with the incident they are facing, their interest is to ensure that it does not recur in future.

**WHAT INTEREST UNDERLIES THE DIRECTORS POSITION?**

He fears that if he punishes the supervisor he will lose the support of the management team. He is however fully in support of the workers concern with sexual harassment in the workplace and is open to suggestions on how this practice could be curtailed.

If the parties focussed on their positions they will not get to a solution except through a power struggle. If however they focussed on their interests they may arrive at an option in which the supervisor is transferred and the management agrees to a code of conduct and a procedure and an external arbitrator to deal with sexual harassment disputes.

**THE INTEREST BASED APPROACH TO NEGOTIATIONS:**

The negotiation in this case must follow a set of systematic steps:

1) **State your issues**
   Set out clearly the Issues, topics or subject that you are to negotiate on

2) **Make clear all interests**
   Think about the following when you are preparing and negotiating
   ... What are your interests,
   ... What are the interests of the other party,
   ... What interests do you share in common,
   ... What are your worries, fears , concerns

3) **Create options**
   Think about options that can bring about a settlement. Explore all answers and possibilities not simply those that are simple and popular.

4) **Think about standards**
   These are objective ways that will allow you to decide whether an option should be adopted or not. These could be rules or the outcome of respected research. Standards are respected criterion, which all parties can accept.

5) **Settlement**
   Use the standards to agree on options created.
An 8-point checklist for a negotiations process

1) What is the member’s mandate?

2) Who is (or are) the other party in the negotiations?

3) Is it a bilateral or multi-lateral negotiation?

4) What is to be achieved in the negotiations? What is being sought?

5) What is being done to prepare for the negotiations?

6) Where and how is membership involvement built in?

7) How do the negotiations fit in with other activities and campaigns?

8) What follow-up and report-back measures have been noted?
FACILITATOR AIMS:
... To allow participants to develop practical strategies for taking forward their work in reaching out to workers in the informal economy

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... Colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

This activity allows for consolidating discussions held thus far. Emphasise that it is important for participants to be as realistic and as thorough as possible in thinking through all the things that should be done.

At the end of each strategy presentation allow for a good engagement, asking others to not only ask questions but also to offer ideas for strengthening strategies.

At the end of the report backs ask participants what mechanisms they can put in place to ensure that they can effectively monitor and evaluate progress over time.

Conclude with a short input on trade union strategies, pulling together the collective contributions made and referencing key points from the further reading.

* Refer participants to the further reading.
AIMS

To help us to:

... To revisit earlier discussions and develop a clear strategy and practical plan of action to work towards out future vision

... Think through various union activities and alliances that could support this strategy

TASK

We now recognise the challenges, understand the issues, but what do we need to do to turn things around in favour of workers and the poor?

In this activity you will get an opportunity to revisit and revise earlier discussions towards consolidating a practical strategy for your union!

Working in union groups take a step back on the work undertaken thus far and begin to develop a consolidated strategy for your union to take forward in organising workers in the informal economy. Your strategy must answer the following questions:

1) Who are the key target groups and what are their key priorities that your union could take up?

2) What needs to happen within your union to make it possible to organise worker’s in the informal economy?

3) What obstacles will you face in building your organising strategy and how you will overcome these?

4) What further training and education programmes will be required to achieve the objectives?

5) Have you addressed the issues and challenges specific to women workers?

Please write up your strategy on flipchart and prepare to present it to plenary for feedback and strengthening.

(You have 1 hour to develop your strategy.)

The facilitator will draw together the ideas presented, ending off the activity with an input on the challenges for trade union strategies.
Trade union strategies

We are now more acutely aware of the need for clearly defined trade union strategies to address the problem of “informal” or unprotected workers. As a movement there is already much expertise and experience in dealing with these problems. In fact, the history of the trade union movement is full of examples of moving workers from unprotected to protected status, long before the term “informal economy” was invented.

At an international level, the International Trade Union Confederation (ITUC) has identified three types of strategies for the trade union movement:

... The development of core labour standards for the informal economy and their enforcement through international campaigns that challenge contractors and retailers along the production chain to behave ethically.

... The exertion of pressure on national-level unions to do research on the informal economy and develop their own strategies towards recruitment of informal economy workers.

... The encouragement given by the global union federations to the replication of the kinds of organisations that have demonstrated how to recruit in sub sectors such as homeworkers and plantation workers.

In this regard trade unions can include informal economy workers by:

... Extending union recognition and bargaining relationships to subcontractors and informal economy workers.

... Research specific supply chain relationships and the system of payments by retailers and contractors to “informal” workers.

... Campaigning for reforms in labour and social legislation.

... Extending services in workers’ education and training to promote skills development for the sector, literacy and health and safety programmes.

... Convincing governments of the need to set up social security systems, pension funds and savings schemes to which both informal and formal economy workers should belong.

... Strengthening the relationship between the trade union movement and the co-operative movement nationally, regionally, and internationally.

... The formation of alliances with community groups, NGOs, and other actors to fight for the rights of unprotected workers, but with a clear understanding of the respective roles of unions and NGOs.

... Addressing the situations and needs of specific groups of “informal” or unprotected workers, such as women, youth, and migrant workers.

... Incorporating gender issues such as maternity protection, health care, and the provision of childcare into bargaining demands.

... Linking actions concerning “informal” or unprotected workers to other areas of trade union work, including current and future campaigns.

... Collating and disseminating information about trends in “informal” or unprotected work and experience regarding efforts and activities, including organising and collective bargaining.
You will need to do several of the things in this checklist, but these steps are not in a rigid order.

1) Getting an organising group together. There must be a small team of committed people who can work together to set up the group.

2) Deciding on a common bond. You need to be clear on the potential membership, the target group of your organisation. What do they have in common?

3) Gaining support. Before you start, you need to be clear about the benefits that the organisation will offer to workers. If they ask: “what is in this for me?” - you must have an answer. You must know if people in your proposed group really do want to organise, and you need to know what services they would expect from it. Doing this research early on will confirm whether your efforts are likely to succeed.

4) Developing a plan. The organising group, and the potential members, need to draw up a plan. This may be a business plan, if you are setting up a cooperative, or it may be a plan about what your members need from local authority or other state agencies. It is very important to have a plan, when you ask workers to join.

5) Obtaining support. A new group will need some support or protection. Who? An existing trade union, or a strong cooperative?

6) Training and support. Get as much training and technical advice as you can, especially if you are setting up an enterprise.

7) Write some rules. You will need a structure and a set of rules. There are many examples. Find one that suits you and adapt it.

8) Choosing your leaders. Have a meeting to formally elect your leaders - the officers and committee.

9) Getting registered. Your group may need to be registered with some government organisation, depending on the legal form you have adopted.

10) Launching your organisation. Now you can start recruiting, getting members to join.
Part TWO

FOR ACTIVISTS IN INFORMAL ECONOMY ORGANISATIONS
ACTIVITY 11
The challenges facing informal economy workers’ organisations

→ 1 HOUR 30 min

FACILITATOR AIMS:
... To allow participants to reflect on the specific challenges they face
... To facilitate an analysis of the implications of these challenges for the representation of informal economy workers

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... Different colour markers
... Cards or strips of paper

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Take participants through the activity, allowing them to develop the list of problems, clusters, problem statements and key implications for leadership.

Please note that they are ONLY required to present the problem statements and implications/challenges in plenary.

No model answers are provided, as the responses will largely reflect experiences and section of the informal economy in which they work.
ACTIVITY 11 The challenges facing informal economy workers’ organisations

........................................ 1 HOUR 30 min

AIMS

To help us to:

... Reflect on the challenges and issues we encounter in our organisation and representation of workers in the informal economy

... Share these challenges and collectively agree on what is core for building our work

... Begin to analyse the implications of these challenges and what they pose for us as representatives of workers in the informal economy

TASK

Being inside the informal economy provides us with the unique opportunity to understand the issues and challenges facing informal economy workers and their (our) organisations.

In this activity we have the opportunity to reflect on these problems and challenges.

Working in small groups with others from the same organisation, reflect on your experiences as a leader/representative of informal economy workers by:

1) Listing all the problems you face in organising and representing workers in the informal economy. Write your responses on the card/individual slips of paper. One problem per card/paper.

2) Having listed all the problems spend some time in your group clustering like cards. You will need to cluster similar cards into a category.

3) Finally, identify what you consider to be the key implications/challenges these problems present for leadership of informal economy organisations.

Try to emerge with no more than 5 key challenges.

(You have 45 minutes to complete this task.)

Prepare to present your problem statements and challenges in plenary.

We will spend time in plenary drawing together the reports and agreeing on a shared and consolidated list of problems and challenges facing those of us working in informal economy workers’ organisations.
FACILITATOR AIMS:
... To allow participants to look at and understand different kinds of organisations
... To use this as a basis for reflecting on what organisation would best suit workers in the informal economy

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... Different colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Explain that this activity will allow us to explore 4 different types of organisations. You may of course decide to work with fewer than the four offered. Have a read through and then decide based on your participant numbers and experiences.
... Self help groups or associations
... Cooperatives
... Trade unions
... Non governmental organisations

You will notice that an important organisational form, that of alliances is missing from these options. Do spend time asking participants to share their experiences of alliances and spend time discussing the relationship between alliances/associations and trade unions.

Get participants to choose which organisation they’d like to work with. It may be good to ensure that participants with some knowledge and experience in a particular organisation are included in that group.

Allow them to complete the task and then take feedback in plenary.

Please note that we have not included the legal implications in either the organisational brief or here, as these are likely to differ substantially from country to country. It would be good if you could do a bit of work before hand finding out the legal implications for each of the organisations studied, as they relate to your own country.
The following are some of the key points you may want to conclude with:

... Democracy ought to be one of the guiding principles for building worker organisation.

... Democratic decision making and democratic political cultures are core in developing a strong, vibrant and worker controlled organisation.

... Strong, democratic grassroots structures led by elected leadership are needed to build informal economy organisation.

... If worker organisations and their leadership are not democratic, they have no right to argue that employers, authorities, municipalities or governments should behave in a democratic manner.

... The struggle to meet the needs, demands and rights of workers in the informal economy is inseparable from the struggle for continuously building democratic organisation and representation.

* Refer participants to the further reading.
**AIMS**

To help us to:

... Understand different kinds of organisations for organising and representing workers
... To reflect on what organisation would be best suited for workers in the informal economy
... To consider the legal implications for setting up these organisations

**TASK**

Without an organisation, workers in the informal economy will have nobody to represent them, and so will have no voice. But what organisation will be best suited for meeting the particular needs of workers in the informal economy?

This activity provides an opportunity for exploring four different types of workers organisations:

... Self help groups
... Cooperatives
... Trade unions
... Non governmental organisations

Select the type of organisation you would like to work with. At the end of the activity you will find a very short synopsis of each organisation.

Working in four groups, read through the synopsis for the worker organisation you have selected and then answer the following questions:

* Do draw on your own knowledge and experiences of these organisations as well! *

1) What are the key advantages in this organisational set up that could potentially benefit the organisation of workers in the informal economy?

2) What in this organisation set up would be disadvantageous to organising workers in the informal economy?

3) If not answered in question 2, are the efforts of this organisation geared towards promoting and advancing women workers and their specific needs and demands?

4) What are the legal requirements for setting up this organisation? Are there any restrictions? How will the law impact on the organisation set up and functioning?

5) Considering your answers to the preceding questions, will this organisation be suitable for workers in the informal economy? Please explain.

* You have 45 minutes for your group discussion. *

Prepare to present your answers to plenary, briefly introducing the organisation you were working on. We will have a plenary discussion on the organisation most suited to the informal economy workers you have to work with.
ORGANISING THROUGH A SELF-HELP GROUP (SHG)

An SHG is generally an economically homogeneous group formed through a process of self-selection based upon the affinity of its members.

... Most SHGs are women’s groups with membership ranging between 10 & 20.
... SHGs have well-defined rules and by-laws, hold regular meetings and maintain records and savings and credit discipline.
... SHGs are self-managed institutions characterised by participatory and collective decision making.

Most SHGs are potential “micro-banks”, either on their own, or through higher levels of association, capable of using their own resources, grants and borrowed funds for financial intermediation. These groups manage and lend their accumulated savings and externally leveraged funds to their members. Apart from accessing funds from the formal financial sector, SHGs can also become a forum for dissemination of development ideas and information, an association for community mobilisation or an organisational unit for linking up with other economic, social and political interventions. SHGs are seen as an essential and integral part not only of financial services delivery, but also as a channel for the delivery of non-financial services within larger objectives of livelihoods promotion, community development and women’s empowerment.

Within this role for SHGs a range of models and approaches have emerged, representing different methods of ensuring effectiveness and sustainability of this community institution. These models envisage solely financial intermediation or include other nonfinancial elements as well.

ORGANISING IN A COOPERATIVE

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise. They involve people with shared values coming together in practical solidarity – improving living standards, improving services, improving wages, improving working conditions. Originally they were established as a practical means whereby working people could meet their everyday needs, as a route to building a better society. Their vision was not simply about credit or retailing, but about how, through self-help, they could improve their working and living conditions, and their communities.

Over the years cooperatives have developed different structures. Sometimes, these have had to adapt to different national legislation governing cooperatives. Nevertheless, certain common features remain. The foundation of cooperatives are their members. There are different ways of classifying cooperatives. Perhaps the simplest is by looking at the key question – who owns the cooperative – who are the members? In this way you may find consumer cooperatives, producer cooperatives, worker cooperatives.

Cooperatives globally are united by a shared set of values: self help, democracy, equality, equity and solidarity. Cooperatives also share key ethical values like honesty, openness, social responsibility and caring for others.
Wherever and whenever workers come together - in mines, factories, offices, markets, on ships or nearly all kinds of workplaces, they have formed trade unions to protect their interests, because alone, they cannot negotiate on a basis of equality with an employer. One definition of a trade union is “a continuous association of wage-earners for the purpose of maintaining or improving the conditions of their working lives”.

Through strong trade union organisation it is possible to defend members and worker rights, advance member and worker interests, ensure democratic organisation of workers in workplaces, maintain a union controlled and financed by workers through democratically elected committees and play an active role at the workplace, in industries, the economy & society in general. The basic building block of union organisation is a branch or workplace unit. Unions are run by workers elected by members.

Trade unions take action in the form of ‘collective bargaining’ and ‘collective agreements’, representing workers to ensure that they are treated fairly, persuading employers of the benefits of having sound industrial relations and a productive workforce that feels valued – not only by having good conditions, but by being listened to– through their union. Unions also engage in non bargaining activities such as worker education, welfare projects to support income generation, setting up financial services for members and conducting campaigns on a very wide range of national and local issues that affect members and their families.

Key union values include worker control, democracy, equality, collectivity, solidarity, unity, openness and independence.

A non-governmental organization (NGO) is a non-profit group or association that acts outside of institutionalised political structures and pursues matters of interest to its members by lobbying, persuasion, or direct action. The term NGO is generally restricted to social, cultural, legal, and environmental and advocacy groups having goals that are primarily noncommercial. NGOs exist for a variety of purposes, usually to further the political or social goals of their members. Examples include improving the state of the natural environment, encouraging the observance of human rights, improving the welfare of the disadvantaged, or representing a corporate agenda. However, there are a huge number of such organisations and their goals cover a broad range of political and philosophical positions. NGOs vary in their methods. Some act as lobbyists, while others conduct programs and activities primarily.

Major sources of NGO funding include membership dues, the sale of goods and services, grants from international institutions or national governments, and private donations. Even though the term ‘non-governmental organisation’ implies independence of governments, some NGOs depend heavily on governments for their funding. NGOs usually also gain at least a portion of their funding from private sources.

It has been argued by various critics that NGOs are subversive in outcomes but well intentioned. They criticise that imperialism and NGOs share a fine line.
Worker organisations

Without an organisation, workers in the informal economy will have nobody to represent them, and so will not have any say in fighting for their rights and recognition. There are many different kinds of organisations each with their own basic values and principles, ultimately however workers will need to set up a particular kind of organisation which can meet their particular needs.

This is a different question from legal registration. Such registration may be necessary, but is a step taken after the group has decided what means of action and services the new organisation will provide.

Sometime it may be possible and practical to set up smaller organisations with easier registration procedures. In some countries, the restrictions on registering cooperatives or trade unions may mean that it is easier to register another kind of group. In particular, registering a trade union may attract repressive actions by government or employers, so using a different form may give a group more time to get established. In all these cases, it is important to investigate the degree of control or supervision that the group may be subject to, and how easy it will be to convert the organisation into a full cooperative or trade union at a later stage.

Primarily, democratic and mandated worker organisations take the form of trade unions. Trade unions are traditionally formed by wage earners to represent workers in collective bargaining negotiations with employers for increased workers’ benefits and better working conditions. However, democratic worker organisation’s can also comprise:

... Workers’ self-help groups
... Workers’ cooperatives
.... Workers’ community organisations
... Women workers’ organisations

All organisations formed by workers and democratically run by workers to protect and promote their interests are considered as good as unions. That is if they are run by members, who are empowered to determine policy and strategy. Democratic decision making and a democratic political culture are core in developing a strong, vibrant and worker controlled movement. Strong, democratic grassroots (shop floor, farm, market place, taxi rank etc.) structures led by elected leadership are key, as are the values and principles that underpin the purpose and identity of unions.


**ACTIVITY 13**

**Building democratic worker organisation**

> 1 HOUR 30 min

**FACILITATOR AIMS:**

... To allow participants to reflect on and share what it means to build democratic worker organisation

... To agree a key set of ‘rules’ or principles for informal economy worker organisation

**FOR THIS SESSION YOU WILL NEED:**

... Chart paper

... Different colour markers

**A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW**

Take participants through the aims of the activity and allow them to conclude the task.

Set up the reporting back for an open debate. Differences are likely to emerge and this is an opportunity to see if a common set of rules can be agreed.

Whatever kind of organisation is built, it is important that it has officers and a set of rules/ a ‘constitution’ to spell out key principles and to guide the work. The basic principles which you should facilitate surfacing (if they have not) are:

... Democratic and elected leadership

... A balance of women and men amongst the leadership and in other union activities

... Free elections, at regular intervals.

... One member, one vote in elections.

... Financial procedures, controls and accountability
ACTIVITY 13 Building democratic worker organisation

AIMS

To help us to:
... Consider what it means to build democratic worker organisation and representation
... To debate and agree the ‘rules’ for building democratic worker organisation in the informal economy
... Link these to our own roles in organising informal economy workers

TASK

In the context of the challenges identified earlier, democracy ought to be one of the guiding principles for building worker organisation. The struggle to meet the needs, demands and rights of workers in the informal economy is inseparable from the struggle for continuously building democratic organisation and representation. But what does this mean?

In this activity we take a look at what precisely this means.

Working in small groups, imagine that you a group of leadership setting up a new organisation for informal economy workers.

1) What rules should govern the functioning of your new organisation? You may want to debate the following recommendations:
... Leadership elections should be held annually.
... Elected leadership can be eligible for election for no more than 2 consecutive terms.
... Women should make up 50% of elected leadership. This 50% quota should extend to all activities of the organisation.
... All elected leadership should receive financial reward for their duties.
ACTIVITY 13 ... continued

... No ‘profits’ or gains may be distributed to any leadership.
... One member, one vote should apply across the organisation in elections.
... Members with an inability to pay the required dues can continue as members of the organisation.
... The elected treasurer will be responsible for all financial decisions, including budgeting and expenditure.
... The elected secretary will manage all affairs of the organisation between meetings.

{ Don’t feel limited by these issues. Feel free to explore other rules you consider important. }

2) Now, based on your discussion in question one, develop a set of key principles for your organisation that could form the basis of a new or amended constitution.

{ You have 45 minutes to develop your key principles. }

Please prepare your constitutional principles on flipchart and be ready to report and defend them in plenary. Following the plenary debate we will try to agree a common set of constitutional principles for informal economy worker organisation.
ACTIVITY 14

Being a democratic and accountable leader / worker representative

1 HOUR

FACILITATOR AIDS:

- To allow participants to reflect on their roles and responsibilities
- To reflect on democratic leadership within the context of the informal economy

FOR THIS SESSION YOU WILL NEED:

- Chart paper
- Different colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

This is a pretty straightforward activity. Allow participants to conclude their discussions, take feedback in plenary and then use the reading as a basis for a short and punchy conclusion on democratic leadership.

* Refer participants to the further reading.
ACTIVITY 14

Being a democratic and accountable leader / worker representative

AIMS
To help us to:
... Better understand our roles and responsibilities as democratic worker leaders or representatives
... Appreciate the importance of our position in building informal economy worker organisation and the workers’ movement more broadly
... Understand the importance of the constitution and democratic processes in fulfilling our roles

TASK
As a worker leader you have many roles. You can be an advisor in the face of problems, a trouble-shooter, or merely a good and trusted friend. You can also offer ideas about strategy and process and you can play a role in your community to help make links between people in the community and the workers you represent.

This next activity is to help you understand these various roles required of you and just how important your job is.

Working in pairs, share your responses to the following questions:

1) Why did you decide to become an informal economy worker representative?

2) What do you think are the most important jobs/roles you are required to perform? Give reasons for your choice.

3) What do you think are the most important qualities that an effective informal economy worker representative should possess? Why?

4) What skills and knowledge would help you to become a better representative of workers in the informal economy?

(You have 20 minutes for the paired discussion.)

Make a note of your answers and be ready to share them in plenary.

The facilitator will flip up your responses to questions 2-4, thereby building a list of roles, a ‘checklist’ of qualities and a list of further skills and knowledge required.

The activity will be concluded with a short input on democratic and accountable leadership.
Democratic and accountable leadership

Leaders are those people who can inspire others, who have a vision and may have skills that are useful to the organisation. But leaders can also stifle an organisation. They can take too much power and stop others from being involved. They can remain in office forever, preventing new and younger leaders from emerging.

There are different ways in which leaders go about their work. The style and ethos of worker leadership must be consistent with the principles, goals and strategies of democratic worker organisation.

Types of leaders

- **Charismatic Leader** – whose influence springs mainly from personality
  - e.g. Napoleon, Hitler, Nkrumah, Kaunda, Chiluba, Kapwepwe.

- **Traditional Leader** – whose position is assured by birth
  - e.g. kings, queens and tribe chiefs.

- **Situation leader** – whose influence can only be effective by being in the right place at the right time.

- **Functional Leaders** – who secures his/her leadership by what s/he does rather than what s/he is.

Qualities of good and effective leaders

- Be honest and sincere
- Have initiate and drive
- Have an alert and enquiring mind
- Be willing to delegate authority and accept responsibility
- Be ready to admit mistakes and to learn from them
- Have the ability to influence others
- Be cool, calm and composed in an emergency
- Be willing to make a decision and be able to defend it when needed
- Have confidence in oneself and members
- Be fair when dealing with people of different race, colour, creed or political affiliation
- Have tact, diplomacy and humility
- Respect other people’s opinion
In addition to the above, a leader should avoid:

... Talking too much
... Considering being a competent authority or expert on all subjects
... Dominating other peoples way of thinking

LEADERSHIP STYLES

What style of leadership would be most likely to build a democratic organisation? This is the challenge for worker leadership. We have many examples of leadership styles, but there is no one best style of leadership. Style is dependent on the situation, sometimes it becomes necessary to combine two or more styles to achieve intended goals. Below we mention four styles:

... Bureaucratic leadership sees the source of power in rules and regulations of the organisation.
... Autocratic/Authoritarian leadership sees him or herself as the center of authority.
... Democratic leadership sees power as resting in the group.
... Paternalistic or free reign of laissez faire allows any member of the group to be free to do what s/he wants.

RESPONSIBILITIES OF WORKER LEADERSHIP

Some of the practical responsibilities that you might have include:

... To listen to workers problems and concerns, to think about how to tackle them within the organisation, and take them up if necessary.
... To give reports to the organisation and report back to members on the outcome of meetings employers, governments or municipalities.
... To serve as a link between members and the various structures of the organisation to ensure that everyone is informed and knows what is happening.
... If elected as an office bearer, to help manage the affairs of the organisations and give leadership.
**ACTIVITY 15**  
Building internal democracy - effective and democratic meetings

**********→ 1 HOUR 30 min

**FACILITATOR AIMS:**

... To allow participants to view a video highlighting problems in running meetings

... To facilitate a discussion on the importance of meetings as part of building internal democracy

... To collectively develop guidelines for effective meetings

**FOR THIS SESSION YOU WILL NEED:**

... A television and video machine

... A copy of the Ditsela video ‘Oh what a meeting!’ (which is included as part of this pack)

... Chart paper

... Different colour markers

**A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW**

This activity assumes you have or will be able to gain access to a television and a video facility. If this is not possible, we do explore an alternative, which is outlined at the end.

This video was produced by Ditsela in South Africa. It is about 20 minutes long and you need not play all of it. It would be good if you watched it before and then planned how to use it.

Point out that democratic organisations tend to have lots of meetings. Explain the link between meetings, decision-making, and democracy. The key point to make is that one of the positive reasons for many meetings is that the complexity of a worker-controlled organisation requires extensive consultation at all levels.

Having given this short input, divide participants into groups, take them through the task and then show the video.

Take feedback in plenary using the guidelines they produced as a basis for developing a consolidated guideline for running democratic meetings.

Finally provide some concluding comments based on what’s contained in the further reading.

* Refer participants to the further reading.

If you do NOT have access to a video machine and a television, you may want to set up a role play. Here participants should be asked to role play a meeting they’ve attended, which they considered to have gone incredibly wrong.

You should allow for three groups to prepare for the role play:

... A group to play the leadership

... A group of participants attending the meeting

... A few observers

The rest of the activity could proceed as outlined in the participant manual.
AIMS

To help us to:

... Begin thinking about the importance of effective meetings in reaching and implementing decisions
... Observe problems in running meetings
... Begin developing guidelines for effective meetings of informal economy worker organisation

TASK

Organisational life is full of meetings. Without meetings we wouldn’t be able to develop policy, decide on our negotiating priorities, meet with members or organise campaigns! We need meetings.

How we run our meetings is very important. If a meeting is badly organised it can set everyone back. We need our meetings to run well so that we can get things done effectively.

For this next activity we will watch a 15 minute video on meetings in a union context and use this as a basis for discussing effective meetings.
Working in small groups:

1) While watching the video, jot down the things that go wrong and what you think can be done to turn them around.

2) At the end of the video, share your contributions with other members of the group. Use this opportunity to reflect on the things that you think contribute to the good parts of meetings that you attend.

3) Finally, using your collective contributions, develop no more than five guidelines that you think would help make meetings of informal economy worker organisations more effective.

(You have 45 minutes for the small group work. This includes time for watching the video.)

Prepare to present to plenary your five guidelines for effective meetings. We will use this as a basis for developing a consolidated guideline for running democratic meetings.

The facilitator will conclude the session with an input on meetings problems, causes and possible solutions.
Democratic meetings: problems, causes & their solutions

Making decisions and ensuring that they are implemented is the most important function of worker representatives. It is therefore important that worker representatives understand democratic decision-making processes and develops the skills to ensure that quality decisions are made and implemented.

MEETING SOLUTIONS
The solutions for most meeting problems lie in the following areas:

... Planning and Preparation
... Definition of clear rules and procedures for meetings
... Well drafted agendas
... Informed and skillful facilitation by the Chairperson
... Good minute-taking
... Implementation

Planning and preparation

There must be more careful and timeous planning and preparation for meetings. This involves meeting well in advance of the meeting to consider the issues to be discussed; the preparation of information for delegates in the appropriate form; the circulation of information in time for delegates to prepare. The Chair should take time to get to know the issues that are likely to be debated and have discussions with the Secretary on how these issues could be handled. This careful preparation should be reflected in the agenda.

PREPARATION FOR “BEFORE” THE MEETING:

... Chair to be clear on how the meeting will run.
... Chair to be clear on what should come out of this preparatory meeting.
... Chair to focus on the agenda.

FOCUS ON THE IMPORTANT AND COMPLEX ISSUES AT THE PREPARATORY MEETING:

... Key issues to be summarised.
... Copies of all relevant documents to be on hand and in a usable format.
... Clear strategies to be devised - reach agreement on how issues should be handled.
... Avoid short cuts when talking through complicated issues.

AGENDA TO BE PROPERLY PLANNED:

... Agenda to be properly structured.
... Agenda to be circulated in advance, along with the minutes of the previous meeting, proposals and other relevant documentation.
... Clear time allocations to be noted on the agenda.
... Clear outline of everything to be discussed to be visible on the agenda.
DISCUSS AND FINALISE THE AGENDA FOR THE ACTUAL MEETING:
... Only relevant issues to be discussed.
... Agenda should be discussed against time available.

PREPARE OTHER RELEVANT DOCUMENTATION THAT MUST BE AVAILABLE AT THE MEETING
... Any report required.
... Minutes of previous meeting. (These should have been sent out, but you need spare copies, as well as the minute file or book, in case people want to refer to earlier decisions.)
... Correspondence that may need to be dealt with.
... Financial statements.

Clear meeting procedures

There should be clear rules and procedures for meetings to guide the participation of delegates; to guide worker representatives in preparing for the meeting; and, to guide the Chair in running the meeting and the minute taker in recording the meeting.

ADMINISTRATION
... No delays because of poor planning and facilitation on the side of the worker representatives.
... Meeting must start on time.

PROCESS
... Firm and effective guidance from the Chair.
... Close co-operation between Chair and minute-taker.

SUBSTANCE
... Issues should be well-presented, clearly thought out and understandable.

DECISIONS/PROPOSALS
... Remember silence does not mean consent.
... Check that delegates are clear on the proposal.
... Be absolutely sure the proposal has been accepted and that alternative proposals have been dealt with.
... Make sure proposal is practical & feasible. Also take into account cost implications and time factors.

Agendas

GUIDELINES FOR DRAWING UP AN AGENDA
The Chairperson must decide on what has to be discussed at the meeting, in consultation with others who are involved. For meetings which are held on a regular basis, it is useful to have a standing agenda framework, so that the set things that need to be covered at every meeting are not forgotten. However, the Items for Discussion will be different at each meeting, and these need to be worked out carefully. An agenda format might look something like this:
The Chair will need to fill out this basic structure by:

... Listing the items for discussion;

... Allotting a specific amount of time to each agenda item, and to the issues for discussion.

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**Chairing of the meeting**

Chairing a meeting requires understanding of meeting procedures as well as the skill of facilitation. The Chair must be clear about the issues to be debated and areas where decisions are required. The Chair must, at the start of the meeting, make clear the issues set out in the agenda, what the time limits are for each item, and when the meeting will be closed.

At the start of discussion on each item, the Chair must explain briefly what the item is about and remind delegates of time limits. S/he should suggest a process such as:

... Let’s clarify the problem;

... Let’s look at possible solutions and discuss the advantages and disadvantages of each alternative;

... Then we will make a decision on the way forward.

At some point in the discussion, a decision must be made. At this point, the Chair should summarise the alternatives, ask for a decision and then restate the decision so that the minute-taker can get it down clearly.

Where there is disagreement, the differing positions must be summarised so that all delegates are clear as to what the disagreement is. If no agreement is reached, the Chair should ensure that the minute-taker gets down the different positions, and how it has been agreed to take the matter forward.

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**Minutes - a cause for poor decision-making**

In all organisations, the written records of a meeting are very important. Worker representatives may have prepared well for a meeting, the rules and procedures for the meeting may have been followed and the Chairperson may have been an excellent facilitator and have ensured that clear decisions were taken, but ... if the minutes are poorly taken, or not taken at all, then the meeting will probably be a failure. With nothing to refer to, the whole process of decision-making will probably have to begin again.
WHY DO PEOPLE TAKE POOR MINUTES?
... Because planning and chairing of the meeting are poor, the minute-taker gets confused and is not sure what the actual decision is.
... There are no guidelines on what form the minutes should take, and how decisions should be recorded. The minute-taker does it his or her own way, and it is not adequate.
... The minute taker is not sufficiently skilled in taking minutes.

POSSIBLE SOLUTIONS
... The Chair must give the minute-taker support by running the meeting clearly, off a clear agenda.
... The could be an agreed format for minutes with guidelines for recording decisions clearly.
... Minute takers must be trained.

POSSIBLE SOLUTIONS

SOME POINTS ABOUT MINUTES:
... Minutes must be dated and, once they have been accepted, signed.
... Apologies and attendance must be recorded.
... All discussions should be clearly reflected in summary form: balance between too much detail and too vague.
... Decisions/proposal made should be clearly recorded, including proposers and seconders.
... Clear statements about implementation should be recorded.
... When someone agrees to do something, it must be recorded.
... Minutes must be accurate, neatly presented and well-structured.
... Minutes should be approved by the Chair of the meeting and then distributed as soon as possible.

Another problem - failure to implement
Decision-making is no good if it does not lead to implementation. Thus, no matter how good the quality of the decisions taken, no matter how well they are recorded - if they do not get implemented then the process has failed.

WHAT CAUSES PROBLEMS IN IMPLEMENTATION?
There are many reasons why decisions fail to get implemented. They could relate to poor skills, lack of discipline, lack of commitment, lack of financial resources, lack of time, inability to be flexible when faced with complex and unforeseen problems in the implementation.

Many of these problems could be avoided by making decisions which take into account practical implementation issues and set out clear guidelines for implementation. If, as often happens, the decision-making meeting does not have the time or information to set out implementation guidelines, then this must be the responsibility of the worker representatives.

GUIDELINES FOR IMPLEMENTATION
Guidelines for implementation should answer the following questions:
... What is the decision?
... What tasks must be performed?
... Who will do what?
... When will they do it?
... How will they do it?
... By when will they do it?
... What financial resources will they require to do it?
... How will the implementation of the task be monitored and by whom?
FACILITATOR AIMS:
... To allow participants to share their experiences of negotiations
... To introduce the peculiarities of negotiations in the context of the informal economy

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... Different colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW
Take participants through the activity.

Some likely (not exhaustive) answers for bargaining counterparts and negotiation issues may include:

MUNICIPALITIES
... By laws
... Facilities e.g. shelters, child care, water, toilets, etc.
... Establishment of markets

CITY POLICE
... Safety and security
... Harassment and confiscation of goods of street vendors

EDUCATION INSTITUTIONS
... Skills training for members
... Literacy training for members

FINANCIAL INSTITUTIONS
... Access to savings accounts and facilities for members
... Access to credit for members

GOVERNMENTS
... Recognition
... Changes to the law
At the end of the reports you may want to offer the following negotiations framework for their consideration:

**BEFORE NEGOTIATING:**
- Developing negotiating demands with members
- Holding general meetings with members to prepare for negotiations
- Selecting a negotiating committee
- Consolidating a mandate
- Gathering information
- Making practical arrangements
- Negotiating committee meeting prior to starting negotiations

**NEGOTIATIONS:**
- Initial presentation
- Clarification and discussions
- Table demands
- Present motivations for demands
- Get the other party to make an offer or counter-proposal

**AFTER THE NEGOTIATION:**
- Reporting back to members
- Renewal or reassessment of mandate if necessary
- Concluding negotiations
- Concluding agreement
- Evaluate agreement and negotiating process
- Popularise and publicise the agreement
- Ensuring compliance with the agreement by both parties
The activity is designed to help participants think about the purpose of negotiation, the types of negotiations involved, the key players, and the outcomes they expect. The participants are divided into small groups and are expected to discuss the following:

1. What type of negotiations are you (or should you be) involved in?
2. Who are your key bargaining counterparts?
3. Would they be willing to negotiate? If not, how could you persuade them?
4. What are the main issues you are taking up? What are your key demands?
5. What outcomes do you expect from these negotiations?

(You have 30 minutes to answer these questions.)

Prepare to share your responses with the rest of the workshop.

At the end of the group reports, we will draw out the common and interesting features.
ACTIVITY 17
Preventing for a negotiation in the informal economy - mandates and practice

3 HOURS

FACILITATOR AIMS:

... To collectively develop a checklist of key skills for informal economy worker representative negotiators
... To allow participants to practice for a negotiation through role play
... To develop a set of lessons for negotiations in the future

FOR THIS SESSION YOU WILL NEED:

... Enough copies of the role play briefs for everyone
... Chart paper
... Different colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Take feedback on TASK 1 before proceeding with the role plays. The list of ‘skills’ developed during TASK 1 should form the basis for consideration in planning for the role plays.

For TASK 2 make sure that groups have selected their ‘roles’. Do ensure that there are no more than 2 observers (though one may also be sufficient). Ensure that everyone has their ‘secret brief’.

Allow the four groups to prepare for the role play, before proceeding to TASK 3, which should take place in the plenary. This is important, not only for the negotiation skills dimension, but also because it will provide an opportunity for everyone to understand the issues being dealt with in the negotiation.

Allow the role plays to take place (TASK 3). While 10-15 minutes are suggested, you may want to amend this depending on how they unfold. If a good learning point is at play, allow them to continue.

Do note that if participants don’t feel comfortable playing the particular bargaining counterpart for their brief, you may have to take on this role!

At the end of the role plays conduct the ‘debrief’ in plenary.

Flip up the key points and then conclude the activity with the 10 point checklist for negotiators, contained in the further reading.

* Refer participants to the further reading.
ACTIVITY 17 Preparing for a negotiation in the informal economy - mandates and practice

AIMS
To help us to:
... Identify important aspects of negotiations that an informal economy worker representative negotiator needs to master
... Think through the preparatory and follow up steps in successful negotiations around informal economy worker issues
... Practice and develop our negotiating skills
... Explore key lessons for building our role as negotiators in the informal economy

TASK 1
A negotiation is the process by which two parties adjust their stated positions so that they can reach a mutually satisfying agreement. If done well, negotiated agreements can lead to improved conditions for workers and better relations with bargaining counterparts.

In this activity we explore the demanding task of negotiations both through identifying key skills and in a role play negotiations practice.

Working with others sitting closest to you, quickly answer the following questions:

1) What skills do you think are needed by worker representatives who organise in the informal economy?

2) What skills do you think you need in reporting to and taking mandates on behalf of workers/members in the informal economy?

{You have 15 minutes for this discussion.}

We will take response to these two questions in plenary before proceeding to TASK 2.
ACTIVITY 17 ...continued

TASK 2

Now that we have a shared understanding of the skills needed in an informal economy negotiation context, are we ready to tackle a series of negotiation scenarios?

We have 4 mini case scenarios around which we will need to negotiate. Working in four groups, you will be allocated a case scenario to work with.

(For the next 45 minutes you will be given an opportunity to prepare for the negotiation.)

Remember the skills identified in TASK 1. You may also want to refer to the further reading that follows for some useful tips.

Here’s how the task will unfold:

1) In your group you will need to decide who will ‘play’ the bargaining counterparts, who will play the informal economy worker representatives and who will serve as the observer.

2) Read your different ‘secret’ briefs that will be handed to you by the facilitator. Be sure you understand the issue/s.

3) Next the various players will need to decide on their position in relation to the issue/s, what demands they will put forward, what they hope to achieve, and what strategy and tactics they will employ.

TASK 3

Planning concluded, the negotiations will now start.

(Each group will have 10-15 minutes to role play their negotiation scenario.)

At the end of all the role plays we will take contributions:

1) From ‘negotiators’ on their approach, what they would do differently next time and what they learnt from the experience.

2) From the bargaining counterparts and the observers on what they considered helpful and impressive from the negotiating team and their advice on what the negotiating team could have been done differently.

3) On what we all found to be the most important lessons from the role plays for informal economy worker representative negotiators and the reasons why.

4) Finally, what are some of the key issues for following up that could help prevent some of the problems from reoccurring or escalating?

The facilitator will record some of the key points emerging before concluding the session with an outline of key guidelines for negotiators.
NEGOTIATION PRACTICE 1:
Negotiating with the municipality for a safer marketplace

BRIEF FOR THE NEGOTIATORS:
A group of approximately 400 traders that you have just organised have been working under some really bad conditions. They trade their ply in an open area just next to a major freeway. The municipality had agreed that they would provide a market for the traders. They reached agreement with the traders on a suitable empty building which would be converted into a market. Later, without telling the traders, the municipality agreed that the building would be used for a different use and decided on a different building for the market. More problems occurred and still nothing happened.

After nearly four years of to’ing and fro’ing another site has finally been identified and the traders have agreed that it is suitable. The market had now been constructed. However the traders have been given two days’ notice to move to the new market. The traders are angry and there are threats to boycott the long-awaited market.

The Association of Street Traders has persuaded their members to rather negotiate with the municipality to give two weeks for the move. In addition it would be important to negotiate around the management of the market – solving all the problems and also negotiating about new developments.

You are gearing up for the negotiation.
BRIEF FOR THE MUNICIPALITY:
You are a team from the local municipality who has been dealing with a request from the local Association of Street Traders for the construction of a market for 400 traders they have organised. They claim that the current location next to the freeway is hazardous.

You have agreed to source another market for the traders. This has been a long and arduous process. Given all the responsibilities within the municipality it has not always been possible to make the market a priority. To start with the location next to the freeway did not appear to be all that problematic. And, among many other responsibilities the issue of the market has not been forgotten. An initial location identified had to be shifted in the interest of saving costs, but alternatives have always been sought. There was always a firm commitment from the municipality to support these traders.

You were very pleased recently to inform the traders that you had finally found a suitable site for the market. You provided them with a full two days to move into the new market. Feeling rather pleased that this matter had finally been resolved you were alarmed and surprised to hear a threat from the traders to boycott the market.

This appears most unreasonable. You will meet with them to talk about this; but you can’t help but see this response as being largely unhelpful.
NEGOTIATION PRACTICE 2: Negotiating with micro finance institutions for credit

BRIEF FOR THE NEGOTIATORS:
A key demand from members has been support in the access of credit facilities. You have identified a credit institution with whom you hope to negotiate easier access to credit for members. Members have discussed and agreed that the negotiations should centre on the following terms:

... no collateral should be required for loans below a certain amount;
... nobody should be required to have her husband’s (or other male relative’s) signature as a condition for getting access to credit;
... records to be kept of members’ loans and their repayments, and monthly reports to be sent to the informal economy worker’s association so that they can assist in helping members to solve problems which interfere with their repayments;
... credit to be granted directly to members (not to members’ suppliers) and paid into their bank accounts which they manage themselves.

You are acutely aware of the many problems at risk in this negotiation, among them the issue of defaulters and how this would impact on the chances of future applications. In addition you are also aware that the credit institution is constantly undergoing change and are therefore concerned about the impact of any agreements reached.

Prepare to present your demands to the management of the credit institution.
NEGOTIATION PRACTICE 2: Negotiating with micro finance institutions for credit

BRIEF FOR THE CREDIT INSTITUTION:
You are the management of a micro credit agency. Your experience is of many workers attempting to access credit often without collateral or surety. These workers offer the highest risk to the institute. However you are aware that these workers are in urgent and sometimes desperate need for credit in order to attempt to make their economic activities viable and in so doing generate income for their survival.

This is therefore very much an opportunity for you! With enough loan agreements signed you could eventually tap into much bigger sources of finance with greater returns. And higher loans, which exceed repayment abilities, can only be of benefit, with penalties for every day that repayments are delayed.

It’s these considerations that are foremost in your mind as you enthusiastically prepare to meet worker representatives from the informal economy.
ACTIVITY 17 ...continued

NEGOTIATION PRACTICE 3:
Negotiating with government for changes to the law to combat disguised employment

BRIEF FOR THE NEGOTIATORS:
You have been organising a group of women home workers. These women work long hours, under poor conditions and with no job security, producing garments for a big brand retailer under a disguised employment relationship. In effect their true legal status as workers with entitlements is being hidden to prevent the retailer and their contractor from paying taxes and social benefits.

Along with other informal economy associations you are preparing to meet with government officials to set forth your demands, calling on government to develop a national policy framework in consultation with all social partners, so as to:

... provide clear guidance concerning employment relationships, in particular the distinction between employed workers and self-employed persons;
... adapt the scope of relevant laws and regulations, in order to guarantee effective protection for workers who perform work in the context of the informal economy, especially women workers;
... combat disguised employment which deprives dependent workers, the majority of whom are women, of proper legal protection;
... ensure standards applicable to all forms of contractual arrangements, including those involving multiple parties, so that employed workers have the protection they are due;
... provide access to appropriate resolution mechanisms to determine the status of workers and adequate training for individuals involved; and
... ensure compliance with, and effective application of, laws and regulations concerning the employment relationship.

You are gearing up for the negotiation.
NEGO TIA N PRACTICE 3:
Negotiating with government for changes to the law to combat disguised employment

BRIEF FOR GOVERNMENT NEGOTIATORS:
You are a delegated group of government officials, tasked with negotiating with a group of informal economy workers’ organisations around question of the employment relationship and the issues of disguised workers in particular.

You recognise the extent of the problem facing workers lacking any sort of protection and you firmly believe that there is a need to promote a general understanding of the problem; however that these need to be understood within the context of government resources and existing legislation. While clarifying the employment relationship was important you believe that caution is needed against erecting barriers that would limit choice.

In particular you feel that:
... the current law sufficiently defines employment relationships and is hence more than adequate; there is not need to overstate the problem;
... the lack of application and enforcement of existing laws, not a lack of clarity, was the main cause of lack of protection;
... the nature of employee and employer relationships are clear; the national framework for employment relationships include indefinite, fixed-term, fixed purpose, part-time and telework.

You are very much aware of the need to balance various interests in seeking a solution to the problem. The concerns of employers who have argued that overregulation could aggravate the unemployment situation, particularly given the huge size of the informal economy, is a genuine consideration. Ultimately any poorly considered regulation would have cost implications and create barriers to employment generation, growth and opportunity.

While an international standard was now in place, the need for flexible responses taking into consideration specific national circumstances was also widely supported.

You are ready to argue your position.
NEGOTIATION PRACTICE 4:
Negotiating with a local employer representatives for an HIV/AIDS “workplace” programme

BRIEF FOR THE NEGOCIATORS:
Your members are a group of workers contracted in by a small-scale flower warehouse for the packing of flowers. These workers are based in the local market. The flower picking and packaging is contracted out to the warehouse by a multinational company operating in the region.

Among many issues facing these workers, the HIV/AIDS pandemic is proving to be central, with adverse effect on members and their families. These members are among the most vulnerable and their conditions make it easier for HIV to spread, with immense impact on households and hence on deepening their already dire situation. These are all exacerbated by the reality that they have limited access to an unsupportive health service, no social protection, no financial security, and are faced daily with the possibility of losing their jobs (particular if they have a day off sick, or need a day off to care for or bury a sick friend or family member). That women make up the majority of these workers makes it even more severe, as they carry the burden of household responsibilities (including care for already sick family members).

Having heard of the company’s commitment to HIV/AIDS awareness and prevention you have managed to secure a meeting with the company management team at a local level to discuss establishing an HIV/AIDS ‘workplace’ programme. While there are many issues you’d want to raise you are limiting this first meeting to 4 key issues:

... The recognition of your market as a ‘workplace’.
... Improvements in the standards of health and safety within the market.
... The implementation of a ‘workplace’ advocacy and education programme that focuses on HIV/AIDS awareness, prevention and care. This should include support for the distribution of condoms.
... Support for the establishment of a mutual health insurance scheme, along with a subsidy to get the scheme up and running.

You also want these issues and demands to extend to other informal economy workers at the market. Many of these are own account and self-employed workers and would therefore not have access to any mechanisms for awareness, prevention and care.

You are about to meet the local management delegation from the company.
NEGOTIATION PRACTICE 4: Negotiating with a local employer representatives for an HIV/AIDS “workplace” programme

COMPANY BRIEF:
You are from the local management of a huge multinational company, indirectly operating in the region through small scale flower warehouse suppliers.

You are renowned for your excellent HIV/AIDS programme and your commitment to the implementation of your end of the ILO’s HIV/AIDS Code of Practice. This has seen you set up workplace HIV/AIDS committees and put extensive company resources into advocacy and education programmes for workers on your formal side of employment. You have never thought any of this appropriate or at least feasible for workers contracted in through the flower warehouses. These workers were not ‘employees’, they weren’t located in a workplace; and hence it was impossible for the key principles of the Code of Practice to be applied in their situation.

You know that an association organising these workers would like to meet with you. You have agreed to meet them. You recognise the scale of the pandemic, having witnessed the impact on productivity through increased absenteeism’s (something which the warehouse has to take responsibility for). It is your belief that government needs to take more responsibility to encourage the establishment and growth of mutual health organisations and other schemes to support these workers. You feel it impossible for extending the span of your work into this contracted out employment.

However, to show you are serious, you will commit to ‘adopting’ an Aids programme for a family affected among these workers.

You do hope these workers will not expect more.

You are ready to meet them.
Preparing for a negotiation

Please not that this reading is best used in conjunction with the reading following activity 9 in Part 1 of the manual.

IN THE PLANNING STAGE
  ...research your case
  ...try to reduce anxiety by creating a supportive climate
  ...describe what the problems are
  ...test any assumptions in the negotiating team
  ...predict the arguments of your negotiating counterpart
  ...be spontaneous
  ...sympathise with your colleagues
  ...reduce conflicts within the negotiating team
  ...make provisional judgements to assess the situation
  ...take notes to take with you

BEFORE THE NEGOTIATIONS START
  ...ensure consultations with members
  ...agree on what it is you want
  ...work out your top and bottom line
  ...set priorities
  ...build the negotiating team
  ...allocate roles to members of the team
  ...agree what signals will be used
  ...provide opportunity for listening practice
  ...change your leadership style towards a task orientation

DURING THE NEGOTIATIONS

DO!

... put your case simply and clearly
... ask the negotiating counterpart to explain their position
... defend reputations – people, the union
... recognise and manage potential internal conflicts
... utilise adjournments for positive feedback
... listen actively
... watch body language

DO NOT!

... disagree among yourselves (rather seek an adjournment)
... respond to verbal attacks – avoid emotion and appeal to reason
... lose your temper
... give away your position
... make personal attacks
... adjourn for too long
... make an offer too early
... make a deal without members authority
... negotiate alone
WHEN YOU GET STUCK WHILE NEGOTIATING

...know when to take a break – caucus
...summarise where both parties are at
...get agreement “in principle”
...suggest a process for getting agreement e.g. a working party
...discuss possible results of getting bogged down
...discuss mutual benefits of a settlement
...try “what if” statements

AT THE END OF THE NEGOTIATIONS

...summarise
...agree a written statement and result (agreement or not)
...congratulate both sides if agreement has been reached

AFTER THE NEGOTIATIONS

...ensure that the message gets to the members quickly
...review the negotiations with your team
...keep records of what was agreed
...ensure that the results/implementation are acted upon and monitored
...consider organising opportunities

3 GOLDEN RULES IN ANY NEGOTIATION:

1) Never negotiate alone.
2) Never make a deal without agreement of members.
3) Maintain unity while negotiating

KEY NEGOTIATION SKILLS

Representative Skills (Relate to membership)

...Obtaining clear mandate from workers
...Representing workers views to management
...Returning to workers and reporting clearly and precisely
...Returning to workers for fresh mandate
...Convincing workers that you have served their interest
...Ensuring workers understanding of issues on the negotiations table

Communication Skills

...Sending clear messages
...Clarification of workers interests
...Clarification of management interests
...Refusal to acknowledge management’s interests
...Clarification of common ground
...Clarification of differences between the parties
...Clarification of irreconcilable differences
Influence and Problem Solving Skills

...Persuading and selling
...Trust building
...Vision building
...Assertiveness
...Identification of problem objectives and parameters
...Exploration of alternatives
...Assessment of alternatives
...Reaching decisions

A 10-point checklist for negotiators

1) Are you ready for the negotiations, do you know what you are aiming for, and have you got a clear mandate?
2) Is your side fully briefed and have you agreed on your main arguments and tactics?
3) Have you thought about what the arguments of your bargaining counterpart is likely to be and how you can counter them? Have you thought how you can use the strength of your members?
4) Are you clear about the procedures that will be followed, and of any clarifications that you will need at the start of the meeting?
5) Do you need to present any written evidence, and have you read any materials from your bargaining counterpart carefully?
6) Have you decided who will speak, and the role that others will play during the negotiations?
7) Have you remembered that you can ask for an adjournment to consult one another privately?
8) Is a member of your team taking careful notes so that you can report-back what the bargaining counterpart is saying, and what they are prepared to offer?
9) Are you remembering to stay calm, and not to allow yourselves to be provoked or forced into making statements that are unhelpful?
10) Have you thought about how you will report-back to the members, and keep them up to date with developments during the negotiations process?
FACILITATOR AIMS:
... To introduce cooperatives as a model for building democratic participation and organisation
... To reflect on how cooperatives have worked for others and share what would best work for workers in the informal economy

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... Different colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Before allowing participants to conclude the task, start with a short input on the cooperative movement. You should use the reading that follows as a guide for preparing your input. Do keep the input brief, as participants will get a chance to discuss cooperatives in greater detail as they conclude the task.

Ask participants to share examples of any schemes or cooperatives that they or their organisations may be involved in.

Take participants through the task ensuring that there are four groups, each with an agreed cooperative option to explore.

Allow for report backs and conclude the activity with a discussion on the four options presented, any other options encountered and what would work best in their specific contexts.
**ACTIVITY 18**

**Extending democratic participation and organisation - the cooperative option**

**AIMS**

To help us to:

- Explore ways in which we can extend the participation and representation of workers in the informal economy
- Hear how others have done it
- Work through a series of cooperative options, considering what would best benefit informal economy workers we organise

**TASK**

In working for a better life and future for informal economy workers, like the trade union movement, the cooperative movement offers some very practical solidarity building dimensions.

This activity helps us explore these. We will work through 4 cooperative options, considering which is best suited for worker’s we organise.

The options are:

- A savings and credit cooperative
- A workers cooperative
- A labour cooperative
- A service cooperative

But first, the facilitator will take you through a brief input on the cooperative movement and we will get a chance to share any schemes that our organisations may have.

*(The input with questions should take us around 20 minutes.)*

At the end of the input we will work in **small groups**.

Read through the cooperative option selected by your group. Now imagine that your workers were organised in this cooperative:

1) How would it help the workers?

2) Who would be the members? What would be their common bond?

3) Would it also be open to non-members? If yes, where are they employed?

4) If your option is based on a product or service model, what product or service do you plan to sell or offer? And to whom?
5) What skills exist and what are needed to run the cooperative?

6) Will you need start up capital and training? Where will this come from?

7) Will you need political support? If yes, how could this be organised?

8) What potential pitfalls are likely, how could these be addressed?

(You have 45 minutes for the group discussion.)

Prepare a flipchart with your worker profile and questions answered. Get ready to report to plenary, remembering to provide an overview of the cooperative you were exploring, as others will not have had the opportunity to explore this at the same level.
Savings and Credit Cooperatives, or SACCOs, are also known in some countries as Credit Unions. The big problem for informal workers is usually capital. If you are running a micro-enterprise, like selling vegetables, or shining shoes, you may need a small amount of money to get going, or improve your business.

In Uganda there is a shoe shiners’ organisation, Kampala Shoe Shiners and Repairers Association. The government has decided that the shoe shining boxes were too shabby to be allowed on the main streets. There is a big clean-up going on in Uganda, as a big meeting of Commonwealth leaders will take place there in 2007. So the shoe shiners have to borrow 100,000 shillings each (about $75) to buy an approved kit. One of the activities of the association is a SACCO. Without this cooperative, it is hard to think how a shoe shiner could raise that kind of money. If you want to build a small stall to sell your vegetables, instead of doing it on the street, you will need maybe $100 to pay for it. But you don’t have $100. You have no savings. Where can you borrow $100? Everybody you know is in the same position. You go to a bank. They want to know how they will get their $100 back if you don’t repay the loan. Do you have any assets to pledge as security? No you don’t, that is why you need $100.

MICROFINANCE
Microfinance, the provision of financial services to the poor on a sustainable basis, has become very popular as a way to solve the problem of providing small amounts of credit for own account workers. SACCOs are one way to provide microfinance, but with an important difference – they are owned and controlled by members. This opens up opportunities for participation in the economy, it fosters solidarity and it empowers the working poor.

Each SACCO has a “common bond” which determines who can join. The common bond may be people living or working in the same area, people working for the same employer or people who belong to the same association, such as a church or trade union. SACCOs are for service rather than profits. The interest charged on loans pays for the running costs. They are a form of solidarity.

HOW DO SACCOS WORK?
The members of a SACCO pool their savings together; these savings then provide a pool of funds from which loans can be made. A SACCO borrows money from its savers and may pay them a return on their money (dividend). The money borrowed from members is lent out to other members, who pay interest on the money loaned to them.
ACTIVITY 18  

OPTION 1: continued

The SACCO must be successful in attracting a large enough number of savers to provide a sufficient liquidity level to meet members’ demands for loans, savings withdrawals and to pay operating expenses. It should therefore aim to give its savers a good return on their savings. The dividend payment to savers as well as the SACCO’s other operating costs should be budgeted for throughout the year. SACCOs often also provide members with forms of insurance. One of these is life assurance based on their savings. Another benefit is loan protection insurance. In case a problem – such as illness – means the member cannot repay the loan, the loan protection insurance provides for repayment of the loan instead.

WHO RUNS THE SACCO?
The SACCO is mutually owned and democratically controlled. The operation of the SACCO is managed and controlled by an elected Board of Directors. All officers of the SACCO are members of the SACCO. The board of directors are all volunteers.

SPONSORSHIP
To start a new SACCO, training and sponsorship will be necessary, especially in its early stages. Sponsorship can provide the resources necessary to start a financially sustainable SACCO and sponsorship can also provide credibility. This is where workers who are already well organised can help through their trade union. If workers in a unionised workplace have set up a SACCO, and it has surplus funds, these could be loaned, via a national organisation, to help new SACCOs.

MOBILISING SAVINGS
A real advantage of SACCOs is that they mobilize very small savings. Conventional banks often require a large minimum deposit of $50 or $100 - too much for many workers. In Kenya, KUSASA (short for KUSCCO SACCO Savings Account) accepts new deposits of just 200 shillings (about $3). This enables very small self help groups to start saving – and individuals of course. At the moment, an individual or group with any cash is vulnerable to theft – often violent.

CREATING JOBS, PROVIDING SERVICES
In Uganda, small SACCOs are trying to provide jobs and at the same time provide vital rural services.
ACTIVITY 18  ...continued

OPTION 2: A Worker Cooperative

A worker cooperative is a business owned and controlled by the workers. They may be unemployed or threatened with redundancy and want to create jobs for themselves.

Wamumo Enterprises & Commercial Services is a workers’ cooperative near Nairobi. The cooperative has ten members and provides garbage and cleaning services on an estate. Their secretary, Moses M Wanyama says: “the purpose of the cooperative is creating more employment for people like us ... instead of being informal, we become formal ... as a human being, you have your own ambitions, our ambition is to make a good environment for Kenyan citizens, we are not going to be narrowly based in this estate, this is just a beginning. We are striving to make our daily bread.”

People wanting to set up a cooperative business will need:

... A product or service that people will want to buy.
... The members – the workers who will do the work.
... The resources to start up – finance, premises, equipment, etc.
... The commitment to make the cooperative succeed.

DIFFERENT ORIGINS OF WORKER Cooperatives

No two worker cooperatives are the same, but amongst the great variety of organisations, the following can be distinguished:

... NEW START. Most cooperatives are brand new enterprises which are set up to cater for a ‘gap in the market’. The motivation comes from the members’ commitment to cooperative principles, and their desire for mutual self-help.
... CONVERSION. Some well-established traditional companies have been converted into cooperatives because the proprietors wish to pass over or sell ownership to the workforce. This is often a far better solution for the owner and workers than liquidation or sale to a competitor.
... RESCUE. Workers are frequently driven to attempt to defend their jobs by forming a cooperative to continue a business that has failed for some reason. To have a good chance of success a rescue cooperative must be able to identify the reason for failure and be sure that it has the solution.

Trade unions are concerned that cooperatives might be set up, in order to try to avoid implementation of workers’ rights. This danger is clearly discussed in ILO Recommendation 193.
This recommendation addresses the danger of bogus cooperatives being set up. It calls on national policies to:

... Promote the ILO fundamental labour standards and the ILO Declaration on Fundamental Principles and Rights at Work, for all workers in cooperatives without distinction whatsoever.

... Ensure that cooperatives are not set up for, or used for, non-compliance with labour law or used to establish disguised employment relationships, and combat pseudo cooperatives violating workers’ rights, by ensuring that labour legislation is applied in all enterprises.

COOPERATIVES AND DECENT WORK IN MERCOSUR
A recent meeting of cooperatives in Mercosur countries (a group of countries in South America) issued a declaration on Cooperatives and Decent Work that noted their special role in reviving private enterprises that had failed. In the last period, especially from 2000 to 2004, and as a consequence of the deepening of the economic crisis, numerous private capital enterprises closed and some even abandoned, especially in the industrial and service sectors. Work cooperatives recovered by their workers extended into these areas, and acted to salvage businesses, in many cases without legal certainly or appropriate public policies.
WHAT IS AN INFORMAL WORKER?

informal workers are...

street vendors,

domestic workers,

farm workers,

and worker mice!

home workers,

taxi drivers...
OPTION 3: A Labour Cooperative

Labour cooperatives can be considered as a type of worker’s cooperative (please read option 2 to understand worker cooperatives), but without any assets other than the skills of the members. The labour cooperative does not own any assets such as premises or equipment.

They have been organised to carry out, for example, building works, dock work, portering work at railway stations. They may have particular potential in situations where contract labour is used. Contract labour, employed by a contractor, who undertakes work for a local government authority or company, is very frequently exploited. The main or substantive employer may want the flexibility and savings that using a contractor may bring, but the result is often that the contractor’s workers are denied basic rights and protection. Tax and other deductions may be made, and not passed on to the authorities. Or the worker does not receive the rate set for the work, as the contractor skims off money from the wage. Trade unions have tried to get the International Labour Conference to adopt a standard on the issue, but so far without success.

In Kilombero Sugar Works, Tanzania, the number of permanent workers was reduced from 4,600 to 600 only – the rest were distributed into several sub-contractors who are hostile to unionism. Health and Safety is often a problem. The Health and Safety Commission (HSC) of Britain, which is the apex safety body, has collected evidence that the accident rate for contract labour can be twice that of regular workers. It is usually difficult for contract workers to organise or join a trade union. The contractor will often respond by sacking the active workers. But if the same group of workers could form a cooperative and bid for the contract, they could ensure that at least the money paid by the original employer was properly accounted for and paid to the workers in full. They could stop cheating by contractors. Members could pay themselves a regular wage, as the value of the contract is usually known in advance. In some countries, this idea, of giving a cooperative a contract for labour has received official sanction and support. It could work where local government has been given more powers to award contracts, and where pressure can be organised to bring to bear on the authorities. If the regular workers at a company or government entity are themselves in a trade union, they can make this an issue for collective bargaining - that if contract labour is used, a labour cooperative should be given every encouragement to bid for a job.

As with workers’ cooperatives, there is a danger that bogus labour cooperatives might be set up, in order to try to avoid implementation of workers’ rights. Apex cooperative bodies should be vigorous in ensuring that cooperatives do respect workers’ rights.
ACTIVITY 18

OPTION 4: A Service Cooperative

A service cooperative exists to provide a service to its members. Members of the cooperative pay for the services that they receive. It is not the function of a service cooperative, however, to make trading profits out of its members but to provide the best possible services at the lowest possible cost. Examples of services cooperatives can provide are wide ranging, reflecting the different needs of the members which they serve.

They include:
- Joint marketing; this can be very helpful to workers in the informal economy who are carrying on small scale manufacturing and trading.
- Collective purchasing of raw materials to ensure supply and benefit from discounts.
- Taking on the lease of premises for joint occupancy (eg craft centres).
- Running training schemes.
- Office and Communications Services.

A good example of a service cooperative is the garage and spare parts of Assetamorwa, the motor cycle taxi drivers organisation in Kigali, capital of Rwanda. With their distinctive yellow tunics, Assetamorwa members are everywhere in Kigali. With more than 1,500 members, the association trains drivers, and also runs a training school depot and negotiates with the traffic police. It is registered as a trade union and affiliated to CESTRAR. Gikomba market, in Nairobi, Kenya, is one of the largest in East Africa. A traders’ self help group (SHG) provides a vital service – toilets and showers. The charge is only 2 Kenyan Shillings (there are around 70 shillings in a dollar) to use the toilet or have a shower. This employs four people. More importantly, it allows women the freedom to use and trade in the market. Without a toilet, they cannot sit all day by their stall. Using the cash flow, the group have opened a café, which provides cheap food for market users and has created another 12 jobs.
Both the trade union and cooperative movements involve people with shared values coming together in practical solidarity – improving living standards, improving services, improving wages, improving working conditions. They are a conscious effort to improve the world, taking the future into their own hands to bring about social change. The trade union and cooperative movements both work for a vision of a better future for working people. That is why they can work together.

Both the cooperative movement and trade union movement are around 200 years old. They both have their origins in the same impulse – the protection of working people. Wherever working people come together in some kind of group, they have created or joined trade unions and cooperatives. Today, they are coming together to fight for workers in the informal economy. The two movements have a combined world membership of more than one billion.

THE COOPERATIVE MOVEMENT

Some argue that the cooperative movement began as a response to unfairness, the social divisions and inequality of the industrializing countries of Western Europe. The ILO Recommendation 193 (2002) forms the basis for the cooperative statement of identity. Key points include:

...Cooperatives operate in all sectors and all countries.
...Cooperatives are based on principles and values.
...Cooperatives should enjoy equal treatment with other types of enterprise.
...Governments should create an enabling environment and facilitate access to support services.
...Cooperatives should not be used as a way of avoiding labour legislation.
...Employers’ and workers’ organisations should promote cooperatives.
...Cooperatives should cooperate internationally.
...The promotion of cooperatives should be considered as one of the pillars of national and international economic and social development.

Cooperatives were originally established as a practical means whereby working people could meet their everyday needs, as a route to building a better society. Their vision was not simply about credit or retailing, but about how, through self-help, they could improve their working and living conditions, and their communities.

COOPERATIVE STRUCTURES

As the cooperative movement has spread all over the world, over the last 150 years, it has developed different structures. Sometimes, these have had to adapt to different national legislation governing cooperatives. Nevertheless, certain common features remain.

The foundation of cooperatives are their members – just like trade unions. Members come together into ‘primary cooperative societies’. Primary societies can then unite into ‘unions’. Yes, this is confusing! Primary cooperative societies are the members of secondary cooperative societies, or cooperative unions. Kagera Cooperative Union (KCU) links together 90,000 coffee farmers in 124 primary societies in Bukoba district on the eastern shores of Lake Victoria in Tanzania. It is a secondary cooperative society.
Its members are primary societies, whose own members are the coffee farmers. Kagera Cooperative Union supplies ‘Fair Trade’ instant coffee to more than 4,000 British consumer cooperative stores. The extra payment means that most years KCU is able to give each society two million Tanzanian shillings ($2,000) of Fair Trade social premium. Each primary society is free to decide how to spend the premium and typically many choose to invest in schools, upgrading collection centres or improving dispensaries. Local cooperative unions can combine into a national apex organisation for their sector; and in some cases, the union is the national apex organisation. The apex organisations can combine into national cooperative federations, representing all sectors and industries in which cooperatives operate.

The global organisation for cooperatives is the International Cooperative Alliance (ICA).

**TYPES OF COOPERATIVES**

There are different ways of classifying cooperatives. Perhaps the simplest is by looking at the key question – who owns the cooperative – who are the members?

**Consumer Cooperatives**

The consumers of the services or products own the business. There are several types of consumer cooperatives:

- Retail cooperatives serve local residents through stores, joint purchase and catalogue mail-order sales.
- Institutional cooperatives serve employees at their work places through stores and canteens.
- Medical cooperatives serve members by operating hospitals and clinics, dental care and pharmacies, where preventive health care is emphasized, and friendly, convenient services are provided. Sometimes called Mutual Health Organisations (MHOs).
- Insurance cooperatives provide many kinds of life and other insurance products for members.

**Producer Cooperatives**

Producers of products and services own the cooperative for the purpose of joint marketing, processing the products and services and/or joint purchase of inputs - such as raw materials. Each member is still an independent business or trader. One obvious form is agricultural or farmers’ cooperatives, where farmers buy fertilizers or seeds through the cooperative, or process and sell products - such as milk or cheese.

**Employee or worker cooperatives**

The employees of the business own the cooperative.
Cooperatives globally are united by a shared set of values:

... **Self help** – collective effort can be more powerful than an individual acting alone. Together we can help each other to succeed to mutual benefit.

... **Self responsibility** – recognises that it is no use waiting for Government or other agencies to resolve issues – and the need to get on and tackle the issues. We do it to the best of our ability rather than expect others to do it for us.

... **Democracy** – recognises the right to participate, to be informed, consulted and involved in making decisions.

... **Equality** – if people are to participate fully in, they must have equal rights, responsibilities and opportunities.

... **Equity** – within a cooperative the financial contributions and rewards for active membership are distributed fairly.

... **Solidarity** – there is strength through joint action – working to create a successful, united cooperative movement.

Cooperatives also share key ethical values:

... **Honesty** – honest dealings with customers and suppliers, reliable quality and fair prices build a reputation as a trustworthy organisation.

... **Openness** – striving to be truthful requires cooperatives to be open, to disclose information about their products, their service and the way they are organised.

... **Social responsibility** – cooperatives have a responsibility to their communities.

... **Caring for others** – about how we relate to each other and to our communities.

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**SOME FACTS ABOUT COOPERATIVES:**

... *There are 750,000 primary cooperative societies worldwide.*

... *There are 800,000,000 cooperative members; about 3 billion people are estimated to benefit directly or indirectly from cooperatives.*

... *Cooperatives employ 100 million workers. The total number of workers employed by multinational companies worldwide is less than this – around 85 million.*

... *More than 50 per cent of the global agricultural output is marketed through cooperatives.*

... *The assets of financial cooperatives have reached 5.6 trillion US-$ in 1998; this represented 18 per cent of assets of the world’s largest 1,000 banks in that year.*
ACTIVITY 19 Building solidarity and strategic alliances

... 1 HOUR 30 min

FACILITATOR AIMS:
... To allow for discussions on the principle of solidarity
... To get participants to appreciate the importance of building strategic alliances

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... Different colour markers

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Again a straightforward activity, with no model answers.

Allow participants to conclude the task and take feedback in plenary. If you can it would be good to wrap up with an input on the principle of solidarity and the importance of building strategic alliances.
AIMS

To help us to:

... Reflect on the principle of solidarity work
... Understand the importance of building strategic alliances within the context of solidarity work
... Explore ways in which we build strategic alliances for extending solidarity work and improving the livelihood of workers in the informal economy

TASK

At times it may appear as if the challenges faced by our members are unique, specific to our own circumstances. But in fact many of them are very common, flowing from the same pressures which are facing workers worldwide, in both the formal and informal economies.

We must be active in surfacing these challenges, understanding their causes, and then plan strategically and in alliance with others to address them.

This activity provides an opportunity for us to think about how we build solidarity and alliances with others.

Working in small groups, you will choose one of the topics below. Use this to prepare a short input for a meeting of members.

**TOPIC 1**

You have received news that workers elsewhere in the market have been evicted. Would members support their cause? If not, why not? If yes, how can you get members to support their cause?

**TOPIC 2**

The national trade union centre has called a general strike to stop the increase in the price of petrol. Would members support the strike? Would it be possible for members to support the strike? If not, why not? If yes, how do you get your members to support the general strike?

**TOPIC 3**

You’ve decided to run a campaign to persuade the municipality to improve facilities at the local market. What other organisations do you think you could persuade to support you in your cause? What could you ask them to do as support?

**TOPIC 4**

The local municipality has taken a decision to privatise water services. A range of NGOs have taken up a fight to stop the privatisation process. Should members get involved? Can they? If not, why not? If they can, how do you get members involved in the campaign?

(You have 40 minutes to work through these topics.)
We will discuss the points you have put forward and answer the following questions in plenary:

1) Some argue that our own issues and challenges are pressing enough, so why bother building solidarity with others. Why do you think building solidarity is important? And how can we support others locally, regionally and globally?

2) Why is building strategic alliances important? How do we decide whether an alliance is strategic or not? And how do we practically make this happen?

The facilitator will end this activity with a short input on the principle of solidarity and the importance of building strategic alliance.
ACTIVITY 20 Next steps - priorities for development

3 HOURS

FACILITATOR AIMS:
... To support participants in drawing together the discussions thus far, enabling them to produce a practical strategy to take away with them
... To explore mechanisms for supporting each other beyond the workshop

FOR THIS SESSION YOU WILL NEED:
... Chart paper
... A4 paper
... Different colour markers
... Cards or strips of paper

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Take participants through the activity, allow them to conclude their plan and to present it to plenary.

Before the report backs it would be useful to remind participants of the importance of constructive and supportive feedback that will help build contributions made.

Conclude by reminding them that these plans are meant for implementation when they get back. If you have time you may want to discuss how the implementation side of things can be monitored.
ACTIVITY 20

Next steps - priorities for development

.................... → 3 HOURS

AIMS

To help us to:

... Think through the changes we hope to make on our return to our regions/offices
... Establish how we might monitor developments in future, and give each other support
... Devise a practical strategy to improve the processes we are involved in, and to develop initiatives for activities we have been avoiding being involved in

TASK

This workshop has provided us with the opportunity to think through the challenges we face, the issues and demands of informal economy workers and what’s need to advance both their effective organisation and representation.

How do we ensure that our work does not end here?

This activity is designed to help us think through where we go next.

Working in small groups with others from the same organisation, complete the following:

1) Re-look at the challenges and various lessons which have emerged through this workshop. As a group, debate and agree on no more than 5 key challenges that require redress in the next period. List them on chart paper.

2) Each member of the group should now list (on cards) practical steps they personally intend to take in order to tackle each of the challenges agreed. Please be realistic!
3) Pin the cards up on a board. Each person then constructs points into a ‘priorities for development plan’ and writes it up on regular A4 paper.

4) Read through your plan again and see what you have left out. You may also want to work though the checklist included over the page. Fill in what you have left out and re-write it a second time on a flip chart to present to the plenary.

5) Share your strategy with the plenary for collective feedback and supportive criticism.

(You have 1 hour and 30 minutes in which to develop your strategy.)

You are asked to take careful notes of the feedback received, which you should take back to your region/office to put into practice immediately on your return.

NOTES
ACTIVITY 20  ...continued

CHECKLIST: Ten stages in organising a new group of informal economy workers

You will need to do several of the things in this checklist, but these steps are not in a rigid order.

1. GETTING AN ORGANISING GROUP TOGETHER
There must be a small team of committed people who can work together to set up the group.

2. DECIDING ON A COMMON BOND
You need to be clear on the potential membership, the target group of your organisation. What do they have in common?

3. GAINING SUPPORT AND MANDATES
Before you start, you need to be clear about the benefits that the organisation will offer to workers. If they ask: “what is in this for me?” - you must have an answer. You must know if people in your proposed group really do want to organise, and you need to know what services they would expect from it. You must also hear from them as to what they want you to take up. Doing this research early on will confirm whether your efforts are likely to succeed.

4. DEVELOPING A PLAN
The organising group, and the potential members, need to draw up a plan. This may be a business plan, if you are setting up a cooperative, or it may be a plan about what your members need from local authority or other state agencies. It is very important to have a plan, when you ask workers to join. This plan should clearly state objectives, key principles, and activities.

5. OBTAINING SUPPORT
A new group will need some support or protection. Who? An existing trade union, or a strong cooperative?

6. TRAINING AND SUPPORT
Get as much training and technical advice as you can, especially if you are setting up an enterprise.

7. WRITE SOME RULES
You will need a structure and a set of rules. There are many examples. Find one that suits you and adapt it.

8. CHOOSING YOUR LEADERS
Have a meeting to formally elect your leaders - the officers and committee.

9. GETTING REGISTERED
Your group may need to be registered with some government organisation, depending on the legal form you have adopted.

10. LAUNCHING YOUR ORGANISATION
Now you can start recruiting, getting members to join. Ensure that you have clear mechanisms for active membership involvement.
ACTIVITY 21  Evaluating a longer programme

FACILITATOR AIMS:
... To conclude with an evaluation of the workshop

FOR THIS SESSION YOU WILL NEED:
... Individual evaluation forms (optional)

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Start out by explaining the importance of evaluations and then allow for small groups to conclude the activity.

Ask for feedback in plenary.

If you like, you could also ask participants to write up their views individually and anonymously and to hand this in.

Finally, if you have the time it would be important to revisit the expectations and concerns shared at the beginning of the workshop. A good way of doing this is to ask participants to remove those expectations and concerns that have been met and to ask them to reflect on why they feel this way. Spend some time addressing the ‘hanging’ expectations and concerns. Here the contributions of the broader collective can help!
ACTIVITY 21 Evaluating a longer programme

... 1 HOUR

AIMS

To help us to:

... Assess the usefulness of this workshop in terms of approach, method and content.
... Reflect on how we have progressed towards an understanding, strategy and approach for
organising workers in the informal economy
... Offer suggestions for improvements for similar future workshops on the informal economy

TASK

No workshop is complete without a proper evaluation and feedback from participants. This
will support future, similar workshops and assist in improving on the materials and approach
developed.

In this session we will have an opportunity to evaluate the workshop and to talk about
future training of this nature.

Working with the people sitting immediately around you, prepare to share your answers to
the following questions.

Please elect someone to report back to plenary:

1) Do you feel that useful and measurable progress has been made towards deepening your
understanding of the informal economy? Please explain.

2) Do you feel confident and energised to take forward an approach in your union/organisation
for organising and representing workers in the informal economy?

3) Do you have any feedback to offer on:
   ... The design of this workshop?
   ... Facilitation?
   ... Participant materials?
   ... Further readings?
   ... Other issues?

4) What support would you require (and from whom) in the future?

5) Give suggestions on how this workshop could be improved if facilitated for other unions /
informal economy organisations in the future.

(You have 30 minutes for your discussion.)

We will end the session with feedback in plenary.
FACILITATOR NOTES

ACTIVITY 22 Evaluating a short programme

30 min

FACILITATOR AIMS:
... To conclude with an evaluation of a short course or workshop

FOR THIS SESSION YOU WILL NEED:
... Sticky-backed slips of paper (Post-it notes), enough to provide three slips of paper per participant.
... Wall-chart paper and chart pen.

A GUIDE TO HANDLING THE ACTIVITY TO FOLLOW

Start out by explaining the importance of evaluation for all education activity, even when a programme is short in duration – one or two days long. Participants can use the activity to comment on any aspect of the workshop: the programme, the activities, the role of the facilitator, the accommodation, food, etc.

After each participant has written their three notes (ensure that they spend no more than 10 minutes doing this), place three pieces of wall chart paper at different parts of the room, one labelled “What worked best!”, the second labelled “What worked least!”, and the third labelled “How to improve!”.

Ask all participants to place their three slips of paper onto the appropriate wall-charts.

Finally, give the participants the opportunity to walk around the room to read one another’s comments, and if they like, to group the comments into themes.

Invite a brief informal discussion on what has emerged to be the dominant themes from each wall-chart.

In addition to the activity, you could also invite participants to write up their views individually and/or anonymously and to send them in, if they wish to develop their views or ideas in greater detail.

At the close of the session, collect the slips of paper from the wall-charts for later use in more formal evaluation reports.

An IFWEA Education and Training Manual
AIMS

To help us to:
... Assess the usefulness of this workshop in terms of approach, method and content
... Reflect on what aspects of the workshop were successful or unsuccessful
... Offer suggestions for improvements for similar future workshops on the informal economy

TASK

No workshop is complete without a proper evaluation and feedback from participants. This will support future, similar workshops and assist in improving on the materials and approach developed.

In this session we will be have a brief opportunity to evaluate the workshop and to talk about future training of this nature.

Working alone, you will be provided with three slips of sticky-backed paper (Post-it notes).

1) On one slip of paper, write down what you think was the most rewarding or successful element of the workshop

2) On the second slip of paper, write down what you think was the least rewarding or successful element of the workshop

3) On the third slip of paper, write down a suggestion of how you might improve the workshop if it were to run again.

(You have 10 minutes to write your three notes.)
ABOUT WORKER EDUCATION
and facilitation skills

What are some of the main ideas in adult education and the development of active learning? We will consider such questions as:

... How is adult education different?
... What are the main characteristics of the adult learner?
... What positive and negative aspects do adult learners bring with them?
... What are the implications of this for the adult educator?
... What are some of the key ideas or principles involved in the teaching and learning of adults?
... How do these key principles relate to the values and beliefs of democratic worker organisations?

How is adult education different?

One of the first questions to be asked about adult education is whether it is different from education in schools. To explore this question we need to look at the main characteristics of the adult learner you will be working with as a worker educator. Some of the main characteristics of adult learners are:

AN ADULT WITH EXPERIENCE OF LIFE
All adults have an experience of life and in this way are different from school students. This experience of life will often be their starting point in looking at new information and ideas.

A NEED TO BE RESPECTED
Nearly all adults have a need to be respected as an individual. The same may apply to school students, but this need for respect will be more developed in mature adults.

SOMEONE WHO IS KEEN TO LEARN
You will find that most adult participants are active and keen to learn. They will see an educational course or workshop as an opportunity to learn along with other adults. Working people may have limited opportunities to attend educational workshops and activities and will usually value the experience.

A PERSON WITH EXPECTATIONS
Participants will arrive at an educational course or workshop with expectations about what they will learn and what benefit they are going to get out of it. Dealing successfully with these expectations is an important part of the adult educators’ task.

DIFFERENT EXPERIENCES OF FORMAL EDUCATION
Adults may have different levels of experience of formal education. Some participants may have had little formal education, while others may have had negative experiences and as a result may lack self-confidence.

A WIDE VARIETY OF AGE RANGES
Most adult education courses and workshops will be made up of participants from a wide variety of age groups, unless they are specifically aimed at a particular age group. Older participants may be nervous about exposing themselves to the ideas of younger participants. Younger participants may feel patronised by some of the “old timers.”
COMMITMENTS
Adults will have a large number of commitments and responsibilities. These commitments may include work, family and social commitments. In this way they will be different from school students and some students in formal education. Women participants are likely to have a higher level of domestic and other family commitments.

Key ideas in adult education
Having looked at some of the main characteristics of adult learners, we can consider some of the key ideas for effective adult learning. These are sometimes referred to as principles of adult education.

**Needs Assessment:**
When a group of adults comes together to learn they may have different experiences and expectations as learners. Listening to these needs, discussing them and helping to meet them is a key principle of adult education. Needs assessments need to be carried out before a course/workshop starts and also during the course/workshop.

**Safety:**
Safety in adult education refers to creating a climate where participants’ views are listened to and new ideas and information can be considered and evaluated. A safe environment for adult education includes trust between the facilitator and participants and trust in the curriculum or course material.

**Sequencing and Reinforcement:**
Adult education workshops need to be designed in such a way that new topics and concepts are dealt with in an order that goes from simple to complex, or are organised around a particular concept. Wherever possible, the starting point should be the experience of the learner. This sequencing will assist the learner. In addition, key ideas will need to be reinforced in order to encourage learning.

**Praxis:**
Praxis is a Greek work meaning reflection with action. The central idea is that adults do something, reflect on this action and then learn from this reflection and apply or change as a result of this new learning. In adult education this is sometimes referred to as the ‘do, review, learn and apply learning’ cycle. The importance of reflecting and action (praxis) is one of the central ideas of the popular education movement inspired by the work of the Brazilian educator Paulo Freire. Praxis is closely linked to the idea of learning by doing, the technical term for which is experiential learning.

**Respect for the learner:**
Respect for learners as subjects of their own learning is based on the idea that adults are decision makers in most parts of their lives. They will wish to make decisions about when, what and how they learn. In this way they are the subject of the learning process and not the object of it. While an adult educator may assist with these decisions, individuals take responsibility for their own learning.
Ideas, feelings, actions:
Adult learners learn through the mind, emotions and body. The technical term for these three aspects, or domains, as they are sometimes called are cognitive, (ideas and facts) affective (feelings and emotions) and psycho-motor (actions). Current thinking is that all three of these aspects are important in the learning process. Addressing all three areas are important principles of course design.

Relevance and immediacy:
Most adult learners need to see the immediate usefulness of the new skills and knowledge they are acquiring. They want to spend time studying what they can apply now, or in the very near future. Connected to this is the idea of a problem centred approach to adult education. Adults respond to working through relevant problems and searching for solutions to these problems. In this way the education is relevant to their needs.

Collaborative learning:
Adult participants learn from each other and this is sometimes referred to as peer learning. Presenting situations where adults can learn from each others’ experiences, as well as their own, is an important part of the adult educator’s role. This can be done through general discussion but is also encouraged by the use of group work and team exercises.

The role of the facilitator:
A key feature of most adult education is the changing role of the teacher or tutor/facilitator. The tutor’s role is to facilitate the learning of the adult education group. This means a different kind of authority to the traditional teacher in the formal education system. The relationship is more equal and there is a greater level of negotiation or dialogue involved between the facilitator and the participants. The facilitator is respected for the way learning is organised as well for their expertise in a particular subject or issue.
Critical thinking:
Adult education is concerned with looking critically at the world and seeking alternatives to current ideas and circumstances. Critically examining ideas, emotions and actions is an important part of adult learning.

Critical analysis of the adult educators’ role:
As adult educators become more experienced they also need to think critically about their own roles and actions. This kind of professional critical analysis is best carried out in two ways: firstly by listening to participants and their evaluations, and secondly by engaging in dialogue with other adult educators facilitating similar education activities.
THE AIM OF WORKER EDUCATION

Worker education can strengthen your union &/ organisation and increase its effectiveness. It can do this by:

IN INVOLVING, INFORMING AND ACTIVATING MEMBERS. It is often said that a democratic worker controlled organisation is as strong as its members. The more involved members are, the stronger it is likely to be. Members will also need to know about policies and the reasons for these policies. Membership education programmes, mass rallies, workplace meetings, campaigns and social activities can all contribute to involvement. Any membership education programme must develop a well informed and active membership to support campaigns and struggles.

BUILDING DEMOCRATIC ORGANISATION. Worker education programmes can encourage democratic organisation by ensuring members can use democratic procedures to influence policy and decisions. Active learning is a model for democratic decision making that can influence how meetings are organised.

MAKING MEMBERS AWARE OF THEIR RIGHTS. Members need to know about their rights, if these rights are to be enforced at the workplace. If you take, for example, the right to know about the hazards of the workplace this right is now recognized in law in most countries and in international standards. Unless worker representatives and officials are aware of these rights they are unlikely to be enforced. Education programmes can ensure that workers know about their rights and plan how to enforce them.

EQUIPPING REPRESENTATIVES/OFFICIALS WITH THE SKILLS AND KNOWLEDGE TO EFFECTIVELY REPRESENT THE MEMBERSHIP. Reps and officials need a wide range of skills and knowledge if they are to represent working people effectively. Education programmes can ensure the development of key skills and knowledge. This in turn will be reflected in more effective bargaining and representation at work. The skills and knowledge base will be changing and not static. In many countries, for example, there is a new wave of anti worker activity being embarked upon. Reps and officials need to develop new skills to effectively deal with the new reality.

FURTHERING THE POLITICAL AIMS OF WORKING PEOPLE AND THEIR ORGANISATIONS. Democratic worker organisation must always have wider political aims. Unions in particular have also shared these wider political aims.
In the past these political aims have led to the formation of social democratic political parties in many European countries. In South Africa, the unions in the eighties played a pivotal role in the fight against apartheid. Political union education played an important part in this struggle. This political education involved discussion about both the fight against the apartheid regime and the kind of society that would replace it. In the current world climate both conservative and social democrat parties are increasingly pursuing free market policies, which are often working against the interests of working people and their families. This means that there is a strong case for including wider political and economic issues in worker education programmes.

**MEETING THE CHALLENGES OF GLOBALISATION.** Globalisation and the free market agenda are posing real problems for workers around the world. Increasing levels of privatisation of public services are affecting working people and their families. The casualisation of labour and increasing levels of part-time employment are undermining full time employment. Established standards of employment and pay are being undermined by unfair competition. Deregulation is also reducing hard won rights and standards. We need to respond. Worker education can contribute by raising awareness of these issues and encouraging greater solidarity between locally and internationally. It also promotes the building of alliances with other groups in civil society fighting neo liberalism.

**STRENGTHENING THE ORGANISATION THROUGH ORGANISING.** Strengthening the democratic worker organisation by organising more workers must be at the heart of all activity. New and old ways to organise workers and retain existing membership must be found. In countries like Australia, Canada, USA and the UK unions have set up organising schools or units. Education departments of unions and informal economy worker organisations must work closely together to link education activities together with organising.

The Australian ACTU for example has combined the work of the education department (TUTA), with the organising unit into an Organising Centre. Organising is now the main focus of union education programmes carried out by the ACTU. While union membership is not falling in all countries, it is clear that organising and education are closely linked now and in the past.

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**THE WORKER EDUCATOR/FACILITATOR**

“Go to the people
Live with them,
Learn from them,
Start with what they know,
Build with what they have.

But with the best leaders
When the work is done
The task completed
The people will say,
We have done this ourselves”

(Ancient Chinese Saying)

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Paulo Freire’s ideas led to the foundation of a popular education movement in Brazil and in Latin America.

Community educators and religious groups working with the poor use his techniques and methods and they can also be found today in worker education courses and training courses. According to Freire, the role of the teacher or educator is to:

... Break down the barrier between teacher and taught
... Speak the “same language “ as the learner
... Be aware of how they construct their universe of meaning
... Be aware of learning needs
... Start from where the learners are
... Encourage them to learn and explore their own experiences.
As a worker educator you must consider:

... A democratic approach
Your first task will be to set the tone for any course or workshop. One of the best ways you can do this is by demonstrating that you have a democratic style yourself and you genuinely wish to involve all members of the course equally. You will find that you will be helped in the early stages when you explain the democratic nature of active learning and carry out some of the activities aimed at explaining this approach. After this it will be your willingness to involve the whole group that will matter. There is also advanced delegate training provided. The main aim of these courses is to give delegates the skills, values and confidence to represent their members in collective bargaining. Delegates learn to identify enterprise bargaining issues and develop bargaining skills. The course also seeks to develop awareness of the political, social and economic context of the workplace. Further work is also carried out on developing activist networks.

... Your authority
A teacher derives some of his/her authority from his/her position. In your case you are likely to be from a similar group and background as your participants. You will find that you will be respected as part of the group and for the efforts you make in organising the course. You will not have to tell people what to do, but will obtain co-operation as a comrade who is also learning.

... Your responsibility
As a worker educator, your main responsibility is to your union or organisation. You have a responsibility to ensure that the education courses you run are effective and in line with policy. You also have a responsibility to participants to provide a climate where they can learn and plan to turn this learning into action. Most worker organisations have limited resources for education and most participants will have limited opportunities to attend course or study circles. This makes it essential to provide effective education activities.

... Sensitivity
You will need to be sensitive to the needs of different participants. There will be differing levels of skills and abilities amongst any group of participants and it will be your task to be aware of these differences. You can then set about improving the skills and confidence of some participants and ensure more experienced participants share their experience, without dominating.

... Making education fun
Most of your participants will be working people or busy officials. Education opportunities will be rare events and should be enjoyable. Making education sessions lively and fun will help to make them enjoyable and memorable events. You will need to develop the skills to do this whilst keeping a sense of purpose and giving participants the confidence to change things.

... Flexibility
You will need to be flexible. In most courses you will have some clear aims and a number of set tasks to perform. It usually will be your responsibility to see the programme is carried out. At the same time you will be asking the participants for their ideas about what the course should include and how it should be adapted. You will have to balance their needs against the key tasks that need to be completed. This will require a flexibility of approach and a willingness to discuss any dilemmas that may arise.

... Policy
Be aware of organisational policy and feed this into the course. In some cases you may find that policy, which is based on the wider good, may be unpopular with any particular group. It will be your task to explain the policy and not just go along with the group. This is particularly important with prejudice and discrimination against women and ethnic groups. Being democratic does not always mean going along with people’s views.

... Opportunities to build worker organisation
As a worker educator or study circle leader you will find that there are many opportunities to help build and strengthen your organisation.
GENERAL TIPS FOR WORKER EDUCATORS

... Keep the atmosphere relaxed and enjoyable.
... Be punctual yourself and encourage the participants to do the same.
... If you are running a session be well prepared and have an overall plan of what you want to cover.
... Get to know your participants by name, as quickly as possible. Use nameplates to help you or make a brief sketch of people's names and where they are sitting.
... When facilitating discussion, challenge participants in a way that makes them think. In particular challenge generalizations and stereotypes.
... Let discussion flow freely, but steer the discussion to achieving the aims of the session.
... Look for opportunities to reinforce basic worker policies and values.
... Ask for practical examples and personal experiences.
... Be honest about your experience. It is fine to say that as a trainer you are not an expert or economist or lawyer, and that you do not know the answer to a particular question.
... Don't be afraid to use your own personal experience, if it is relevant and useful.
... Allow time for new ideas to sink in and check whether they are genuinely understood.
... Promote active participation between participants and get them to exchange experiences and ideas.
... Always summarise any session and stress the key points. Encourage the development of strategy or action when summarizing a topic or issue. Make links with other parts of the workshop.
... Get used to using a notebook to write down any observations as to how any session went and how you might change things next time.

NOTES
As a worker educator your presentation skills are critical, as you will be leading participants into action!

**SOME BASIC PRESENTATION TIPS**

Speak slowly and clearly.

Keep your speaking style interesting. Use a variety of tones, speed and volume in your voice.

Consider your attitude and tone. Generally participants are most receptive to a non-confrontational, non-aggressive, and positive approach. Participants value openness and honesty.

Make eye contact with the entire group. Keep scanning the group in order to notice confusion, boredom, etc.

Do not use words, phrases, or abbreviations that participants may not understand. Avoid the use of rhetoric, unexplained abbreviations, robust ideological statements, or jargon.

Have a dialogue with the group. Always try to ask open-ended questions to stimulate involvement.

Do not take hostile remarks personally.

Keep the focus in mind and keep control of the group. It is sometimes important to set direction or limit discussion. Do not let one person or a few people dominate the discussion. Actively intervene, if necessary, to ensure everyone participates.

Do not make assumptions about the background (class, race, ethnicity, religion, educational level, etc) of your participants. Making assumptions can make people feel invisible or alienated.

Let the participants like you. Assume that the participants are friendly and do not be afraid to smile.

If you are not sure whether the group understands a major point, feel free to check with the group. Similarly, if the process is not going well, ask for the group’s advice. It is not a sign of weakness or incompetence to do this; rather, it is an empowering style of leadership.
CO-LEADING WORKSHOPS
For new and experienced trainers alike, there is always great value in co-leading workshops whenever possible. Co-leading allows both the participants and the trainer the opportunity to learn new information and gain from a variety of different perspectives and styles. Co-leading workshops also helps trainers cope with nervousness and information overload by sharing the work and responsibility. This approach also models an excellent, collaborative leadership style. By selecting a co-trainer who is different from you (in terms of sex, class, racial, ethnic, or religious identity, for example), you send a powerful, positive message the strengths of diversity and the power in working together.

NONVERBAL COMMUNICATION
It is important to pay attention to nonverbal communication. Research has found that approximately 70% of communication is nonverbal and only 30% is verbal. Eye contact is a key part of nonverbal communication, so are other aspects of facial expression. Body language is language. Your posture conveys something about whether you are open or closed. For example, hands across the chest probably suggests that you are unavailable. You can use your hands for emphasis and to draw attention to what you are saying. You can also pay attention to nonverbal messages to get a sense of the group. Men and women have a different body language, and it is important to be aware and attuned to these important signals.
Doing workshops under challenging conditions

Some of the challenges that trainers face are logistical and have to do with room set up, noise and space or time limitations. Some relate to the nature of the group you are working with. Members may come in late or leave early. They may come in and out for a bathroom, smoke or prayer break. Knowing what the situation will be and pre-planning will help with some of these issues. However, the key will be flexibility in dealing with the inevitable challenges that you cannot foresee or control.

Strong feelings or different experiences of inequality or poverty among men and women, people from different religions or islands, unions with different religious backgrounds or work environments, for example, pose particular challenges. The guidelines and tips for confrontational situations listed below may help. If you feel you are unable to effectively process a provocative or otherwise disturbing comment with the person and the group, it is better to acknowledge the feelings or different opinions expressed without judgement and the refocus the group on the discussion at hand. However, if an overly hurtful statement is made – one that is racist or sexist, for example – then you must be assertive in challenging the belief, not the character of the person who stated it. Do not ignore a difficult situation. This can cause a number of problems. Bad feelings may linger and mount. Ignoring someone’s feelings or opinions often makes a person feel invisible and disempowered. This can set a bad tone for the group, too, because then others might feel uncomfortable about contributing.

As you progress with the training, pay attention to group dynamics. It may be helpful for you to try to gauge the participants on terms of their level of acceptance and openness to what you are saying. Are they actively listening and interested? Are they sitting up and concentrating on what is being said or are they looking around, playing games, being very quiet etc.? By observing, you might get some indication of how engaged the group is. Remember that the mood of the group is not fixed; a group can open up considerably over the course of the workshop. It is also true that some participants are more responsive and more accepting of what you say than others.

One way to put yourself and the group on a positive, firm footing is to establish guidelines for behaviour at the beginning of the workshop. You can do this in several ways. One would be to ask the group to brainstorm quickly their ideas about behaviour guidelines. Out the results up on chart paper, add any important ideas that you think are missing, and then ask if the group is willing to have these govern for the days you will be together. Another approach is to write guidelines on paper in advance, review them with the group, revise if necessary, and ask for their approval. If you are expecting some very problematic participants, this is highly recommended as a preventative measure. Here are some suggested guidelines:

... Speak from your own experience and use “I” statements
... Listen carefully to each other. Respect each other and where each of us is in the process of learning.
... Questions are important; through them we will get information. No question is too “dumb” or basic.
... It is okay to disagree with each other and to share diverse perspectives. This is an exercise in listening and respect.
... Participation by each of us is critical. We are all resources for each other.
WORKING WITH DIFFICULT OR HOSTILE GROUPS

You may at times encounter a group of participants, or more likely one participant, who exhibits animosity, sarcasm, or hostility. This type of person may consider himself or herself a know-it-all or an expert, sometime contradicting the trainer at every opportunity. At these times it is important to remember your goal as a trainer – you are trying to educate. It is also important to remember that most of the other participants will be sympathetic or at least neutral. You can use that fact to your advantage when dealing with aggressive and hostile participants. Below are some situations you may encounter.

HOSTILE QUESTION
Try explaining (to the entire group as well as the participant who asked the question) what assumption ions you think that the questioner is making and why you may not share them. It is important to answer questions honestly and seriously.

HOSTILE STATEMENT
You can say, “Thank you for your opinion. It is not always divergent views. Does anyone else have a thought about this?” Or “Thank you for your input; I do not agree and here is why...” Do not feel that you have to personally rebut every statement or opinion with which you disagree.

PERSISTENT HOSTILITY
In the Case of ongoing hostility you can say, “We have a difference of opinion that I do not think can be resolved here today. Since we are all here to learn, let us move on to other participants’ questions or thoughts.” Or “I think that I have already answered that, so let’s give some other people a chance to ask their questions.” Or “Perhaps we could discuss that at a later time. Right now we need to move forward so that we can cover other parts of the workshop”

DISRUPTIVE HOSTILITY
Very rarely the hostility will be so severe that it is disruptive to the workshop. In such a case you might say, “You obviously have a point that you want to make. Rather than turn this discussion into an argument, let us be fair about it. Why don’t you take a couple of minutes to say what whatever it is that you want to say without interruption and then we will go back to the general discussion (or presentation) without further interruption from you.”

RACIST, SEXIST, XENOPHOBIC OR HOMOPHOBIC COMMENTS
Occasional you will hear a participant express a sentiment or state a “fact” that is disrespectful of another group or type of people. These comments require a respectful yet direct response.

Most of your participants, even if they disagree with you, do not want to see you harassed in any way. If you can diffuse a potentially hostile situation without getting defensive, you will win some points. One hostile participant does not mean that you are alone in a sea of divergent, negative feelings.
A NOTE ABOUT CONSENSUS

Consensus is a very important and traditional way of working with groups and solving disagreements, but it is not the only way of solving problems and arguments. As trainers, we may be quite familiar with building consensus and therefore be drawn to it as a way of working. Consensus building is time consuming and may detract from the overall goal of the training. One or two disgruntled or disruptive participants who disagree with aspects of the training may be common, and as trainers we should accept that and not focus all our attention on appeasing them while forsaking the other participants. Remember the goal of the workshop is not to convert everyone to the same point of view but to share vital information that everyone needs to know.

A NOTE ABOUT WORKING WITH PEOPLE WITH DIFFERENT LITERACY LEVELS OR LANGUAGE FLUENCY

The philosophy behind economic literacy and popular education affirms the inherent wisdom and experience-based knowledge that all adults bring to any situation. An implicit goal of the workshop is to reinforce this message with your participants so that they feel empowered to continue their learning process regardless of their level of formal education or their mother tongue. Where possible, try to ascertain in advance whether any of the participants is illiterate or has weak skills. Inquire whether anyone will be put in a position of speaking in a language in which they are not fluent. It is important not to put anyone in an uncomfortable or embarrassing situation by exposing the fact that they cannot read or comprehend something written, or that they are not fluent in the language in which the training is conducted.

If you think that some participants may be unable to read, adjust the instructions to take that into account. Do not advertise that you are making an adjustment to accommodate certain people; just gracefully provide a more accommodating method for accomplishing the task. For example, in small group work, where people are asked to write words on a card, do not require everyone to write for themselves; rather, ask someone in each group to be the volunteer scribe and have everyone tell the scribe his or her answer to the question. Always read all statements and information provided on charts. Don’t assume your audience can read them. For some activities, consider inviting people to use pictures or symbols for their contributions. When you have participants with poor reading skills, or whose first language is not the one you are operating in, the more you can communicate through pictures, the better. Besides, this makes for a more visually stimulating learning experience, which everyone appreciates.
Sample
PROGRAMME DESIGNS
## Two and a Half Day Programme
### FOR TRADE UNION ORGANISERS

### DAY 1

<table>
<thead>
<tr>
<th>TIME</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>08h30-09h30</td>
<td>Getting to know everyone</td>
</tr>
<tr>
<td>09h30-10h00</td>
<td><strong>TEA</strong></td>
</tr>
<tr>
<td>10h00-12h00</td>
<td>Globalisation and the growth of the informal economy</td>
</tr>
<tr>
<td>12h00-15h00</td>
<td>(including LUNCH) Understanding the needs and demands of informal economy worker</td>
</tr>
<tr>
<td>15h00-15h30</td>
<td><strong>TEA</strong></td>
</tr>
<tr>
<td>15h30-17h30</td>
<td>Does the informal economy contain ‘real’ workers?</td>
</tr>
</tbody>
</table>

### DAY 2

<table>
<thead>
<tr>
<th>TIME</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>08h30-09h30</td>
<td>Workers’ rights and decent work in the informal economy</td>
</tr>
<tr>
<td>09h30-11h00</td>
<td>What is a democratic trade union?</td>
</tr>
<tr>
<td>11h00-11h15</td>
<td><strong>TEA</strong></td>
</tr>
<tr>
<td>11h15-13h15</td>
<td>The need to organise in the informal economy</td>
</tr>
<tr>
<td>13h15-14h15</td>
<td>LUNCH</td>
</tr>
<tr>
<td>14h15-17h00</td>
<td>(including TEA) Learning the lessons from trade unions organising in the informal economy</td>
</tr>
</tbody>
</table>
### DAY 3

<table>
<thead>
<tr>
<th>TIME</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>08h30-10h30</td>
<td>Negotiations in the context of the informal economy</td>
</tr>
<tr>
<td>10h30-11h00</td>
<td>Tea</td>
</tr>
<tr>
<td>11h00-13h00</td>
<td>Developing a union strategy</td>
</tr>
<tr>
<td>13h00-14h00</td>
<td>Evaluation</td>
</tr>
<tr>
<td>14h00</td>
<td>Late lunch and closure</td>
</tr>
</tbody>
</table>

- **NOTES**

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Building Organisation and Representation of Workers in the Informal Economy
An IFWEA Education and Training Manual
## One Day Programme
### FOR TRADE UNION ORGANISERS

<table>
<thead>
<tr>
<th>DAY 1</th>
<th>TIME</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>08h30-09h00</td>
<td>Getting to know everyone (abridged)</td>
</tr>
<tr>
<td></td>
<td>09h00-11h30</td>
<td>Understanding the needs and demands of informal economy worker (TEA)</td>
</tr>
<tr>
<td></td>
<td>11h30-13h30</td>
<td>The need to organise in the informal economy</td>
</tr>
<tr>
<td></td>
<td>13h30-14h00</td>
<td>LUNCH</td>
</tr>
<tr>
<td></td>
<td>14h30-16h00</td>
<td>Learning the lessons from trade unions organising in the informal economy (use of fewer case studies) (TEA)</td>
</tr>
<tr>
<td></td>
<td>16h00-17h30</td>
<td>Developing a union strategy</td>
</tr>
<tr>
<td></td>
<td>17h30-18h00</td>
<td>Evaluation</td>
</tr>
</tbody>
</table>

## Notes

Sample programme designs 177
## Three Day Programme
### FOR ACTIVISTS IN THE INFORMAL ECONOMY

<table>
<thead>
<tr>
<th>DAY 1</th>
<th>TIME</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>09h00-10h00</td>
<td>Getting to know everyone</td>
</tr>
<tr>
<td></td>
<td>10h00-10h30</td>
<td><strong>TEA</strong></td>
</tr>
<tr>
<td></td>
<td>10h30-12h30</td>
<td>Globalisation and the growth of the informal economy</td>
</tr>
<tr>
<td></td>
<td>12h30-13h30</td>
<td><strong>LUNCH</strong></td>
</tr>
<tr>
<td></td>
<td>13h30-15h00</td>
<td>The challenges facing informal economy workers’ organisation</td>
</tr>
<tr>
<td></td>
<td>15h00-17h00</td>
<td>What kind of organisation for informal economy workers? (including <strong>TEA</strong>)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>DAY 2</th>
<th>TIME</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>08h30-10h00</td>
<td>Building democratic worker organisation</td>
</tr>
<tr>
<td></td>
<td>10h00-10h30</td>
<td><strong>TEA</strong></td>
</tr>
<tr>
<td></td>
<td>10h30-11h30</td>
<td>Being a democratic and accountable leader</td>
</tr>
<tr>
<td></td>
<td>11h30-13h00</td>
<td>Building internal democracy – effective and democratic meetings</td>
</tr>
<tr>
<td></td>
<td>13h00-14h00</td>
<td><strong>LUNCH</strong></td>
</tr>
<tr>
<td></td>
<td>14h00-15h00</td>
<td>What negotiations are we (or should we be) involved in?</td>
</tr>
<tr>
<td></td>
<td>15h00-15h30</td>
<td><strong>TEA</strong></td>
</tr>
<tr>
<td></td>
<td>15h30-17h00</td>
<td>Preparing for a negotiation – mandates and practice (TASKS 1 and 2 only)</td>
</tr>
<tr>
<td>DAY 3</td>
<td>TIME</td>
<td>ACTIVITY</td>
</tr>
<tr>
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</tr>
<tr>
<td></td>
<td>08h30-10h30</td>
<td>Preparing for a negotiation – mandates and practice continued (TASK 3)</td>
</tr>
<tr>
<td></td>
<td>10h30-11h00</td>
<td>TEA</td>
</tr>
<tr>
<td></td>
<td>11h00-13h00</td>
<td>Extending democratic participation and organisation – the option of cooperatives</td>
</tr>
<tr>
<td></td>
<td>13h00-14h00</td>
<td>LUNCH</td>
</tr>
<tr>
<td></td>
<td>14h00-15h30</td>
<td>Building solidarity and strategic alliances</td>
</tr>
<tr>
<td></td>
<td>15h30-16h00</td>
<td>TEA</td>
</tr>
<tr>
<td></td>
<td>16h00-17h00</td>
<td>Next steps – priorities for development (abridged)</td>
</tr>
<tr>
<td></td>
<td>17h00-18h00</td>
<td>Evaluation</td>
</tr>
</tbody>
</table>

**NOTES**

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## Two Day Programme
### FOR ACTIVISTS IN THE INFORMAL ECONOMY

### DAY 1

<table>
<thead>
<tr>
<th>TIME</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>09h00-10h00</td>
<td>Getting to know everyone</td>
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<tr>
<td>10h00-10h30</td>
<td><strong>TEA</strong></td>
</tr>
<tr>
<td>10h30-12h00</td>
<td>The challenges facing informal economy workers’ organisation</td>
</tr>
<tr>
<td>12h00-13h30</td>
<td>Building democratic worker organisation</td>
</tr>
<tr>
<td>13h30-14h30</td>
<td><strong>LUNCH</strong></td>
</tr>
<tr>
<td>14h30-15h30</td>
<td>Being a democratic and accountable leader</td>
</tr>
<tr>
<td>15h30-16h00</td>
<td><strong>TEA</strong></td>
</tr>
<tr>
<td>16h00-17h00</td>
<td>What negotiations are we (or should we be) involved in?</td>
</tr>
</tbody>
</table>

### DAY 2

<table>
<thead>
<tr>
<th>TIME</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>09h00-12h30</td>
<td>Preparing for a negotiation – mandates and practice (working <strong>TEA</strong>)</td>
</tr>
<tr>
<td>12h30-13h30</td>
<td><strong>LUNCH</strong></td>
</tr>
<tr>
<td>13h30-15h30</td>
<td>Extending democratic participation and organisation – the option of cooperatives</td>
</tr>
<tr>
<td>15h30-16h00</td>
<td><strong>TEA</strong></td>
</tr>
<tr>
<td>16h00-17h30</td>
<td>Next steps – priorities for development (abridged)</td>
</tr>
<tr>
<td>17h30-18h00</td>
<td>Evaluation</td>
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</tbody>
</table>
# One Day Programme
**FOR ACTIVISTS IN THE INFORMAL ECONOMY**

<table>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>08h30-09h00</td>
<td>Getting to know everyone (abridged)</td>
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<tr>
<td></td>
<td>09h00-10h00</td>
<td>What negotiations are we (or should we be) involved in?</td>
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<tr>
<td></td>
<td>10h00-10h30</td>
<td>TEA</td>
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<td></td>
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<td>13h30-14h00</td>
<td>LUNCH</td>
</tr>
<tr>
<td></td>
<td>14h30-17h00 (working TEA)</td>
<td>Next steps – priorities for development</td>
</tr>
<tr>
<td></td>
<td>17h00-17h30</td>
<td>Evaluation</td>
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</tbody>
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**NOTES**

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Sample programme designs
RESOURCES and references

Where to find resources?

As an active worker educator you will find that your time is valuable. In many cases you may have other responsibilities in the organisation. Finding time to search for resources may be difficult. Knowing where to start looking is a help. Here are some of the main sources.

THE UNION/ORGANISATION

Your union/organisation may have resources that can help you. Some unions will have specialist departments doing research, organising education and dealing with issues such as health and safety. Even if your union or organisation cannot afford specialist staff it may collect materials that will be useful to you as an educator.

LABOUR FRIENDLY NGOs, RESEARCH INSTITUTES

In most countries there will be friendly organisations that help the labour movement and can provide information. They may publish research into labour matters. If you are dealing with a subject like health and safety and the environment then there may be several organisations that will help you. You will need to look for organisations that are genuinely helpful and provide information that is user friendly and can be readily understood by workers.

LIBRARIES

Libraries can be useful. You will need to learn how to use a library and search for information if you are not familiar with them. Looking through a library for resources you can use may take a lot of time. You may need assistance from a friendly organisation to carry out an effective search for materials. Nowadays information is often kept electronically on databases and you may need help to search for relevant information if you are not familiar with computers.

THE INTERNET

The Internet or World Wide Web is becoming an increasingly useful resource for worker educators and researchers. Most organisations now have their own web page as do international union bodies. In addition, there are a number of web sites that specifically service unions. At the end of the manual you will find a list of some of the most useful web sites and their addresses. If you have difficulty in accessing the Internet yourself then look for a friendly NGO that may assist you.

GOVERNMENT DEPARTMENTS

Government departments will publish labour statistics, economic surveys, social statistics, laws and regulations. There may be a Government department in charge of publications or you may have to approach each ministry separately. Government publications can be lengthy and highly technical. You may find it better to turn to NGOs who interpret this information and may publish guides and key resources.

MANAGEMENT

This is an obvious, but difficult source to deal with. Management has access to nearly all the information in an industry or workplace. They seek to control this information and use it to their advantage. They
may resist giving you the information you need. Secondly when management do give information it may be slanted towards their own viewpoint and interest. The information may not be reliable or objective. Despite these difficulties, the amount of information that management has, and controls, make them an important resource. You need to develop the skills to obtain information you need and to be able to interpret the information you get from a worker perspective.

Your members as the main resource

Whatever methods or techniques you use, you must remember that the participants are a main resource for carrying out any educational activity. There are many ways in which they can help:
... By bringing with them knowledge of the problems they face at work and in the community. They will also have experienced successes and failures in dealing with these problems in the past.
... By helping you organise the course and helping you decide what issues to deal with.
... By bringing with them information from their workplace that will contribute to the course or workshop.
... By bringing other information from newspapers and media on the issues you are dealing with.

Useful internet addresses

For ITUC activities and union rights campaigns visit:  
www.ituc-csi.org

For current campaigns and information of the global unions visit:  
www.global-unions.org

For activities, reports and the work of the International Federation of Worker Education Associations, including their work on education in the informal economy (IFWEA has recently produced a comprehensive DVD resource for worker educators on the informal economy) visit:  
www.ifwea.org

For an excellent website of an NGO that supports the efforts of the labour movement to deal with globalisation and to strengthen links and networks between trade unions and other civil society organisations visit:  
www.global-labour.org

For a useful global research and policy analysis network linked to the international movement of women in the informal economy visit:  
www.wiego.org

For the often referenced international alliance, StreetNet International, an alliance of street vendors comprising unions, co-operatives or associations aimed at promoting the exchange of information and ideas around street vendors, market vendors and hawkers visit:  
www.streetnet.org.za

For an excellent example of women organising in the informal economy, visit:  
www.sewa.org

For further information on cooperatives the following websites may be useful:  
www.ica.coop  
www.co-op.ac.uk

The ILO has a very comprehensive website and serves as a major resource for unionists. It also includes links to other ILO centres:  
www.ilo.org