Trade Union Manual
for Organizing Informal Economy Workers

Subregional Office for East Asia
Bangkok, Thailand
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One of the greatest challenges facing trade unions today is the growth of the informal economy. In Asia/Pacific, workers in the informal economy make up around 65 per cent of the labour force.

For the ILO, the most consistent way of analysing the situation of workers in the informal economy is considering it in terms of decent work deficit. Workers in the informal economy face serious deficits in decent work - they are engaged in poor quality jobs, with low productivity and incomes, poor working conditions and occupational health and safety standards and limited access to knowledge, technology, finance and markets. Although not a homogeneous group, the common bond of informal workers is that they are usually low paid, low status, and they have little job, employment or income security and are vulnerable to abuses of workers’ rights.

Since they are normally outside a country’s framework of laws and regulations and are incompletely or poorly covered in many statistical collections, workers in the informal economy are unrecognised, unregistered, unprotected and socially excluded. Their problems are compounded by their lack of organization and voice at work.

Organizing the informal economy is, therefore, a priority for trade unions. However, the challenges are enormous: workers in the informal economy do not represent a uniform group and may have obvious differences of interests from the bulk of current union members; they are often so caught up in the daily struggle for survival that they are not inclined to join in collective action; the highly precarious nature of their work means that they are too often worried about losing their jobs if they join or form unions; they may be hard for unions to contact or to mobilise. Strategies are needed to defend and promote the rights of the ever-growing number of informal economy workers - the majority of whom are women - and to get them to become members of and fully integrated into the trade unions.

This Manual, drafted and validated by trade union trainers and organisers based on their wide knowledge and rich experiences, focuses on both process and contents. It is hoped that it will be a useful tool for trade unionists in developing their skills and strategies to organise workers in the informal economy, thus achieving two objectives: firstly, empowering the workers in the informal economy to defend and protect their rights and secondly, strengthening workers’ solidarity and the trade union movement as a whole.

The production of this Manual was a collective effort of many trade unionists in Asia/Pacific and ILO colleagues: Phil Drew who prepared the first draft; the trainers and organisers who participated in the Validation Workshop (Bangkok, September 2007) from the trade union national centres of India, Nepal, the Philippines and Thailand and the Global Union Federations: BWI, IMF, ITF and UNI; specialists and staff of the ILO-SRO in Bangkok: Christine Nathan and Elsa Ramos-Carbone (Bureau for Workers’ Activities), Ginette Forgues (Local Strategies for Decent Work), Malee Verojanavat (Secretary) and Matthew Hangesbaugh (Intern). To all of them, and to the many more who gave their comments and suggestions and provided case studies, I would like to put on record our grateful appreciation.

Bill Salter
Director, ILO-SRO Bangkok
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How to use the ILO Training Manual for organizing informal economy workers

A number of manuals have been developed by the ILO to encourage organizing of informal economy workers. These have been very good at describing the extent and nature of the informal economy as well as suggesting a range of possible approaches to encourage organizing of informal economy workers.

This Manual consists of ten Modules that try to develop an understanding of appropriate strategies for organizing informal economy workers. The materials presented here build upon the earlier work but are also designed to assist unions in organizing different target groups of informal economy workers.

Because different target groups have different problems and needs the Manual offers a range of training modules so that a union can focus on target groups and ‘solutions’ strategies rather than trying to cover the whole range of target group issues.

The ten Modules provide opportunities for union Trainers to select a range of training focused upon their own union’s selected target group.

Selecting a training programme

It is assumed that unions which decide to organize informal economy workers will select a particular target group (such as informal economy workers associated with our workplace, home-workers, street vendors, transport workers). Consequently they can develop their training strategy around a number of common and selective modules.

The ten Modules are:

Module 1: What do we Know about the Informal Economy? (Common)
Module 2: The Informal Economy—An Overview. (Common)
Module 3: Organizing Strategies for Informal Economy Workers Associated with our Workplace. (Selective)
Module 4: Organizing Strategies for Home-workers. (Selective)
Module 5: Organizing Strategies for Street Vendors. (Selective)
Module 6: Organizing Strategies for Informal Economy Workers Associated with Transport. (Selective)
Module 7: Making Contact. (Common)
Module 8: Setting up a Credit Union or Cooperative. (Selective)
Module 9: Negotiating to Improve Conditions for the Informal Economy Workers. (Common)
Module 10: Negotiation Practice. (Common)

Training will include Modules 1 and 2 then any one of Modules 3-6, Module 7 and Module 8 (or the survey development section of Module 8) and Modules 9 and 10.

For each Module (except Module 10) there are:
1. A Handout.
2. A Session Plan with aim and objectives, and appropriate activities.
3. A PowerPoint presentation.

There is also a general introduction to the issues of organizing in the informal economy.
Introduction

Training to organize in the informal economy is not an easy task for Trainers. Organizing in the informal economy is not the same as organizing in the formal economy. We are all aware that organizing formal economy workers is not easy, but we do have wide experience of it. However we have little experience organizing in the informal economy. Therefore we will not be able to organize in the informal economy without doing some serious preparation beforehand. These Modules, and the task of organizing in the informal economy, require a lot of work by Trainers. Because of differences in legal systems it is not possible to provide, in these Modules, definitive answers about what may or may not be possible. You will have to research the legal position for yourselves. What we can do here is indicate the issues you must address when seeking information. Once you have this information you will be able to adapt some of the strategies outlined here to meet your own specific situation.

In addition to what you learn here you should also seek advice from your Union Federation, National Centre or Global Union.

Your job as the Trainer or Facilitator using these Modules is to use active learning methods that:

1. **Identify** what knowledge, experience and skills the participants bring with them about the issues discussed in each Module (through active learning techniques such as questions and buzz groups).
2. **Utilise** exercises and discussion to share that knowledge.
3. **Add** further information or develop appropriate skills so that the combined knowledge can be used by the participants upon their return to their union work.

This last point is critical. In some cases the sum total of the knowledge, experience and skills of the participants may equal what is required. But, through your preparation, you **must know** what is required and be ready to ensure that the required sum total is achieved. After conducting this training the participants must be able to take the actions we have discussed here.

Remember: when conducting training there are two issues that must be considered: PROCESS and CONTENT. When we design a learning activity we have to be aware of both the way in which we will ensure that learning takes place (the HOW or the process) and what must be learnt (the WHAT or the content). The content may influence the choice of process. Where we need to impart information about some recent change in legislation, for example, we will probably select a lecture with OHT slides or we may well conduct a seminar. Where we wish to develop skills in handling grievances we will use active learning techniques, including developing a checklist and role plays.

Finally, we should be aware of issues of gender when conducting training. Women make up a large proportion of the overall workforce, particularly in the informal economy. So we should include discussion of gender issues in our training. This is true for an all-male group as well.
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What do we mean by informal economy?

The topic of the informal economy was discussed by ILO’s Tripartite constituents at the 2002 International Labour Conference. The Resolution and Conclusions provided a new framework for action. Highlights of this updated framework are summarized below:

- Against the background of rapidly evolving labour markets and production strategies, the term “informal economy” was proposed instead of the informal sector to capture “all economic activities that are in law or practiced not covered or insufficiently covered by formal arrangements.” This broadened concept takes account of the new realities of the world of work and the considerable diversity of workers and economic units in different sectors of the economy and across different rural and urban contexts. Many workers in the informal economy face particular vulnerabilities and insecurities and often experience severe decent work deficits, characterised by poverty and low productivity employment.

- The informal economy includes micro and small economic units, wage workers and own-account workers. Individuals and households can and frequently move from one category to another depending upon available employment opportunities.

- The informal economy also includes individuals engaged in new flexible work arrangements and who find themselves at the periphery of the core enterprise, or at the lowest end of the production chain.

How big is the informal economy?

Statistics about the size of the informal economy are not easy to collect. The ILO prepared a report in 2002 on WOMEN AND MEN IN THE INFORMAL ECONOMY: A statistical picture. Statistics for Asia were limited. The report shows that the informal economy in Asia accounted for 65% of employment in the non-agricultural sector. The following chart shows the range is from 35% in Syria to 83% in India. The proportion of women is, in most cases, close to that for men.

IE as proportion of non-agricultural employment

How big is the informal economy as % of GDP

Introduction

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The informal economy also makes a significant and growing contribution to Gross Domestic Product (GDP). The proceeding table is for various years during the 1990s.

What is organising in the informal economy?

Every trade union should be committed to organising workers, both in the formal and informal economy. However, the challenges of organising in the latter are enormous. Workers in the informal economy do not represent a uniform group and may have obvious differences of interests from the bulk of current union members; they are often so caught up in the daily struggle for survival that they are not inclined to join in collective action; the highly precarious nature of their work means that they are too often worried about losing their jobs if they join or form unions; it may be hard for unions to contact or to mobilise them.

Ideally trade unions will develop a common policy and strategies for organizing informal economy workers.

We must define what we mean by organizing informal economy workers. Few will have been trade unionists. They will not have much experience of being a member of an organization. They will not have much expectation that membership of an organization may be useful. Some will prefer being on the margins of legality. Becoming legal means paper work, fees, taxes, and time to complete all of those things. But there are also costs associated with not being formalised. These include being at the mercy of inspectors and standover merchants. It means that their cash may be insecure. They will probably not be able to expand their operations because they will not be able to secure bank loans. They will probably not receive social welfare benefits. By themselves, informal economy workers are insecure and vulnerable.

Long hours with inadequate toilet facilities, psychological stress caused by uncertainty about business, exposure to a range of chemicals (including road smog), and poorly designed work stations all may take their toll on the health of informal economy workers. Finally, informal economy workers may be subjected to seriously unsafe occupational health and safety problems both for themselves and their families. This is particularly true for home-workers who may be carrying out their work in their living areas with children and other family members also exposed to the hazards associated with their activities.

When we decide to organize informal economy workers we need to deal with these issues. Creating an organization that offers informal economy workers the opportunity to socialise will help them to realise that others have similar problems. Having seen that others face the same problems should lead to discussion of how these problems may be addressed. A credit union may offer greater security for savings, and opportunity for borrowing money. A cooperative may allow informal economy workers to purchase components more cheaply or to distribute production more securely, or to negotiate better conditions from those who let contracts. Experience in starting to organize these things should lead to delegations to government offices at appropriate levels seeking improvement to laws and regulations covering their activities.

Why should unions organize informal economy workers?

We must also consider why we, trade unionists, want to organize informal economy workers. Some informal economy workers may be easily absorbed into trade unions. These are people who may be working in our workplace (in production, cleaning, canteen) or outside (home workers, suppliers, distributors). But most informal economy workers will have nothing to do with our workplace, or even the type of work that our members do. These workers are less easily absorbed into membership.
Why organize them? **Because trade unions are about defending and protecting workers’ rights, promoting better working and living conditions of all workers; because trade unions are about solidarity.** By organizing informal economy workers into a trade union or a self-help group we are contributing to reducing the effects of solitariness and insecurity.

A major problem for most informal economy workers is that they operate outside the formal welfare provisions in society. In many developing countries social welfare provision is very limited. Informal economy workers usually do not receive any benefits under what limited provision exists. Finding mechanisms to provide access to health care, to pensions, etc may also be a way to draw informal economy workers into the formal economy.

**What do trade unions have to offer informal economy workers?**

Trade unions bring to the issue of organizing informal economy workers traditions of democracy with the following characteristics.

Unions are:

- Controlled by the members/workers themselves
- Democratic
- Independent of employers
- Independent of the government
- Independently involved in political matters
- Non-discriminatory to any worker
- Sustainable
- Not dependant on external financing
- Founded on principles of solidarity
- Represent members’ interests
- Improving laws affecting workers’ welfare and ability to work
- Negotiating collective agreements with employers
- Ensuring that members enjoy their collective agreement benefits and legal rights.

It is these traditions that may make it possible for trade unions to assist informal economy workers to become organized. What unions offer is the capacity for organized people to represent themselves, to improve their position, and to increase their security.

**Role of trade unions in the informal economy:**

Trade unions have experience that can assist informal economy workers. This experience is built upon:

- the recognition of the right of all workers to organise.
- acceptance by authorities of representatives of informal workers in social dialogue especially about the national development plan.
- seeking improvements in national minimum wages which apply to all workers.
- monitoring the occupational health and safety situation and campaigning for safe work.
- Supporting gender equality [ILO Conventions 100 & 111] – the Canadian Labour Union Congress succeeded in organizing women with a catchphrase “workers who belong to unions earn higher than non-unionised workers”.

**Benefits of collective bargaining for informal economy workers**

Metal unions in India negotiated for their members in the ship-breaking industry provision of first aid, ambulance services and bottled drinking water.
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- Addressing issues of child labour.
- Seeking to improve social security access.
- Seeking legislation for informal economy workers.
- Support for anti-poverty programmes.
- Development of social and cultural programs.
- Registration and recognition of informal economy workers.
- Encouraging wider unity of working people through, for example support of social and cultural events.
- Bridging the gap between informal economy workers and society.

Starting the Process
Most strategies for organizing the informal economy will involve, as a starting point, a review of the legal situation.

Some ILO Conventions that may be relevant to informal economy workers:

<table>
<thead>
<tr>
<th>Convention</th>
<th>Description</th>
<th>Year</th>
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<tbody>
<tr>
<td>C26</td>
<td>Minimum Wage-fixing Machinery</td>
<td>1928</td>
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<tr>
<td>C29</td>
<td>Force Labour</td>
<td>1930</td>
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<tr>
<td>C78</td>
<td>Medical Examination of Young Persons (Non-Industrial Occupations)</td>
<td>1946</td>
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<td>C81</td>
<td>Labour Inspection</td>
<td>1947</td>
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<tr>
<td>C87</td>
<td>Freedom of Association and Protection of the Right to Organise</td>
<td>1948</td>
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<tr>
<td>C88</td>
<td>Employment Services</td>
<td>1948</td>
</tr>
<tr>
<td>C98</td>
<td>Right to Organise and Collective Bargaining</td>
<td>1949</td>
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<tr>
<td>C100</td>
<td>Equal Remuneration</td>
<td>1951</td>
</tr>
<tr>
<td>C105</td>
<td>Abolition of Forced Labour</td>
<td>1957</td>
</tr>
<tr>
<td>C111</td>
<td>Discrimination (Employment and Occupation)</td>
<td>1958</td>
</tr>
<tr>
<td>C117</td>
<td>Social Policy (Basic Aims and Standards)</td>
<td>1962</td>
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<tr>
<td>C122</td>
<td>Employment Policy</td>
<td>1964</td>
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<tr>
<td>C129</td>
<td>Labour Inspection (Agriculture)</td>
<td>1969</td>
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<tr>
<td>C138</td>
<td>Minimum Age</td>
<td>1973</td>
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<td>C141</td>
<td>Rural Workers</td>
<td>1975</td>
</tr>
<tr>
<td>C142</td>
<td>Human Resources Development</td>
<td>1975</td>
</tr>
<tr>
<td>C150</td>
<td>Labour Administration</td>
<td>1978</td>
</tr>
<tr>
<td>C155</td>
<td>Occupational Safety and Health</td>
<td>1981</td>
</tr>
<tr>
<td>C156</td>
<td>Workers with Family Responsibilities</td>
<td>1981</td>
</tr>
<tr>
<td>C160</td>
<td>Labour Statistics</td>
<td>1985</td>
</tr>
<tr>
<td>C172</td>
<td>Working Conditions (Hotels and Restaurants)</td>
<td>1991</td>
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<td>C177</td>
<td>Home Work</td>
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<td>C182</td>
<td>Worst Forms of Child Labour</td>
<td>1999</td>
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<tr>
<td>C184</td>
<td>Safety and Health (Agriculture)</td>
<td>2001</td>
</tr>
<tr>
<td>C188</td>
<td>Work in Fishing</td>
<td>2007</td>
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</tbody>
</table>
Introduction

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This may involve:

- Policy commitment by the Union, Federation, National Centre, etc.

  ◊ Questions regarding the Union Constitution:
  - Can we enrol informal economy workers as full or part members?
  - Can we alter the union constitution to enrol informal economy workers as full, part or associate members?
  - Can we organize temporary or contract workers?
  - Can we organize by enterprise and by trade?
  - Can we find and work with a more appropriate trade union to organize informal economy workers?

  ◊ Questions regarding Labour legislation:
  - What restrictions do Labour laws place on our union for organizing informal economy workers?
  - Are there ways in which we can work within the law or must we seek to change it?

  ◊ Questions regarding Employers:
  - What attitude will the employer take to changes in how our union deals with informal economy workers?
  - Will the employer accept any changes that are legal or will they reject, for example, organizing contract workers, even if it is legal?

  ◊ Questions regarding the Government:
  - What ILO Conventions (especially the Core Labour Standards which are regarded as binding on member states whether ratified or not) or laws concerning the informal economy has it ratified?
  - Are there any Core Labour Standards not ratified?
  - Should a complaint be lodged with the ILO about any inconsistency? (National unions are encouraged to take up the issue of any inconsistency of laws and ILO Conventions to seek improvement).
  - If the laws are consistent but not supportive of trade union activity in organizing informal economy workers, can national unions be encouraged to seek amendments?
  - Does the Government support any aspects of ILO Core Labour Standards and Decent work requirements? (For example, the Thai government has encouraged exporters to comply with Thai Labour Standards that are based upon the ILO standards). If so, what action is it taking? Are any such actions supportive of trade union rights?
  - What legislation governs the creation and operation of credit unions and cooperatives? Does Government encourage their creation and, if so, can trade unions access any assistance?
  - What national legislation covers informal economy workers, especially street vendors and transport workers? Are there any provisions that encourage them to organize?
  - When the government accesses funding from International Financial Institutions, is it required to support Core Labour Standards? Does it do so effectively? Does it consult with trade unions on this issue?
  - Can sympathetic members of Parliament be approached to support improvements in relevant laws?

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2 The Core Labour Standards are regarded as binding on member nations. They are: Freedom of association and the right to collective bargaining (C87 and C98); The elimination of forced and compulsory labour (C29 and C105); The abolition of child labour (C138 and C182), and; The elimination of discrimination in the workplace (C100 and C111). Insert relevant informal economy convention numbers.
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* Are there independent social organizations that may be used to draw attention to weaknesses in laws governing informal economy work?³

◊ **Questions regarding provincial and local government:**
  * What regulations apply to informal economy workers (e.g. street vendors and hawkers' use of footpaths, transport workers' use of ranks, home-workers carrying on business in a residence, disposal of waste)?
  * Are there elected representatives in local and provincial government who may be lobbied for support?
  * Is there encouragement of street vendors to utilise purpose-built markets? If so, what facilities are provided? What are the costs? Are there any restrictions on use of footpaths if the purpose-built markets are not used?
  * Is there any attempt to control the actions of transport workers (e.g. registration, allocation of transport ranks)?
  * With whom does the provincial and local government discuss any issues affecting home-workers, street vendors, hawkers or transport workers?
  * Are there any associations, formal or informal, of street vendors or transport workers?⁴

◊ **Questions regarding Social Security systems:**
  * What is the social security system (consider all aspects of social security including old age pension, accident compensation and rehabilitation, public health, etc)?
  * Who has access to its provisions (this will also be useful information for our members).
  * How is it funded? Is there any provision for those not in the formal economy to contribute? If not, how might this be done?
  * How can informal economy workers be informed about occupational health and safety issues (should those who contract out work be required to advise sub-contractors of hazards and safe work practices)?
  * Can a mechanism be developed for informal economy workers to access workers' compensation and rehabilitation?

Many trade unions have legal advisers. It would be logical to have them review the laws. However, it is always useful to develop a wider circle of advisers. In many universities there will be departments that deal with industrial legislation and related issues; the university law department may also be relevant. Often there will be members of staff in those departments who are sympathetic to workers' interests. They should be approached and asked to work with our legal advisers.

There may be associations of credit unions and cooperatives. We should seek them out and ask their advice. The International Labour Organization (ILO) supports cooperatives. It has recently agreed a Joint ILO-ICA Global Co-operative Campaign Against Poverty.⁵ ICA is the International Co-operatives Association. The ILO sees credit unions as cooperatives and thus supports their development.

**Needs of informal economy workers**

So far we have concentrated upon gathering information that deals with aspects of the employment relationship. Unionists need to do this so that they understand what capacity they have for organizing

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³ For example in Thailand there is a Human Rights Commission with powers to hear complaints.
⁴ Employers' associations should organize many informal economy workers. Where the larger organizations are uninterested small enterprise associations could be developed with trade union assistance.
informal economy workers. It is also important to gather information about the needs of informal economy workers. Before approaching informal economy workers it will be important to identify some of their potential needs. We will want to confirm that we have identified them correctly, but unless we have some ideas about what is required we will not be able to provide useful advice upon meeting them.

Making contact with the informal economy workers that we wish to organize is also not going to be easy. Somehow you will need to be visible, but visible to whom? Points of contact may be family members, friends, workers who come into your workplace. Simple surveys may be conducted with informal economy workers when they gather together socially after work or at other functions.

Information booths can be set up in market areas. Information booths should be staffed by members who have been trained and may, on some occasions, include persons with legal or practical knowledge to provide answers to more complex questions. Information booths function a bit like a doctor’s clinic. The booth is set up like a typical market stall with some posters to draw people in. It may also be useful to develop a survey that, apart from collecting information is meant to stimulate those taking part to start thinking about how they can change their situation.

Working with other trade unions
It will make sense to cooperate with other trade unions in your area. These may be other affiliates of your Global Union or members of your National Centre. This cooperation will be especially helpful when setting up information booths and conducting surveys.

You may learn from these activities that there is some sort of organization amongst those you wish to see organized. You will need some idea of how representative it is. In each case you will have to have some tangible ideas about the sorts of things that will need to be done to improve the situation of informal economy workers. That is what the preparation is for. This is not to say that you will have all of the answers at this stage, but that you should have sufficient understanding of their needs and some ideas about the sorts of solutions that are possible. You will fine tune your approach from reviewing the surveys, and through talking with individuals and groups.

Conclusion
So, we have covered quite a few ideas about how we, the Trainers of trade unionists, wishing to organize informal economy workers should prepare and think about our task in conducting the training. There is much more that we must do as part of our preparation. There are a number of references (see list at the end of manual) to follow up some of these ideas and learn about what others have been doing.

We also have a training manual that includes ten Modules. From this we can select appropriate sessions to present to those we wish to involve in organizing informal economy workers. It is not intended that we will conduct all of these Modules whenever we conduct a training course. Ideally, we will design our training around a target group of informal economy workers we wish to organize. The Modules could be conducted in one- and- a- half or three hour blocks, or four Modules in a day. We are unlikely to use all of the Modules with any one group of participants. Each Module can also be used flexibly to allow the selection of activities that correspond to the objectives of the group.
The strategy outlined here involves:

1. Deciding that our union wants to organize informal economy workers. This must be discussed with the union's governing body so that decisions can be made about resources (human and financial).
2. Identifying the particular sector of workers that our union will try to organize.
3. Identifying the needs of the chosen sector. This may involve encouraging union activists to ask questions of the members of the target group (for example, ask questions of street vendors while making purchases). It will also involve making an educated guess about their needs. A critical question will be: Do the target group of informal economy workers already have any form of organization? If one does exist, an assessment of how effective it is and what it does may lead to organizing a different group of informal economy workers.
4. On the basis of this information we can evaluate the legal capacity of our union to act. This may require advice from our Global Union, National Centres, the union legal adviser, university staff, or appropriate government officers. This process may mean that we have to consider changes to widen our Union Constitution.
5. Once we understand the legal position we can prepare a plan to begin organizing. This plan will involve training activists to begin organizing, and deciding how contact will be made. Whenever contact is made, care must be taken not to raise expectations too high and to stress that the target group must be willing to be involved in any organization that is formed, even if it is a sub-group of the union. It is also vital that the activists are able to provide accurate information about issues raised by the target group.
6. It is likely that target group acceptance of the need to organize will be built upon demonstrating ideas improving:
   - Their legal position (through negotiation with government at various levels).
   - Their collective 'voice', their ability to speak out and to be heard.
   - Facilities (such as secure stalls for street vendors or parking space for transport workers and access to clean toilets and washing areas).
   - Access to credit and savings facilities through credit unions and purchasing and sales through cooperatives.
   - Access to information about occupational health and safety and environmental hazards associated with their work.

It must be stressed that the target group must achieve management of these processes over time through electing their own representatives.
Module 1

What do we Know about the Informal Economy?
Module 1: What do we Know about the Informal Economy?

**Module 1 (1.5 hrs):**

**Objectives:** At the completion of the Module the participants should be able to

- Describe a range of informal economy workers along a continuum from informal economy to formal economy.
- Explain key features of the informal economy.
- Indicate how the informal economy relates to their circumstances.
- Explain why they want to organize the informal economy.

**Preparation:**
1. Read materials from all Modules (including the SYNDICOOP Training modules (see references) and the notes that accompany the OHTs).
2. Re-read materials from Module 1 and the handout.
3. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and paper, A4 cards cut in half lengthwise, white board markers.
4. Write forms of informal economy worker on some of the cards (to be added to participant-generated cards).

Remember, your task as the Trainer is to gather and share the knowledge the participants bring, to add to it, and to organize it. For each Module there is a suggested session plan. This is only to indicate one possible way of conducting the session.

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<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
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<tbody>
<tr>
<td>0 min</td>
<td>Introduce Module.</td>
<td>OHT 1.</td>
</tr>
<tr>
<td>5 mins</td>
<td>Create buzz groups of three where participants sit. Screen OHT 2: Task 1 (5 minutes): <strong>List at least four forms of informal economy worker.</strong></td>
<td>Discuss task in buzz group and complete.</td>
</tr>
<tr>
<td>10 mins</td>
<td>Take reports. Write each response on a card, avoid repetition and analyse results adding any from your pre-prepared cards that are not included. Note whether participants see informal economy associated directly with their workplaces (eg sub-contractors on the line, outworkers supplying parts).</td>
<td>Provide one response per group in turn until no further responses.</td>
</tr>
<tr>
<td>25 mins</td>
<td>Create buzz groups of three where participants sit. Screen OHT 3: Task 2 (5 mins): <strong>List at least three things that make the informal economy informal.</strong></td>
<td>Discuss task in buzz group and complete.</td>
</tr>
<tr>
<td>30 mins</td>
<td>Take reports. Record each response on flip chart paper, avoid repetition and analyse results. Note ILO definition: informal economy (OHT 4 &amp; 5). Discuss.</td>
<td>Provide one response per group in turn until no further responses.</td>
</tr>
</tbody>
</table>

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When preparing your notes print the Notes pages. This gives you a thumbnail of the slide together with the notes supporting the slide.
<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td>50 mins Refer back to responses to first buzz group.</td>
<td>Place cards along continuum line. Discuss and agree placement.</td>
<td>A4 cards.</td>
</tr>
<tr>
<td><strong>Note that some informal economy workers may be in or associated with formal workplaces.</strong> Suggest that we may be looking at a continuum: informal economy at one end, formal economy at the other. Draw a line across white board. Write informal economy and formal economy at opposite ends.</td>
<td></td>
<td>White board. Bluetac or Scotch/masking tape.</td>
</tr>
<tr>
<td>Distribute cards (add any from your prior list not included). Ask participants to place the cards (use Bluetac or Scotch/masking tape to fix) along the line. Once all cards are up discuss whether they are in an appropriate order. Move any to agreed position.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>65 mins Review items on continuum.</td>
<td>Discuss and note responses.</td>
<td>White board.</td>
</tr>
<tr>
<td><strong>Ask whether any participants in formal sector jobs have any informal economy workers within their workplace.</strong> Discuss how this came about.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ask: Where are the informal economy workers?</strong></td>
<td><strong>Ask: Who are the informal economy workers?</strong></td>
<td></td>
</tr>
<tr>
<td>Screen OHT 6 and discuss.</td>
<td>Screen OHT 7 and discuss.</td>
<td></td>
</tr>
<tr>
<td><strong>Ask: Why might unions want to organise informal economy workers?</strong></td>
<td><strong>Ask: At what levels must unions operate to organise informal economy workers?</strong></td>
<td></td>
</tr>
<tr>
<td>Screen OHT 8 and discuss.</td>
<td>Screen OHT 9 and discuss.</td>
<td></td>
</tr>
<tr>
<td><strong>Ask about informal economy sector workers supplying services (e.g. canteen), or involved in your workplace. Discuss whether the union could organise these workers. Note any problems associated with the laws governing unions, the union constitution, the attitude of the employer to union coverage of informal economy workers.</strong></td>
<td><strong>Discuss and note responses.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Ask: At what levels must unions operate to organise informal economy workers?</strong> Note responses. Ensure that these include: workplace, community, national/government, internationally. Emphasise that organizing informal economy workers is not just a matter of working with them. It involves much more if informal economy workers are to become organised and represented. Screen OHT 9 and discuss.</td>
<td><strong>Discuss and note responses.</strong></td>
<td></td>
</tr>
</tbody>
</table>
### Module 1: What do we Know about the Informal Economy?

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ask:</strong> what may be some particular problems faced by informal economy workers who are women?</td>
<td>Discuss and note responses.</td>
<td>OHT 11</td>
</tr>
<tr>
<td>Screen OHT 10 and discuss.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>85 mins Summarise session. Note that informal economy workers are:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• <strong>Unprotected</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• <strong>Excluded</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• <strong>Unrecognized</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• <strong>Unrepresented</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emphasise that it is these factors that lead to exploitation. Suggest that another way of looking at the continuum is least exploited to most exploited.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Screen OHT 11 and discuss.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribute handout.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Handout 1: What Do We Know About the Informal Economy?
Module 1
PowerPoint

What do we Know about the Informal Economy?

Slide 1
Organizing the informal economy
ILO Manual
Module 1: What do we know about the Informal Economy?

Slide 2
Task 1
- List at least four forms of informal economy worker.

Slide 3
Task 2
- List at least three things that make the informal economy formal

Slide 4
ILO definition
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.

Slide 5
ILO definition
Economic activities
- Not or insufficiently covered by law or practice
- May be no law or
- No law governing a particular activity or
- Operating outside law or
- Law not applied or
- Procedures too onerous

Slide 6
Where are the informal economy workers?
- In unregulated factories
- In small workshops
- On streets or open spaces
- In fields, pastures, and forests
- Around our workplace
- In homes

Trade Union Manual for Organizing Informal Economy Workers
Slide 7
Who are the informal economy workers?
- Fellow workers
- Members of our community
- Many are women

Slide 8
Why organize informal economy workers?
- Solidarity
- Trade unions defend and promote interests of all workers
- They are a threat to formal economy job security and wages
- Democracy is more than just voting from time to time, it is about having a say in all aspects of our lives
- Organization of informal economy workers will give them a say
- Unions have a role in through social dialogue in setting decent standards for all workers

Slide 9
Areas for trade union action
- Workplace
- Community
- Employers
- Government - national, regional, local
- Internationally (Global Unions, ILO)

Slide 10
Problems faced by women
- Double work (home/family duties as well as informal economy work)
- Long hours for low pay
- Harassment (physical, verbal, sexual)
- No access to paid recreation, sick or maternity leave
- Lack technical and business skills
- Family breakdown (from migrating for work)
- Lack medical and other insurance
- Lack access to affordable, quality child care

Slide 11
Status of informal economy workers
- Unprotected
- Excluded
- Unrecognized or
- Unrepresented

<table>
<thead>
<tr>
<th>More exploited</th>
<th>Less exploited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Informal economy</td>
<td>Formal economy</td>
</tr>
</tbody>
</table>
What do we Know about the Informal Economy?

What is the informal economy?

The ILO definition of the informal economy is as follows: “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.”

The informalisation of the economy is growing because it suits the employer, particularly international corporations which have designed supply chains specifically to shift jobs to lower-waged economies, encouraging outsourcing of as many components of the production as possible to the “self-employed”, and “self-insuring suppliers, not employed workers. These strategies are designed to break the employment relationship.

The issue of who is or is not in an employment relationship – and what rights/protections flow from that status – has become problematic in recent decades as a result of major changes in work organisations and the inadequacy of legal regulation in adapting to those changes. Worldwide, there is an increasing difficulty in establishing whether or not an employment relationship exists in situations where (1) the respective rights and obligations of the parties concerned are not clear, or where (2) there has been an attempt to disguise the employment relationship, or where (3) inadequacies or gaps exist in the legal framework, or in its interpretation or application.

To eliminate misconceptions and provide clarity, the Programme for Prosperity and Fairness in Ireland has drawn up a list of indicators to determine the employment status of the individual.

<table>
<thead>
<tr>
<th>Employees</th>
<th>Self-employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>An individual would normally be an employee if he or she:</td>
<td>An individual would be self-employed if he or she:</td>
</tr>
<tr>
<td>• is under the control of another person who directs as to how, when and where the work is to be carried out;</td>
<td>• owns his or her own business;</td>
</tr>
<tr>
<td>• supplies labour only;</td>
<td>• is exposed to financial risk, by having to bear the cost of making good faulty or substandard work carried out under the contract;</td>
</tr>
<tr>
<td>• receives a fixed hourly/weekly/monthly wage;</td>
<td>• assumes responsibility for investment and management in the enterprise;</td>
</tr>
<tr>
<td>• cannot subcontract the work. If the work can be subcontracted and paid by the person subcontracting the work, the employer/employee relationship may simply be transferred on;</td>
<td>• has the opportunity to profit from sound management in the scheduling and performance of engagements and tasks;</td>
</tr>
</tbody>
</table>
What do we Know about the Informal Economy?

- does not supply materials for the job;
- does not provide equipment other than small tools of the trade. The provision of tools or equipment might not have a significant bearing on coming to a conclusion that employment status may be appropriate having regard to all the circumstances of the case;
- is not exposed to personal financial risk in carrying out the work;
- does not assume responsibility for investment and management in the business;
- does not have the opportunity to profit from sound management in the scheduling of engagements or in the performance of tasks arising from the engagements;
- works set hours or a given number of hours per week or month;
- works for one person or for one business;
- receives expenses payments to cover subsistence and/or travel;
- is entitled to extra pay or time off for overtime.

- has control over what is done, when and where it is done and whether he or she does it personally;
- is free to hire other people on his or her terms, to do the work which has been agreed to be undertaken;
- can provide the same services to more than one person or business at the same time;
- provides the materials for the job;
- provides equipment and machinery necessary for the job, other than the small tools of the trade or equipment which in an overall context would not be an indicator of a person in business on their own account;
- has a fixed place of business where materials, equipment, etc. can be stored;
- costs and agrees a price for the job;
- provides his or her own insurance cover;
- controls the hours of work in fulfilling the job obligations.

In summary, this means

Economic activities:
- Not or insufficiently covered by law or practice, or
- There may be no law, or
- No law governing a particular activity, or
- Operating outside law, or
- Law not applied, or
- Procedures too onerous to formalise.

Part of a continuum
However, we should not see the informal economy as somehow outside the formal economy or as something separate. We ought to view it as a continuum as each often complements and depends on the other. We are describing an economy which includes both formal and informal elements. At one end those involved are totally informal, at the other totally (or almost totally) formal.
What do we Know about the Informal Economy?

Where are informal economy workers?
We come across informal economy workers every day. Some work in our workplace (contract or temporary workers, canteen workers, cleaners and waste disposal workers, home-workers, etc.) They are close to the formal end of the continuum. Others supply meals to our office blocks, or we buy from them in street markets or ride on their motorbikes or rickshaws and so. They can be locals or migrants. They are closer to the informal end of the continuum.

Who are some of the informal economy workers and what are their problems? Almost all of them have very limited access to health insurance and social welfare provisions in general.

Examples of informal economy workers include:

**In unregulated factories:**
- Garment makers
- Shoemakers

Problems include lack of representation, insecure income (many do not receive payments on time, or even what they thought they would get), lack of basic management skills, insecurity of employment, and hazardous working conditions, among others.

**In small workshops:**
- Scrap metal recyclers
- Shoemakers
- Weavers
- Garment makers and embroiderers
- Paper-bag makers

Problems include lack of representation, insecure income (many do not receive payments on time, or even what they thought they would get), insecurity of employment, lack of basic management skills, hazardous working conditions, among others.

**On streets or in open spaces:**
- Street vendors
- Push-cart vendors
- Garbage collectors
- Roadside barbers
- Construction workers
- Bicycle repairers

Problems include lack of representation, insecurity of access to 'their' trading place, uncertainty about regulations, exposure to hazardous traffic fumes, inability to access credit to expand, lack of basic management skills, vulnerability to unofficial taxes from officials "in authority", etc.

**In fields, pastures, and forests:**
- Small farmers
- Agricultural labourers
- Shepherds
- Forest gatherers

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1 A study in Bangkok, Thailand, indicated that people who live within 200 metres of major roads are 16 times more likely to contract a variety of cancers.
What do we Know about the Informal Economy?

Problems include lack of representation, insecurity of employment, uncertain payments, lack of basic management skills, hazardous chemical sprays, unsanitary housing.

**At home:**
- Garment workers, tailors
- Embroiderers
- Shoemakers
- Artisans or craft producers
- Assemblers of electronic parts
- Bidi (local cigarettes) workers
- Food producers (those who make pickles, cookies, cakes, etc.)

Problems include lack of representation, insecurity of work, need to purchase equipment and supplies, delayed payments, lack of basic management skills, exposure of themselves and family to hazards of work, little access to credit, no social security.

**Don't forget the women!**
Many informal economy workers are women. They may be more involved in some informal economy work than others (e.g., in home-work but not in transport) or they may be in segments of the informal economy (concrete carriers in construction but not skilled construction work). We should ensure that we note any special needs of women when seeking information about informal economy workers' needs. In particular we will want to identify any concern about sexual harassment or exploitation, excess working hours, maternity protection, conditions for breastfeeding, etc.

Some problems faced by women workers forced into the informal economy are listed below (note that many of these are also common among male informal economy workers):
- Face 'double work'. After their informal economy work they must meet family responsibilities (care for children and aged parents, cooking and cleaning).
- Have limited access to child care which is often beyond their financial means.
- Are 'self-employed' workers and do not receive paid recreational, sick or maternity leave.
- Work long hours for low pay.
- Face occupational hazards from a variety of sources without adequate knowledge and safe working practices. These hazards create poor health through exposure and the accumulated stress from their informal status.
- Lack basic skills and knowledge about business and legal regulations.
- Face discrimination and harassment in various forms (especially when they enter non-traditional work).
- Face family breakdown (particularly from migrating for work).
- Lack medical and other insurance.

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2 Often their families are exposed to the effects of sprays either directly from wind drift or through washing workers' clothing or re-using chemical containers.

3 Recently permanent press clothing from some suppliers has been found to contain 10 times the 'safe' level of formaldehyde. Factory or home workers exposed to this material are unaware it can cause watery eyes, nausea, coughing, chest tightness, wheezing, skin rashes, allergic reactions, and burning sensations in the eyes, nose, and throat. Formaldehyde has been shown to cause cancer in laboratory animals and may cause cancer in humans. It also may cause birth defects. (http://www.china.org.cn/english/government/189963.htm).
What do we Know about the Informal Economy?

Statistics about the size and proportion of the workforce in the informal economy are difficult to collect. The two graphs shown here are drawn from ILO sources. The first shows that, for Asia as a whole, the proportion of women in the informal economy is about the same or slightly higher as for men, except in Syria.

The contribution of the informal economy to Gross Domestic Product (GDP) is significant and growing. Figures from the 1990s give some indication.

Lack of skills

Many informal economy workers are not in an employment relationship. They are own-account workers. However, most are there because they lack the skills required by the formal economy and there are not enough jobs in the formal economy. They also often have limited skills in which to operate a business efficiently.

Why organize informal economy workers? Solidarity!

So why should trade unions want to organize informal economy workers?

No matter where they are on the continuum informal economy workers are just that, workers. Trade unions achieve results through solidarity between members and other workers. Informal economy workers are the most vulnerable and exploited. Lack of access to rules and social security makes them more insecure and dependent on what is offered. They are in no position to bargain, individually. They need unions or representation (a voice) more than most.

A further reason is that trade unionists can see that informal economy workers pose a threat to their own job-security and wage levels. It is no secret that wages have not risen significantly since the Asian economic crisis of 1997.

Why organize informal economy workers? Solidarity!

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5 In Australia, for example, in the six years from 2000 wages share in GDP has fallen from 56% to less than 54%. As a consequence the profit share has risen.
What do we Know about the Informal Economy?

In addition to organizing around employment issues (wages, conditions of work, training and advancement, occupational health and safety, job security, etc) trade unions have a wider social role. Trade unions and other social organizations provide opportunities to exercise greater control over our lives. They make democracy more alive, more than just voting and accepting government decisions. They allow the organization’s members to express their desires and to try to achieve them. Trade unions should organize informal economy workers because they are:

- Unrepresented
- Unprotected
- Excluded
- Unrecognized

Trade unions have experience and skills that can begin to alter this reality to give informal economy workers representation, protection, inclusion and recognition. They also have access to government through the social dialogue mechanisms (through the ILO), an avenue for action not available to non-government organizations (NGOs). Through social dialogue, unions— even though they may organize only a fraction of workers— affect such matters as the minimum wage, social welfare, and other terms and conditions of work and. These matters affect all workers not just those who belong to trade unions.

Being effective

To be effective in organizing informal economy workers, it will be necessary to operate at a number of levels:

- **Workplace.** We should try to ensure that there are no informal economy workers in our workplace and that we try to represent all who produce for the company (including homeworkers). We need to be aware of all of the relationships our company has and to ensure that they are ethical.
- **Community.** Our members and the informal economy workers are part of our community. They live and work among us. We should involve the community and community organizations in our organizing.
- **Employers.** To encourage our formal economy employer not to deal with the informal economy as a way to save money. It can be a selling point for our company’s ability to market to ethical exporters to have the union support claims that it acts ethically in its dealings with its own employees, suppliers and customers.  
- **Government.** National, regional, or local. We should seek to strengthen our involvement in social dialogue (around the National Development Plan, for example) and to broaden the issues on which our voice—and that of informal workers—is heard. We must also try to raise, through social dialogue, the value of ‘rolling back the informal economy’ and ensure that the National Development Plan (NDP) includes provisions on implement ILO Decent Work strategies. Finally, we should ensure that the NDP requires inclusion of ILO Decent Work strategies in assistance schemes supported by the United Nations’ International Financial Institutions, (such as the International Monetary Fund, World Bank and Asian Development Bank).

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6 Exporting companies, particularly if they export to the developed economies, may be required to demonstrate their adherence to ethical employment and supplier relations. National trade unions might want to encourage employer associations to organize those who employ others. If the main employer organizations are uninterested, small enterprise associations could be formed. Employer associations should be concerned with protecting themselves from the excesses of outsourcing and should be encouraged to act fairly to their workers out feeling of fellowship with them.
What do we Know about the Informal Economy?

- Internationally (Global Unions, ILO). We should seek to work with a variety of international organizations to improve our capacity to organize informal economy workers. We should also be involved in campaigns for greater corporate responsibility.

Four Pillars of Decent work

1. Standards and rights at work
2. Employment creation and enterprise development
3. Social protection
4. Social dialogue

If we are to organize informal economy workers we will need to prepare and to target particular groups of informal economy workers. They do not all have the same problems so different strategies may be relevant for different groups of informal economy workers. It may be easier, at least in the early stages for a sectoral trade union to organize informal economy workers in the same industry sector, or in businesses of the same type, such as those which 'sub-contract' work from informal economy workers.
Module 2
The Informal Economy –
An Overview
Module 2

The Informal Economy - An Overview

Module 2 (2 hrs):

Objectives: At the completion of the Module the participants should be able to

- Explain why the informal economy is growing.
- List reasons for organizing informal economy workers.
- Describe a range of potential strategies for organizing informal economy workers.
- List a range of potential allies in organizing informal economy workers.

Preparation:
1. Read materials from all Modules (including the notes that accompany the OHTs).
2. Re-read materials from Module 2.
3. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and white board markers.
4. Ensure equipment is operating properly.
5. Note this session is not to be presented as a typical OHT presentation with questions at the end. Rather you will ask questions and note responses before screening most of the slides.

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 min Introduce Module.</td>
<td></td>
<td>OHT 1.</td>
</tr>
<tr>
<td>5 mins Screen OHT 2 and briefly explain the list. Ask whether there are any questions.</td>
<td>Note responses and ask questions of clarification.</td>
<td>OHT 2.</td>
</tr>
<tr>
<td>Screen OHT 3 and explain organizing the informal economy is not a simple task.</td>
<td>Note responses and ask questions of clarification.</td>
<td>OHT 3.</td>
</tr>
<tr>
<td>15 mins <strong>Ask: Why has the informal economy been growing?</strong> Note responses and check against items on OHT 4. When no further answers screen OHT 4 and briefly discuss, answer any questions.</td>
<td>Answer and note responses.</td>
<td>OHT 4.</td>
</tr>
<tr>
<td>Screen OHT 5 and indicate that there are growing suggestions that informality may have progressed too far. Briefly explain the various items.</td>
<td>Note responses and ask questions of clarification.</td>
<td>OHT 5.</td>
</tr>
<tr>
<td><strong>Ask: Who are informal economy workers associated with our workplace?</strong> Note responses and check against items on OHT 6. Remind participants that they listed a range of informal economy workers in Module 1.</td>
<td></td>
<td>OHT 6.</td>
</tr>
<tr>
<td><strong>Ask: Where are other informal economy workers found?</strong> Note responses and check against items on OHT 7. Remind participants that they listed a range of informal economy workers in Module 1.</td>
<td></td>
<td>OHT 7.</td>
</tr>
</tbody>
</table>
### The Informal Economy - An Overview

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>40 mins</strong> Ask: <strong>What are the needs of different informal economy workers?</strong></td>
<td>Answer and note responses.</td>
<td>Line one of OHT 8.</td>
</tr>
<tr>
<td>Note responses and that the needs will vary for different groups of informal economy workers.</td>
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</tr>
<tr>
<td><strong>Ask: If we are to organize a group of informal economy workers what should we do BEFORE approaching them?</strong></td>
<td>Answer and note responses.</td>
<td>Remainder of OHT 8.</td>
</tr>
<tr>
<td>Note responses and check against items on OHT 8. Briefly explain the various items.</td>
<td></td>
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</tr>
<tr>
<td><strong>Ask: Where can we access information about how to meet the needs of informal economy workers?</strong></td>
<td>Answer and note responses.</td>
<td>OHT 9.</td>
</tr>
<tr>
<td>Note responses and check against items on OHT 9. Briefly explain the various items.</td>
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</tr>
<tr>
<td><strong>55 mins</strong> Screen OHT 10: strategies. Briefly explain the various items.</td>
<td>Note responses and ask questions of clarification.</td>
<td>OHT 10.</td>
</tr>
<tr>
<td>Link the proposed solutions to the needs of informal economy workers. Stress that we should consider whether some of the solutions to informal economy needs may also be needs for our members. If these solutions already exist in our union (e.g. credit union) it may be appropriate to extend membership. If not, perhaps we should establish one for our members.</td>
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</tr>
<tr>
<td><strong>Indicate that when organizing informal economy workers we will want to empower them. Ask: What are some of the qualities of trade unions that we believe would be the basis of any informal economy workers’ organization?</strong></td>
<td>Answer and note responses.</td>
<td>OHT 11.</td>
</tr>
<tr>
<td>Note responses and check against items on OHT 11. Briefly explain the various items.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ask: What skills will we need to organize informal economy workers?</strong></td>
<td>Answer and note responses.</td>
<td>OHT 12.</td>
</tr>
<tr>
<td>Note responses and check against items on OHT 12. Briefly explain the various items.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>65 mins</strong> Create buzz groups of three persons where they sit.</td>
<td>Discuss topic and make list.</td>
<td></td>
</tr>
<tr>
<td><strong>Indicate that they have five minutes to complete the task: List at least three ways that we may make contact with a group of informal economy workers.</strong></td>
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</tbody>
</table>
## Module 2

### The Informal Economy - An Overview

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Ask each group to provide one example from their list in turn not repeating earlier answers. Note responses and check against items on OHT 13. Briefly explain the various items. Add new ideas to slide for future presentations.</td>
<td>Present items on their list and note responses.</td>
<td>OHT 13.</td>
</tr>
<tr>
<td><strong>70 mins</strong> Ask: <em>What allies may we hope to involve in our organizing?</em> Note responses and check against items on OHT 14. Briefly explain the various items. Add new ideas to slide for future presentations.</td>
<td>Answer and note responses.</td>
<td>OHT 14.</td>
</tr>
<tr>
<td>Screen OHTs 14-21 briefly discussing each item and answering any questions.</td>
<td>Note responses and ask questions of clarification.</td>
<td>OHTs 14-22.</td>
</tr>
<tr>
<td><strong>90 mins</strong> Ask: <em>What are some of the obstacles in the way of organizing?</em> Note responses and check against items on OHT 22. Briefly explain the various items. Add new ideas to slide for future presentations.</td>
<td>Answer and note responses.</td>
<td>OHT 23.</td>
</tr>
<tr>
<td>Ask: <em>What are some of the stages in organizing?</em> Note responses and check against items on OHT 23. Briefly explain the various items. Add new ideas to slide for future presentations.</td>
<td>Answer and note responses.</td>
<td>OHT 24.</td>
</tr>
<tr>
<td><strong>115 mins</strong> Screen OHT 24 briefly discussing the items on the list. Indicate that we will deal with negotiating in more depth in later Modules. Distribute handout.</td>
<td>Note responses and ask questions of clarification.</td>
<td>OHT 25.</td>
</tr>
</tbody>
</table>

- Handout 2: *The Informal Economy – an Overview.*
Organizing the informal economy

ILO Manual

Module 2: The informal economy

INFORMAL ECONOMY is complicated

- You will need to review the laws and legal position of different groups that you may wish to organize
- You will need to review the legal position of your trade union
- You will need to review a whole range of possible strategies
- Seek assistance from Global Unions

Why has the informal economy been growing?

- Reduced regulation, privatisation, lowering of tariff barriers
- Technology permitting greater quality and control over production
- Supply chains, just in time production and price competition
- Cheaper high volume transport
- Downsizing and outsourcing, "self-employment"
- Jobless growth

Who are informal economy workers (associated with our workplace)?

Include informal economy workers identified in Module 1
- Sub-contractors on the assembly line
- Sub-contractors in other departments (e.g., maintenance)
- Outsourcing of componentry or partial assembly to outworkers
- Street vendors
- Waste recyclers
- Canteen workers

Organizing informal economy workers

Unions are trying to organize informal economy workers

Consumers of goods imported from developing countries want fair conditions for workers

Some economists recognise that there are social costs from informality (e.g., low productivity, low taxes, lower growth)
Other informal economy workers

- Home-workers
- Street vendors
- Transport workers
- Domestic workers
- And a host or others...

What are the needs of informal economy workers?

- Needs vary according to status (point on the continuum)
- Before meeting them we need to:
  - Make some assessment of likely needs of group
  - Collect information about how to address the needs we have identified
  - Decide what we can do
  - Develop a strategy for contact

Where can we access information about how to meet needs?

- Union legal adviser or other specialist legal person/union office bearers
- Global union
- National and Local government
- University staff
- NGOs

What strategies should we follow?

- Different for different groups along the continuum
- Working with different groups may lead to improvement of services to union members
  - Superannuation/savings/provident funds
  - Credit unions/micro-credit
  - Cooperatives
  - Self-help groups
- Alliances

What characteristics of trade unions should be fostered

- Democracy
- Equality
- Collective action
- Solidarity
- Unity
- Openness
- Independence
- Control

What skills will we need to organize informal economy workers

- Prepare and conduct surveys
- Answer questions about how to meet needs
- Describe steps to provide for needs
- Aptitude, attitude, patience, persistence
Slide 13
How do we make contact?
- Set up information booth in areas where informal economy workers operate
- Conduct booth on a regular basis
- Advertise what the booth provides
- Keep contact information
- After gaining some support/interest organize a meeting to discuss issues
- Social programs (festivals, OSH, awareness raising)

Slide 14
Who are our allies?
- Local unions, Global unions
- Labour centres
- ILO
- Government
- Universities
- Consumer organizations

Slide 15
Global unions
- Organizing strategies on websites
- Training and information
- Project support

Slide 16
ILO
- 4 pillars:
  - Workers' rights/Decent work
  - Employment
  - Social protection
  - Social Dialogue

Slide 17
ILO
- Essential securities:
  - Labour market
  - Employment
  - Job
  - Work
  - Skill reproduction
  - Income
  - Representation

Slide 18
ILO
- Deficit indicators:
  - Low hourly pay
  - Excessive hours
  - Un- under- and youth employment
  - Child labour/not in school
  - Male/female participation rate
  - Lack of old age pension.
- Poverty Reduction Strategy Papers
Slide 19
Engaging Government
National Provincial and local:
• Social dialogue (try to influence development objectives)
• Laws and regulations
• Application of laws and regulations
• Implementation/enforcement
• Monitoring mechanisms
• Policy
• Governance

Slide 20
Universities
• Check what departments deal with social, economic and political issues
• Seek sympathetic academics/students
• Encourage research

Slide 21
Consumer organizations
• There are a number of organizations that monitor the suppliers to major retailers in developed countries
• These organizations put pressure on the retailers to ensure that the Decent work standards of the ILO are met.

Slide 22
Inhibitors to organizing
• Will/direction
• Legal
• Constitution
• Strategies
• Policies/services
• Competence (small business/credit unions/coops/self-help)
• Women
• Role in civil society

Slide 23
Organizing stages
1. Organize group
2. Common bond
3. Define benefits
4. Develop plan
5. Back up support
6. Train organizers
7. Write structure and rules
8. Elect leaders
9. Get registered
10. Launch (publicity about successes will encourage others)

Slide 24
Negotiating
• Issues
• Counterparts
• Demands
• Positive arguments
• Predict management responses and develop counter arguments
• Collective action
The Informal Economy – An Overview

In pre-history, all economy was informal. But so soon as society was created and the economy evolved, rules were gradually introduced, including those on how to regulate the labour market. The main objective of this formalisation was to ensure that business could operate efficiently and profitably and that workers could enjoy just wages and decent working conditions: industrial peace would, thus, be easier to achieve.

Growing number of workers in the informal economy

Recently, however, informalisation in the labour market has increased. There are several causes for the recent increase in the size of the informal economy. One is the growth of free trade economics after the post-World War II approach to economic theory and practice broke down. The fall of Communism was another major factor. After WWII there was a general acceptance that, to prevent another rise of Fascism, it was vital to have a social compact in which governments aimed for full employment and provided social welfare, and employers would accept trade unions and collective bargaining (and would not have excessive remuneration for senior executives). In doing so, the unions would not seek the overthrow of the system and would bargain collectively for improved wages and greater job security. With the fall of communism this consensus has been greatly undermined.¹

The informal economy is not just the unregistered street vendors and tiny businesses that form the backbone of marketplaces in Asia and other emerging markets. It includes many established companies, often employing hundreds of people, in industries as diverse as retail, construction, consumer electronics, software, pharmaceuticals and even steel production. In India, Pakistan, Indonesia and the Philippines, as much as 70% of the non-agricultural workforce is employed in informal businesses. (Boost Growth By Reducing the Informal Economy: http://www.mckinsey.com/aboutus/mckinseynews/pressarchive/informaleconomy.asp).

Deregulation, privatisation of public assets and down-sizing the work force (in both the public and private sectors) have also contributed to the growth of the informal economy. The application of computer power to the production and distribution of goods and services, the growth in the use of container shipping, and new developments in shipping also had an impact, as did improvements in tools and quality. It became possible to produce goods 'just in time', to gain supplies from a variety of organizations and countries, and to require these organizations to compete for work. That competition was on price, quality and ability to deliver. Thus, one of the major objectives of informalisation is to break the traditional employment relationship.

A growing concern

There is a growing recognition that things may have gone too far. This is reflected in concern about overall impact of globalisation, the slow pace in reducing world poverty and in achieving sustainable development.

Further, the growth of the informal economy does not lead people out of poverty as informal economy workers have few assets and little access to credit. Large sums of money, in total, sit outside the formal financial system and the influence of government.

¹ A few decades ago, when corporate America was viewed as boring and bosses were paid only a few dozen times what ordinary people were, professors started worrying that executives were playing it too safe... bosses now make hundreds of times what ordinary workers do, and some chief executives are worth hundreds of millions of dollars when they retire. http://www.smh.com.au/news/business/given-the-option-bosses-take-wrong-sort-of-risk/2007/10/12/11916966177099.html
International Financial Institutions such as the International Monetary Fund, World Bank, Asian Development Bank face a dilemma. Although they have, through dialogue with the ILO and its constituents (Workers, Employers and Governments) begun to include support for the ILO Decent Work agenda in their project agreements with governments— such as supporting action for Poverty Reduction— and accept that the formal economy contributes to economic growth and social stability, they do not appear to evaluate these projects based upon improvements in Decent Work. Some of their policies actually contribute to increased informality. A few national governments also see that uncontrolled growth of the informal economy weakens society. Even free trade economists accept that the informal economy has lower productivity and contributes little to taxes. It also encourages petty corruption, inefficiency and law breaking, including by government officers who levy “illegal taxes” which they pocket.

In addition there has been a shift in power from multi-national producers to multi-national retailers. The large retail companies such as WalMart, Carrefour, Marks and Spencers and Aldi have much more influence and can, in turn, be influenced by customers’ and investors’ resistance to excessive exploitation. This has led to pressure for greater corporate responsibility.

Remember the exercise to identify informal economy workers we did in Module 1? This indicated that the economy can be represented by a continuous line linking total informality at one extreme and total formality at the other. A major objective in organizing informal economy workers is to shift our society further towards the formal economy end of the line; to roll back informality.

The informal economy contributes significantly to the Gross Domestic Product of nations. It was estimated during the 1990s (before the 1997 economic ‘meltdown’) to account for 31 per cent in Asia.2

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>India (1990-91)</td>
<td>45%</td>
</tr>
<tr>
<td>Indonesia (1998)</td>
<td>31%</td>
</tr>
<tr>
<td>Philippines (1995)</td>
<td>32%</td>
</tr>
<tr>
<td>Republic of Korea (1995)</td>
<td>17%</td>
</tr>
<tr>
<td>Estimated total for Asia</td>
<td>31%</td>
</tr>
</tbody>
</table>

Organizing workers in the informal economy
The informal economy is challenging. You will need to review the laws and legal position of different groups that you may wish to organize. You will need to review the legal position of your trade union. You will need to review a whole range of possible strategies and seek assistance from Global Unions and others.

It must also be understood that most informal economy workers are involved merely to survive. They have limited skills in managing business and face difficulties in accessing credit in order to expand. This is a cost to society in lower productivity. Informal economy workers are all around us. The effect of the growing informal economy is that some informal economy workers compete directly with us (sub-contract workers on the line, outworkers, and workers in informal supplier companies). At the same time informal economy workers also compete against each other. Others compete indirectly as they are a pool of workers who could take our jobs thus holding wages and conditions lower. The existence of these ‘competitors’ potentially benefits employers in the formal and informal economy.

Although many informal economy workers are ‘self-employed’ they can be organized into unions. The Transport Workers Union of Australia organizes owner-drivers. These drivers usually purchase their semi-trailers and depend on regular work to meet repayments.

**The needs of informal economy workers**

The needs of informal economy workers depend upon their employment status and their place on the continuum. But almost all of them lack access to social protection such as health care, old-age pensions.

At the time of the 1997 economic crisis many companies laid off workers and, as the economy once again began to grow, took on sub-contractors rather than permanent workers because they claimed they were uncertain about their continued growth in the future. As a consequence the proportion of permanent workers (those who remained after the redundancies) has been falling as additional workers have mainly been ‘temporary’ or ‘contractors’ and as the original ‘permanents’ leave. The temporary workers are often denied the protection of union membership and of the collective agreement.

Street vendors often have no protection for the part of the footpath or open space they occupy; they may be faced by major costs (in both time and money) if they try to comply with regulations. If they do not register they face constant fear of inspectors and fines. They usually do not have access to washing and toilet facilities, nowhere to store their goods, etc. If they want to expand they cannot access credit. Many street vendors may be women and may face extra difficulties as a result, particularly if sexual favours are required for inspectors to turn a ‘blind eye’ to their irregular status.

It is important that, whichever group we set out to organize, they understand and appreciate the qualities that trade unions try to foster which will assist them to be effective organizations. These qualities include being democratic and giving members a voice in their own future.

Taxi drivers, motorbike transport and couriers may find that they are in the hands of criminals if they want to operate. They also face ‘fines’, or undue accusations and pressure from law enforcement officers.
First steps
Some of these problems faced by unrepresented, unorganized informal economy workers we can know without meeting the workers concerned. Once we have some idea of the likely problems and have identified groups to organize, we can begin to gather information and ideas on how those issues may be addressed. This will give us a basis for beginning the organizing process and for getting more detailed information about the needs of the group. If we have some useful contacts amongst those we wish to see organized we should include them in this process.

Once we have made an assessment of the needs of the group we wish to see organized we need to gather information about the group’s status (for example, temporary workers working beside us). We need to determine whether, in law, they can be full members of our union. If not, how can that situation be changed? If they can be members, does our written constitution allow membership? If not, what is required to change it? Does the employer refuse to recognise the right to organize ‘temporary’ workers? If so, what can be done about it? Negotiating for permanency after continuous employment of, say, three months may increase significantly permanent employment and, consequently, union membership and reduce the problem of organizing ‘temporaries’. For this information we should approach the union’s legal adviser.

We should also seek advice from our Global Union. They have a great deal of experience of interesting and effective strategies. Other affiliates will have begun organizing informal economy workers and their experience can be used by your union.

With street vendors we need to know about local government by-laws, what facilities (such as washing, toilet and storage areas) they can access. What regulations govern their use of the area from which they operate? How easily can they comply with the regulations? What records should they keep? What taxes should they pay, too whom? If they want to borrow money what credit information would they need. This information we may collect from our legal adviser, from our Global Union, from local government offices, or from specialist legal persons.

Some approaches/strategies
Some informal economy workers will have problems about saving and protecting themselves from theft. Often banks are not interested in small accounts with small daily additions. A credit union, superannuation or provident fund may offer the type of security an informal economy worker needs and may offer higher interest on savings. Being able to build up savings makes it easier for informal economy workers to access financial credit.

Cooperatives can take a variety of forms there are:
• Producer cooperatives in which those who produce goods come together to market their products.
• Consumer cooperatives in which supplies are purchased in bulk allowing cheaper prices.
• Credit unions (sometimes called financial cooperatives).
We must note that all of this assumes that the union will commit human and financial resources to the task. In making that decision some consideration must be given to when and how the group being organized will be expected to begin taking human and financial responsibility for its own organizing.

Raising awareness
Information booths conducted by unions can provide a focus for attention and raise awareness. They can function like a kind of ‘clinic’, making information available where those who need it are located. The booths should be staffed by trained unionists and by advisers (e.g., university students). The booths should be conducted regularly (e.g., Saturdays and Sundays) and perhaps focus on different issues each weekend but be able to also provide answers to any issue. Over time staffing of the booths can include activists from amongst those who have been organized.

Lobbying/building alliances
There are many potential allies in organizing informal economy workers. These include local unions, union federations and National centres.

Global Unions
Global Unions can give information about organizing strategies on their websites, provide training and information and support in developing and funding projects to organize informal economy workers. Labour-oriented research centres may also be able to assist through research and contacts.

The ILO
ILO, is especially a valued partner because of its emphasis on workers’ rights and decent work.

It emphasises Four Pillars:
- Workers’ rights
- Employment
- Social protection
- Social dialogue

Seven essential securities:
- Labour market
- Employment
- Job
- Work
- Skill reproduction
- Income
- Representation

It uses what it calls Deficit indicators to illustrate work that is unfair, unhealthy, or unlawful such as:
- Low hourly pay
- Excessive hours
- Youth employment
- Child labour/work that prevents children from school
- Male/female participation rate
The Informal Economy - An Overview

- Lack of old age pension and other welfare services
- Discrimination

It is pursuing Poverty Reduction Strategies encouraging governments to **Make Poverty History**. The ILO also has an important role in vocational training. Again through social dialogue trade unions should encourage their governments to seek assistance in vocational and skill development.

**Government**

Government at national, province/district and local level may all impact on informal economy workers.

There can be a variety of roles for government, particularly at the local level. Many informal economy workers face (usually unknown) rules and regulations, some national laws, others provincial or municipal regulations. They may need registration from a number of different departments or offices. Government should be encouraged to rationalise these laws and regulations allowing for one-stop provision. Where there is a simple, one-stop registration process (perhaps with mobile offices that operate close to where the vendors work on a regular basis) more informal economy workers will choose to register and become part of the formal economy despite then becoming liable for various taxes and charges (and equally more likely to be part of the welfare system). Government may build market facilities to get vendors off the footpath although vendors will have to pay rent for such facilities.

At the national level the government sets development, employment/trade union and tax laws. It also passes laws that regulate various business activities. When we have identified the problems facing different groups of informal economy workers we will need to identify which problems are the result of national government regulation. We will need to consider how these should be amended or their method of operation altered to ease the plight of informal economy workers. We should do this through the social dialogue processes so we will need to know how the social dialogue works. We should also try to influence the national development goals by using the social dialogue process and becoming involved in its development and implementation. In the process we will be representing not just informal economy workers but our own members.

Provincial and local government may be responsible for applying national laws and may also introduce their own rules and regulations. Social dialogue at this level must be developed so that informal economy workers can be given an effective voice. Trade unions and their allies should consider seeking election to local government and to identify sympathetic politicians to try to improve those aspects of local government that impinge upon informal economy workers.

**Universities**

Universities often have departments that are involved in analysis of government policies and practices. Staff and students in these and other departments may be willing to work with trade unions on a range of issues. They may be able to provide advice on the legal issues affecting the ability to organize informal economy workers. They may be willing to conduct research and to provide training for informal economy organizers.

**Consumer organizations**

Major clothing manufacturers such as Nike, Adidas, and retailers such as WalMart, and Marks and Spencers work either directly or through NGOs and others to routinely assess whether their suppliers...
meet a range of standards that are mostly based upon ILO standards. The Thai Government has introduced Thai Labour Standards that encourage Thai exporting companies to meet such standards so that they may advertise that their products meet the standards thus giving them a market advantage over others.3

What holds us back?
The most important inhibitor to organizing is a lack of will and direction for action. We need to check the legal position and our union constitution to help identify how we can act. Strategies must include identifying groups, their needs and issues that are useful to our own members as well. If we think that creating a credit union may assist in organizing home-workers, it would be useful for our own members as well. If there is a union-based credit union its coverage could be extended to include informal economy workers as well.

We will need to develop appropriate policies and services, as well as and develop the competencies to support the activities that we will become involved with. Special attention should be given to including women in these structures and activities. We must stress that an effective civil society depends upon wide involvement of democratic, grass-roots institutions run by their members.

Negotiating in the informal economy
Negotiating involves defining the issues, identifying counterparts, agreeing (with members) your demands as well as collective action.

For the various different groups there will be a variety of issues that require attention. There may be some overlap on some issues.

We will need to identify with whom negotiations must be arranged: our employer, local government, government ministries, and international organizations.

We will need to emphasise what we want, with a clear set of objectives and fall back positions.

Finally, we need to consider appropriate forms of collective action. Most of it should be carried out by those whom we wish to see organized. However, it will also be useful to demonstrate wider community support of any campaign.

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3 There are a number of strategies being considered that allow retailers, in particular, to ensure that workers who produce goods for them meet ethical standards. The most comprehensive of these is SA8000 which deals with: Child Labour, Forced Labour, Health and Safety, Freedom of Association and Right to Collective Bargaining, Discrimination, Discipline, Working Hours, Compensation, Management Systems.
Module 3

Organizing Strategies for Informal Economy Workers Associated with our Workplace
Module 3

Organizing Strategies for Informal Economy Workers Associated with our Workplace

Module 3 (1.5 hrs):

Objectives: At the completion of the Module the participants should be able to

- Describe how they would find answers to questions about the ability of informal economy workers to be organized and the benefits of organizing.
- List possible changes their union may need to introduce in order to organize informal economy workers.
- Prepare a checklist of preparations for organizing informal economy workers associated with their workplace.

Preparation:
1. Read materials from all Modules.
2. Re-read materials from Module 3.
3. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and paper, white board markers, task information. Prepare a matrix on sheets of newsprint to be able to summarise response from group work.
4. Reproduce Handout with checklist of preparations for organizing information economy workers associated with their workplace.

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 min Introduce Module. Note that there are (if required) further modules on organizing strategies for different types of informal economy workers.</td>
<td></td>
<td>OHT 1. White board</td>
</tr>
<tr>
<td>5 mins <strong>Ask: What do we mean by informal economy workers associated with your workplace?</strong> Take responses. Screen OHT 2. Briefly explain the various items. Add new ideas to slide and handout for future presentations.</td>
<td>Answer question and note responses.</td>
<td>OHT 2.</td>
</tr>
<tr>
<td>15 mins Create groups of not more than 5 participants. Indicate that they have fifteen minutes to complete the task, write their responses and make the report.</td>
<td>Discuss task, prepare report and select a participant to make the report. Present the report on flip-chart paper supplied.</td>
<td>White board. OHT 3.</td>
</tr>
<tr>
<td>30 mins Take reports from each group into a matrix on newsprint. Ask for any comments from other groups and add your own to make each report as effective as possible. Keep the information collected and review the Modules for any improvements.</td>
<td>Comment on various reports and add any new items.</td>
<td>Flip chart paper.</td>
</tr>
<tr>
<td>50 mins Review each report, especially if more than one group has the same topic. Encourage participants to review each report, organize the items and add any new items. Trainer must be prepared to add any items from list not included in the reports and discussion.</td>
<td>Help to improve the reports.</td>
<td>Flip chart paper.</td>
</tr>
</tbody>
</table>
### Module 3

#### Organizing Strategies for Informal Economy Workers Associated with our Workplace

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td>70 mins Indicate that we will view a checklist of Answer question and note OHT 6. preparation. Screen OHTs 3-9 explaining responses. each one. Refer back to ideas that were developed by participants in previous discussions. Stress the need for a clear policy commitment including human and financial resources.</td>
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<tr>
<td>85 mins Summarise session. Distribute handout.</td>
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- Handout 3: **Organizing strategies for informal economy workers associated with our workplace**

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*Trade Union Manual for Organizing Informal Economy Workers*
Task for Module 3:
You have **fifteen minutes** to consider the following issues. Complete your reports using the matrix to summarise your views. Select one person to report back. Be prepared to comment on the reports of other groups and to answer any questions about your report. How do you expect employers and governments to respond?

**Group 1:** You have decided to organize informal economy sub-contract workers who work beside you. How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 2:** You have decided to organize informal economy canteen workers/waste disposal workers in your company. How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 3:** You have decided to organize informal economy home-workers supplying to your company. How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 4:** You have decided to organize informal economy sub-contractors who are employed by suppliers to your company. How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

---

### Set policy

<table>
<thead>
<tr>
<th>Where</th>
</tr>
</thead>
<tbody>
<tr>
<td>How to make contact</td>
</tr>
<tr>
<td>Needs</td>
</tr>
<tr>
<td>Union role</td>
</tr>
<tr>
<td>Internal issues</td>
</tr>
<tr>
<td>Employer issues</td>
</tr>
<tr>
<td>Government issues</td>
</tr>
<tr>
<td>Potential allies</td>
</tr>
<tr>
<td>Possible obstacles</td>
</tr>
</tbody>
</table>
Slide 1
Organizing the informal economy
ILO Manual
Module 3: Organizing informal economy workers associated with our workplace

Slide 2
Who are informal economy workers associated with our workplace?
- Temporary workers in the company
- Suppliers of materials or components
  - Working for a company
  - Home-workers
- Providers of contract work on site (e.g., maintenance)
- Canteen workers, cleaners, waste removers, gardeners etc
- Casual/temporary/contractors

Slide 3
Checklist of preparations to organize 1
1. Need to prepare
   - Agree on why to organize and identify problems/benefits for our union
   - Set policy and commit resources
   - Change constitution, structure etc if required
   - Identify target group/area/industry group
2. Review
   - Ability of informal economy workers to join a union
   - Ability to join our union
     • Associate members?
   - Negotiate improved position?

Slide 4
Checklist of preparations to organize 2
3. Interim assessment of their needs based on informal contract and own knowledge
   - Identify any existing organization and its status
4. List needs
5. Seek advice about how to meet these needs from
   - Union members
   - Legal adviser
   - Global Unions
   - University staff and students/labor friendly organizations
   - Government officers
   - ILO and other UN agencies
   - Other appropriate organizations
Organizing Strategies for Informal Economy Workers Associated with our Workplace

**Slide 5**
Checklist of preparations to organize 3
6. Develop appropriate responses for identified needs
7. Identify what expectations we are raising when we approach informal economy workers
   - **Identify what benefits they will receive**
8. Determine whether some of the benefits are available to our members
   - If not, can they be developed for our members first and give informal economy workers access (e.g., credit union)?

**Slide 6**
Checklist of preparations to organize 4
9. Implement any necessary changes to union benefits
10. Train union activists
    - Develop short survey
    - Develop communication and networking skills
    - Decide how contact will be made
      - Interviews
      - Information booths
      - Additional surveys
11. Start information campaign and review survey results, revise and recontact

**Slide 7**
Checklist of preparations to organize 5
12. Outline rights and responsibilities
    - Laws and regulations
    - Taxes and charges
    - Occupational health and safety hazards
    - Access to finance and savings security
    - Access to social welfare
    - Value of acting collectively and our role
    - Gaining marketing, pricing and other business advice to increase independence

**Slide 8**
Checklist of preparations to organize 6
13. Organize a meeting (draw informal economy workers from several localities if possible)
    - Present ideas based upon the surveys and the results of our research
    - Set some objectives
    - Select interim committee (union and target group members)
    - Determine fees and costs
    - Create networks
    - Set out plan of action for agreed period include:
      - Organizing
      - Negotiating with appropriate organizations
      - Establishing agreed benefits
    - Nominate persons to carry out plan of action
    - Determine report back meeting times

**Slide 9**
Checklist of preparations to organize 7
14. Implement plan of action
15. Constantly review progress and amend strategy and tactics as required
Organizing Strategies for Informal Economy Workers Associated with our Workplace

You have decided to try to organize informal economy workers associated with your workplace. As we have noted the economy is a continuum with the informal economy at one end and the formal economy at the other. Some informal economy workers are close to the formal end, for example, temporary workers in our workplace.

Prepare
When we decide to try to organize these informal economy workers, it is vital that we prepare. The first step in preparation should be a discussion in the union, federation, National Centre, or Global Union towards agreement on committing human and financial resources to the project. Next we need to identify the target group or groups.

Informal economy workers associated with our workplace may include canteen workers, cleaners and waste disposal workers, homeworkers supplying components, etc. We might approach our employer with arguments based upon the ILO concept of Decent Work and that if the position of our target groups is improved and publicised it will improve the company’s image. This may be especially relevant if our company exports finished products or supplies parts or components to companies that export.

Review how to organize informal economy workers
When we set out to organize informal economy workers associated with our workplace there are a number of issues to be considered:

- Are they legally able to join a union? If not it will be important to discuss with trade union national centres approaching government to change the law. This may take a lot of time and effort but should be done. However, even if strictly illegal, in some circumstances an employer may agree to representation.

Union Policy: an example
Resolved that our national Union’s Executive Committee has reiterated its commitment to organizing in the informal economy.

Resolved that “Special working group” has been set up on “informal economy”. The group will be responsible for organizational plan, devise the strategy for different industry segments as per the regional requirements and it shall co-ordinate and implement the policy, and shall report their activities to the General Secretary and Working Committee.

Each affiliated union will coordinate with this committee and give its inputs local situation, its financial and manpower commitments for this important task.

For the national union a levy of Rs. ______ is provided for this purpose and a special levy of Rs. ____________ per month is to be collected for a period of three months as a solidarity contribution from each affiliated union.

In the head office special desk on informal economy will be functional and fulltime “Secretary will be coordinating its activities as per the advise of “Special Working Group” and the General Secretary

The special committee will review the legal position and the union constitution and shall suggest if the current union structure and its constitution rules on affiliation fee and associate membership needs to amended/changed and based on their recommendations the necessary changes will be implemented.

The union shall work with all alliances/stake holders, GUFS, ILO and other social organization in achievement of this objective. The union shall provide all the necessary assistance/expert advice to newly enrolled members and prospective members of the informal economy.

From a union in India
Organizing Strategies for Informal Economy Workers Associated with our Workplace

- If the answer is yes, can they join our union? This may involve widening our union’s constitutional coverage or creating associate membership.
- Can we negotiate a better position for informal economy workers associated with our workplace?

Make an interim assessment of the needs of the target group
Once we have identified a target group we can make an interim assessment of their potential needs based upon our own observations and, perhaps, approaches by union activists. It will be useful to determine whether there is already some form of organization created by the target group. If there is we can try to determine how representative and active it is, and it may be possible to work with it.

A matrix of the needs of this target group might look like this:¹

<table>
<thead>
<tr>
<th></th>
<th>Temp workers</th>
<th>Canteen, cleaners, etc</th>
<th>Home-workers</th>
<th>Suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent, more secure job</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secure contracts (long term)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Increased payments</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>More time to do work/less time pressure</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fairer review of quality of work²</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Business advice</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Occupational health and safety advice</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Access to social welfare</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Producer cooperative</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Seek advice about how to deal with these needs
We can seek advice by getting union activists to look into some issues. We can check with our union legal adviser. Union federations, National Centres and Global Unions are active in encouraging organization of all workers. They may have ideas of strategies to follow and may also be able to develop project support for our union.

We should cultivate the support of university staff and students and labour-friendly organizations to review laws affecting the target group(s), especially those governing contracts and improving fairness.

Further, officers of the various levels of government can advise on how they implement laws and regulations. We may also be able to return the favour by indicating the problems faced by those who are subject to laws and regulations. Politicians (at all levels of government) have a responsibility to represent their constituents. Some may be sympathetic to workers interests and we can then seek to amend and improve laws and regulations. Finally, the ILO and other UN agencies may be able to assist with training material, publications and project support.

¹ Add further ideas generated during training.

² There are many disputes between home-workers and contractors about the quality of their work. Often the decision is made by the contractor after pick-up making it very difficult for the home-worker to dispute it.
Develop responses to the identified needs

Once we have gathered the information that we need to begin our task we must develop appropriate responses.

We might approach the issue of job security by seeking to increase permanent positions in our workplace.

At the time of the Asian economic crisis in 1997 many workers were laid off as companies downsized. After more than ten years many of these companies have two classes of worker: a dwindling workforce which was employed in permanent jobs prior to the crisis, plus a few who have been added since, and many more who are on short term contracts. Some home-workers are former permanent workers. Often employers refuse to accept the union’s right to organize these workers and seek to improve their position. However, they may accept negotiation to increase the proportion of permanent workers. These should be drawn from the longest serving temporary and home workers. Back dating their service to include the time as temporary or home-workers could also be attempted.

Our objective is to provide benefits to informal economy workers such as more regular and continuous work and fairer compensation. Any temporary and home-workers we can organize as union members will provide tangible benefits to the union in increased dues.

Home-workers preparing components are also closely linked to our union’s membership coverage. The employer may be reluctant to accept the union’s right to organize them and to negotiate on issues of importance to the home-workers. The union will need to develop satisfactory arguments to justify representation. One such argument may include that greater contract security will improve the morale of home-workers contributing to improved quality and productivity.

For workers in canteens, cleaners, waste disposal workers (where not employed by the company), workers who deliver some materials (for example bringing animal skins to a tannery) or distribute product (for example to home-workers) may not have been seen as likely members. However, as trade unions we can argue that all workers should have the right to be represented and to have a voice— and that our union can provide this until they develop the skills and knowledge required to represent themselves.

If they cannot join our union is there an existing union which we could encourage to organize these workers? If so, we should make contact with the union to see whether they will work with us to organize these workers.

If union membership is not possible perhaps a self-help group could be developed that can provide for some of the needs of informal economy workers that we have identified. Assisting a self-help group to form will create a sense of solidarity amongst the group. An example of a self-help group is home-workers who produce components for your company getting together to negotiate improvements in pay, time allowed, delivery of materials and picking up finished product, etc. Where sewers must provide their own supplies (example cotton and machine oil) a self-help group could buy in bulk to get lower prices.

Employers do not make them permanent as there are often significant severance payments for permanent workers.

Those who bring hides into a Bangladesh tannery could benefit from improvements in the off-loading of skins. Some in the workplace union did not see such actions as their responsibility!
One argument that we may use to encourage government to improve the position of informal economy workers is one that International Financial Institutions also stress: most of the informal economy workers do not pay tax, or pay less tax than they should. It is in the interest of government to draw informal economy workers into the formal economy in order to raise taxes.

Is a savings system one of the identified needs of the target group? Does the union have a credit union and, if so, could the target group workers become members? If we identify that informal economy workers would benefit from a credit union but do not have one for our members we should consider establishing or joining one with wide enough coverage for informal economy workers for whom there is a common bond. To work effectively members of credit unions should have a common bond (such as the same employer, membership of a club or society, living in the same community) that creates a sense of commitment to the credit union where there may be more limited commitment to a bank.

Informal economy workers expectations
It is critical at this stage not to raise expectations that you are about to organize them or that you have any sure fire solutions to their problems. We need to consider what informal economy workers might expect from us. What benefits can they expect to gain from being associated with our organization? We will need to have some ideas about how, with the active involvement of the target group, we will attempt to fulfill these expectations. This will be especially difficult in relation to issues such as improved social welfare access.

Make any changes to the union that are required
In our preparation we may have identified the need to change our union constitution, to develop policies and an action plan to commit resources to organize informal economy workers, to create an organizing committee, or to develop or expand membership of our credit union (if necessary, establish a union/workplace credit union, or identify and negotiate access to an existing credit union). If any of these are necessary we should take steps immediately to make the required changes.

Train union activists
Review this ILO training package, others developed by ILO or materials from your own Global Union. Read what information your union has collected to date and any changes that have been introduced. Use Module 8 to have participants actively learn about and develop appropriate surveys. Develop checklists for making contact and (where appropriate) set up and operate information booths. Ensure (as much as possible) that those surveyed are able to be contacted again.

Start information campaign and review survey results, revise and recontact
It will be appropriate to target each group (temporary workers, home-workers, canteen workers, etc.) one after the other rather than all together. It will be easiest to contact those who are actually at the workplace. If there is success with one group it will assist in organizing other groups as word gets around.

Informal economy workers will be more impressed if they are approached by union members with whom they work than an organizing committee of the union. A union is also stronger if its members actively support it and speak out about it.
Organizing Strategies for Informal Economy Workers Associated with our Workplace

When a range of informal economy workers has been contacted there must be a review of what has been the typical response. It may be necessary to repeat the initial contact with more information based upon the first reactions. Then a meeting can be arranged to discuss how the various groups may be assisted.

Contact with home-workers will be more difficult as they work in their own homes. There will, of course, be some points of contact. Sometimes materials are delivered to and finished goods picked up from the home-workers home. Sometimes the home-worker must collect and deliver from our workplace. In either case some contact is possible. Even though they are in their homes some home-workers will know others and so a network can be developed. An important step here will be encouraging home-workers to share information about their problems and to focus on strategies to deal with them on a collective basis.

The process of sharing information and discussing cooperatives also suggests the value of a producer cooperative where home-workers band together to create a cooperative that contracts work from the company (and potentially from other companies). The cooperative might even hire facilities where the home-workers will do their work. This would allow them to minimise the effects of any occupational health and safety hazards on their families and allow them to draw a regular wage and an annual dividend. By banding together the home-workers may be able to take on more work and purchase more modern and efficient equipment.

Depending upon the circumstances, part of the campaign should include offering advice about rights and responsibilities regarding the following:

**Local, district and national laws and regulations affecting informal economy workers**

- **Taxes and charges**: This target group will be responsible for their own tax and registration payments from what they receive for their work. This may be an argument for receiving better payment for their work.

- **Occupational health and safety hazards**: There are many hazards of which target group members should be made aware. Home-workers and their families face real health problems associated with long hours and pressure to meet tight deadlines, poor ergonomic design of work stations and occupational health and safety risks associated with potentially hazardous materials. These hazards may be physical (poor light, ventilation, poorly designed work stations, etc), chemical (acids, dusts etc), psycho-social (stress associated with short production deadlines, demands of other family members, etc), or biological (exposure to a variety of germs). There may also be environmental hazards associated with their work through the in-appropriate disposal of waste.

- **Access to finance and savings security**: We have stressed the importance of access to savings and credit, particularly for workers who must, in effect, run their own business. They will also require advice about how to run a business effectively. It may be appropriate to negotiate for contracting companies to arrange training.

Credit unions and cooperatives may be the most practical form of solidarity for some, but they have value for union members also. Involving all the formal and informal economy workers associated with our workplace in a credit union will build a strong common bond and solidarity.

- **Access to social welfare**: Informal economy workers need to know what access they may have to social welfare. Some access may be related to payment of taxes. If they are avoiding
tax payments they may risk prosecution, as well as be ineligible for benefits. This will not be an easy issue to deal with but mechanisms for contributions to social welfare funding should be explored.  

- **Value of acting collectively and our role:** A major objective of organizing informal economy workers is to have them realize the value of collective action if they are to improve their situation. They will have little expectation of success as individuals and may be reluctant to work with others. We have to help them overcome that reluctance by showing what benefits may follow.

Temporary workers, home-workers, etc. are encouraged to keep their individual arrangements secret. By coming together and sharing information it will be possible to see whether some get better arrangements than others for the same work. Once people start sharing information they will begin to see how much they have in common and will discover that others also find the rules imposed by the employer to be unreasonable.

Informal economy workers may need skills in business operation and we will need to know where these skills can be gained. Improving the quality of their product or services is something they must also learn along with marketing and pricing strategies. This is especially important in freeing them from reliance on a particular buyer. Because of the range of skills required individuals may be less able to break out of their situation. For this reason creating a cooperative may be a more promising strategy.

**Organize a meeting**

One of the issues that must be raised when contact is being made with target group members is that there will be a meeting sometime in the near future. It will be useful to discuss during these contacts when might be the best time, day and place for such a meeting. The meeting should be conducted by a responsible person from the union and, if possible, a well-respected member of the target group.

The purpose of the meeting will be to share ideas based upon the surveys and the results of our research. There should be ample opportunity for discussion leading to agreement on objectives, likely costs and a general timetable. An interim committee should be elected and some form of financial contributions agreed.

Membership of any organization (whether as full or associate members) requires a financial contribution to finance the achievement of the members’ objectives. This must be agreed in the early stages of discussion. Membership cannot be for nothing if results are to be achieved.

Therefore the potential benefits of joining and making regular contributions should be determined and explained.

It will also be appropriate to try to develop networks, for example, of home-workers so that they can also become a part of the organizing drive.

A plan of action should be developed with objectives such as:

- Organizing members from the target group
- Negotiating with appropriate organizations
- Establishing agreed benefits.

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5 The New Zealand National Accident Compensation Scheme is funded by a levy on sales of petroleum.
Organizing Strategies for Informal Economy Workers Associated with our Workplace

There should be agreement about when further meetings will be held.

Now we can start implementing the action plan with regular reviews of progress and amendment as required.

A checklist summarising this strategy follows.

**Checklist for preparing to organize informal economy workers**

1. **Need to prepare**
   a. Agree on why to organize and identify problems/benefits for our union
   b. Set policy and commit resources
   c. Change constitution, structure etc if required
   d. Identify target group/area/industry group

2. **Review**
   a. Ability of informal economy workers to join a union
   b. Ability to join our union
      i. Associate members?

3. **Interim assessment of their needs based on informal contact and own knowledge**
   a. Identify any existing organization and its status

4. **List needs**

5. **Seek advice about how to meet these needs from**
   a. Union members
   b. Legal adviser
   c. Global Unions
   d. University staff and students
   e. Government officers
   f. ILO and other UN agencies
   g. Other appropriate organizations

6. **Develop appropriate responses for identified needs**

7. **Identify what expectations we are raising when we approach informal economy workers**
   a. Identify what benefits they will receive

8. **Determine whether some of the benefits are available to our members**
   a. If not, can they be developed for our members first and give informal economy workers access?

9. **Implement any necessary changes to union benefits**

10. **Train union activists**
    a. Develop short survey
    b. Develop communication and networking skills
    c. Decide how contact will be made
       i. Interviews
       ii. Information booths
       iii. Additional surveys

11. **Start information campaign and review survey results, revise and recontact**

12. **Outline rights and responsibilities**
    a. Laws and regulations
    b. Taxes and charges
    c. Occupational health and safety hazards
    d. Access to finance and savings security
e. Access to social welfare  
f. Value of acting collectively and our role  
g. Gaining marketing, pricing and other business advice to increase independence  

13. Organize a meeting (draw informal economy workers from several localities if possible)  
a. Present ideas based upon the surveys and the results of our research  
b. Set some objectives  
c. Select interim committee (union and target group members)  
d. Determine fees and costs  
e. Create networks  
f. Set out plan of action for agreed period include:  
   i. Organizing  
   ii. Negotiating with appropriate organizations  
   iii. Establishing agreed benefits  
g. Nominate persons to carry out plan of action  
h. Determine report back meeting times  

14. Implement plan of action  

15. Constantly review progress and amend strategy and tactics as required
Module 4

Organizing Strategies for Home-workers
Module 4 Organizing Strategies for Home-workers

Module 4 (1.5 hrs):

Objectives: At the completion of the Module the participants should be able to

- Describe how they would identify the needs of informal economy home-workers.
- Describe how they would find answers to questions about the ability of informal economy workers to organize.
- List possible changes their union may need to introduce in order to organize informal economy workers.
- Prepare a checklist of preparations for organizing home-workers.

Preparation:
1. Read materials from all Modules.
2. Re-read materials from Module 4.
3. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and paper, white board markers, task information. Prepare a matrix on sheets of newprint to be able to summarise response from group work.
4. Reproduce checklist of preparations for organizing home-workers.

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 min Introduce Module. Note that there are (if required) further modules on organizing strategies for different types of informal economy workers.</td>
<td></td>
<td>OHT 1. White board.</td>
</tr>
<tr>
<td>15 mins Create groups of not more than 5 participants. Indicate that they have fifteen minutes to complete the task, write their responses and select a participant to make report back.</td>
<td>Discuss task, prepare report and select a participant to make the report. Present the report on flip-chart paper supplied.</td>
<td>White board. OHT 3.</td>
</tr>
<tr>
<td>30 mins Take reports from each group into a matrix on newprint. Ask for any comments from other groups and add your own to make each report as effective as possible. Keep the information collected and review the Modules for any improvements.</td>
<td>Comment on various reports and add any new items.</td>
<td></td>
</tr>
<tr>
<td>50 mins Review each report. Encourage participants to review each report, organize the items, add any new items and integrate them into a single report. The Trainer must be prepared to add any items not included in the reports and discussion.</td>
<td>Help to improve the reports.</td>
<td></td>
</tr>
<tr>
<td>70 mins Indicate that we will view a checklist of Answer question and note preparation. Screen OHTs 3-9 explaining responses. each one. Refer back to ideas that were developed by participants in previous discussions.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>85 mins Summarise session. Distribute handout 4.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Handout 4: Organizing Strategies for Home-workers.

Trade Union Manual for Organizing Informal Economy Workers
Task for Module 4:

You have **fifteen minutes** to consider the following issues. Complete your reports using the matrix to summarise your views. Select one person to report back. Be prepared to comment on the reports of other groups and to answer any questions about your report.

**All groups:** You have decided to organize **informal economy home-workers**. How will you go about the task of organizing? What resources (human, physical, financial, training) will you require? How do you expect employers and governments to respond?

<table>
<thead>
<tr>
<th>Set policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where</td>
</tr>
<tr>
<td>How to make contact</td>
</tr>
<tr>
<td>Needs</td>
</tr>
<tr>
<td>Union role</td>
</tr>
<tr>
<td>Internal issues</td>
</tr>
<tr>
<td>Employer issues</td>
</tr>
<tr>
<td>Government issues</td>
</tr>
<tr>
<td>Potential allies</td>
</tr>
<tr>
<td>Possible obstacles</td>
</tr>
</tbody>
</table>
Organizing Strategies for Home-workers

Module 4: Organizing home-workers

Slide 1
Organizing the informal economy
ILO Manual

Slide 2
Who are home-workers?
- Own-account workers producing goods for sale
- Sub-contractors to manufacturers

Slide 3
Checklist of preparations to organize 1
1. Need to prepare
   - Agree on why to organize and identify problems/benefits for our union
   - Set policy and commit resources
   - Change constitution, structure etc if required
   - Identify target group/area/industry group
2. Review
   - Ability of informal economy workers to join a union
   - Ability to join our union
     - Associate members?
     - Negotiate improved position?

Slide 4
Checklist of preparations to organize 2
3. Interim assessment of their needs based on informal contact and own knowledge
   - Identify any existing organization and its status
4. List needs
5. Seek advice about how to meet these needs from
   - Union members
   - Legal adviser
   - Global Unions
   - University staff and students/labour friendly organizations
   - Government officers
   - ILO and other UN agencies
   - Other appropriate organizations

Slide 5
Checklist of preparations to organize 3
6. Develop appropriate responses for identified needs
7. Identify what expectations we are raising when we approach informal economy workers
   - Identify what benefits they will receive
8. Determine whether some of the benefits are available to our members
   - If not, can they be developed for our members first and give informal economy workers access (eg credit union)?

Slide 6
Checklist of preparations to organize 4
9. Implement any necessary changes to union benefits
10. Train union activists
    - Develop short survey
    - Develop communication and networking skills
    - Decide how contact will be made
      - Interviews
      - Information booths
      - Additional surveys
11. Start information campaign and review survey results, revise and recontact
Slide 7
Checklist of preparations to organize 5

12. Outline rights and responsibilities
   - Laws and regulations
   - Taxes and charges
   - Occupational health and safety hazards
   - Access to finance and savings security
   - Access to social welfare
   - Value of acting collectively and our role
   - Gaining marketing, pricing and other business advice to increase independence

Slide 8
Checklist of preparations to organize 6

13. Organize a meeting (draw informal economy workers from several localities if possible)
   - Present ideas based upon the surveys and the results of our research
   - Set some objectives
   - Select interim committee (union and target group members)
   - Determine fees and costs
   - Create networks
   - Set out plan of action for agreed period include:
     • Organizing
     • Negotiating with appropriate organizations
     • Establishing agreed benefits
   - Nominate persons to carry out plan of action
   - Determine report back meeting times

Slide 3
Checklist of preparations to organize 7

14. Implement plan of action
15. Constantly review progress and amend strategy and tactics as required
Organizing Strategies for Home-workers

You have decided to try to organize informal economy workers who work from home. As we have noted, the economy can be viewed as a continuum with the informal economy at one end and the formal economy at the other. Home-workers may be working on their own account or as sub-contractors for others. Own account home-workers may be producing for sale in their own shop or roadside stall. They must carry out the full range of activities associated with a business. Sub-contracting home-workers only produce what is required by the contractor. Usually the materials are provided and, in some cases, tools or equipment. They will lack general knowledge about business practice such as marketing and pricing, product improvement etc. so that they are very dependent on their buyer's goodwill. They need training, and therefore it should be part of Corporate Social Responsibility among those who create these supply chains to ensure that they receive it.

Prepare

When decided to try to organize these informal economy home-workers, it is vital that we prepare. The first step in preparation should be a discussion in the union, federation or National Centre towards agreement on committing human and financial resources to the project. Next we need to identify the target group or groups.

Review how to organize informal economy workers

When we set out to organize informal economy home-workers there are a number of issues to be considered:

- Are they legally able to join a union? If not it will be important to discuss with trade union national centres approaching government to change the law. This may take a lot of time and effort but should be done. However, even if strictly illegal, in

Union Policy: an example

Resolved that our national Union’s Executive Committee has reiterated its commitment to continue to work in organizing in the informal economy.

Resolved that “Special working group” has been set up on “informal economy”. The group will be responsible for organizational plan, devise the strategy for different industry segments as per the regional requirements and it shall co-ordinate and implement the policy, and shall report their activities to the General Secretary and Working Committee.

Each affiliated union will coordinate with this committee and give its inputs local situation, its financial and manpower commitments for this important task.

For the national union a levy of Rs. ________ is provided for this purpose and a special levy of Rs. ________ per month is to be collected for a period of three months as a solidarity contribution from each affiliated union.

In the head office special desk on informal economy will be functional and fulltime Secretary will be coordinating its activities as per the advise of “Special Working Group” and the General Secretary.

The special committee will review the legal position and the union constitution and shall suggest if the current union structure and its constitution rules on affiliation fee and associate membership needs to amended/ changed and based on their recommendations the necessary changes will be implemented.

The union shall work with all alliances/stake holders, GUFS, ILO and other social organization in achievement of this objective.

The union shall provide all the necessary assistance/expert advice to newly enrolled members and prospective members of the informal economy.

From a union in India

1 The ILO has developed some materials on the issue of Start and improve your business (SIYB) which may be useful (http://www.ilo.org/dyn/empent/empent.portal?p_docid=SIYBHEAD&p_prog=S&p_subprog=BD).
Organizing Strategies for Home-workers

some circumstances an employer may agree to representation.
• If the answer is yes, can they join our union? This may involve widening our union’s constitutional coverage or creating associate membership. Is there another more appropriate union that we can involve in the campaign?

Make an interim assessment of the needs of the target group
Once we have identified a target group we can make an interim assessment of their potential needs based upon our own observations and, perhaps, approaches by union activists. It will be useful to determine whether there is already some form of organization created by the target group. If there is, we can try to determine how representative and active it is, and it may be possible to work with it. A short survey may be one of the tools to use to assess the needs of informal economy workers we wish to organize. Reviewing the results of the survey will help to set priorities. One of the questions (but not the first) should be to ask whether the informal economy workers will accept membership or being associated with the union in a self-help group.

A matrix of the needs of this target group might look like this:

<table>
<thead>
<tr>
<th>Needs</th>
<th>Home-workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secure contracts providing continuous work</td>
<td>✓</td>
</tr>
<tr>
<td>Increased payments on time</td>
<td>✓</td>
</tr>
<tr>
<td>More time to do work/less time pressure</td>
<td>✓</td>
</tr>
<tr>
<td>Fairer review of quality of work</td>
<td>✓</td>
</tr>
<tr>
<td>Business advice (including marketing strategies, product pricing,</td>
<td>✓</td>
</tr>
<tr>
<td>accounting and meeting legal, tax and other responsibilities)</td>
<td>✓</td>
</tr>
<tr>
<td>Occupational health and safety advice</td>
<td>✓</td>
</tr>
<tr>
<td>Access to social welfare</td>
<td>✓</td>
</tr>
<tr>
<td>Secure savings and access to credit</td>
<td>✓</td>
</tr>
<tr>
<td>Producer cooperative</td>
<td>✓</td>
</tr>
<tr>
<td>Skills training</td>
<td>✓</td>
</tr>
<tr>
<td>Campaigning and networking skills</td>
<td>✓</td>
</tr>
<tr>
<td>Opportunity to take part in decisions affecting their future</td>
<td>✓</td>
</tr>
<tr>
<td>Consolidation of registration, tax liabilities and flexibility in</td>
<td>✓</td>
</tr>
<tr>
<td>payments to reflect irregularity of income</td>
<td>✓</td>
</tr>
<tr>
<td>Advise about the range of laws, regulations and ordinances</td>
<td>✓</td>
</tr>
<tr>
<td>Consolidation of laws, regulations and ordinances and improved access</td>
<td>✓</td>
</tr>
<tr>
<td>for registration</td>
<td>✓</td>
</tr>
</tbody>
</table>

² Add further ideas generated during training.
³ There are many disputes between home-workers and contractors about the quality of their work. Often the decision is made by the contractor after pick-up, making it very difficult for the home-worker to dispute it.
Home-workers will want some guarantee of continued work, especially if they must purchase equipment and supplies.

Seek advice about how to deal with these needs
We can seek advice by getting union activists to look into some issues. We can check with our union legal adviser. Union federations, National Centres and Global Unions are active in encouraging organization of all workers. They may have ideas of strategies to follow and may also be able to develop project support for our union.

We should cultivate the support of university staff and students and labour-friendly organizations to review laws affecting the target group(s), especially those governing contracts and improving fairness. Further, officers of the various levels of government can advise on how they implement laws and regulations. We may also be able to return the favour by indicating the problems faced by those who are subject to laws and regulations. Politicians (at all levels of government) have a responsibility to represent their constituents. Some may be sympathetic to workers interests we can then encourage them to amend and improve laws and regulations. Finally, the ILO, other UN agencies and other sponsors may be able to assist with training material, publications and project support.

Develop responses to the identified needs
Once we have gathered the information that we need to begin our task we must develop appropriate responses.

We might approach the issue of job security by seeking to negotiate improved access to the work they undertake.

Home-workers' employers may be reluctant to accept the union's right to organize them even if the home-workers accept our support. They may be reluctant to negotiate on issues of importance to the home-workers. The union will need to develop satisfactory arguments to justify representation. These arguments might include, for example, that greater contract security will improve the morale of home-workers contributing to improved quality and productivity. As trade unions we can argue that all workers should have the right to be represented and to have a voice— and that our union can provide this, until they develop the skills and knowledge required to represent themselves. We might approach the employers with arguments based upon the ILO concept of Decent Work, such as if the position of our target groups is improved and publicised it will improve the company's image. This may be especially relevant if companies export finished products or supplies, parts or components to other, larger companies that export.

If they cannot join our union is there an existing union which we could encourage to organize these workers? We should make contact with the union to see whether they will work with us to organize these workers.

If union membership is not possible perhaps a self-help group could be developed that can provide for some of the needs of informal economy workers that we have identified. Assisting a self-help group to organize will create a sense of solidarity amongst the group. An example of a self-help group is home-workers who produce components getting together to negotiate improvements in pay, time allowed, delivery of materials and picking up finished product, etc. Where sewers must provide their own supplies (example cotton and machine oil) a self-help group could buy in bulk to get lower prices.
One argument that we may use to encourage government to improve the position of informal economy workers is one that International Financial Institutions also stress: most of the informal economy workers do not pay tax, or pay less tax than they should. It is in the interest of government to draw informal economy workers into the formal economy in order to raise taxes.

Is a savings system one of the identified needs of the target group? Does the union have a credit union and, if so, could the target group workers become members? If we identify that informal economy workers would benefit from a credit union but do not have one for our members we should consider establishing or joining one with wide enough coverage for informal economy workers for whom there is a common bond. To work effectively, members of credit unions should have a common bond (such as the same employer, membership of a club or society, living in the same community) that creates a sense of commitment to the credit union where there may be more limited commitment to a bank.

**Informal economy workers expectations**

It is critical at this stage not to raise expectations that you are about to organize them or that you have any sure fire solutions to their problems. We need to consider what informal economy workers might expect from us. What benefits can they expect to gain from being associated with our organization? We will need to have some ideas about how, with the active involvement of the target group, we will attempt to fulfil these expectations. This will be especially difficult in relation to issues such as improved social welfare access.

**Make any changes to the union that are required**

In our preparation we may have identified the need to change our union constitution, to develop or expand membership of our credit union (if necessary establish a union/workplace credit union, or identify and negotiate access to an existing credit union), for example. If any of these are necessary we should take steps immediately to make the necessary changes.

**Train union activists**

Review this ILO training package, others developed by ILO or materials from your own Global Union. Read what information your union has collected to date and any changes that have been introduced. Use Module 8 to have participants actively learn about and develop, review and prioritise the results of surveys of the concerns of home-workers. Develop checklists for making contact and (where appropriate) setting up and operating information booths. Ensure (as much as possible) that those surveyed are able to be contacted again in the future.

**Start information campaign and review survey results, revise and recontact**

It will be appropriate for informal economy home-workers to be approached by union activists. A union is also stronger, if its members actively support it and speak out about it.

When informal economy home-workers have been contacted there must be a review of what has been the typical response. It may be necessary to repeat the initial contact with more information based upon the first reactions. Then a meeting can be arranged to discuss how the various groups may be assisted.

Contact with home-workers will be more difficult as they work in their own homes. Again we can ask our members, if they know of any home-workers. Even though they are in their homes some home-
workers will know others and so a network can be developed. An important step here will be encouraging home-workers to share information about their problems and to focus on strategies to deal with them on a collective basis.

The process of sharing information and discussing cooperatives also suggests the value of a producer cooperative where home-workers band together to create a cooperative that contracts work from the company (and potentially from other companies). The cooperative might even hire facilities at which the home-workers will do their work. This would allow them to minimise the effects of any occupational health and safety hazards on their families and allow them to draw a regular wage and an annual dividend. By banding together the home-workers may be able to take on more work and purchase more modern and efficient equipment.

Depending upon the circumstances part of the campaign should include offering advice about rights and responsibilities regarding the following:

**Local, district and national laws and regulations affecting informal home-workers:**
First, check if there are any restrictions on home-work in general or the particular type of home-work in which they are involved (e.g., making fireworks, cleaning with highly flammable solvents).

- **Taxes and charges:** This target group will be responsible for their own tax and registration payments from what they receive for their work. This may be an argument for receiving better payment for their work.
- **Occupational health and safety hazards:** There are many hazards of which target group members should be made aware. Home-workers and their families face real health problems associated with long hours and pressure to meet tight deadlines, poor ergonomic design of work stations and occupational health and safety risks associated with potentially hazardous materials. These hazards may be physical (poor light, ventilation, poorly designed work stations, etc), chemical (acids, dusts etc), psycho-social (stress associated with short production deadlines, demands of other family members, etc), or biological (exposure to a variety of germs). There may also be environmental hazards associated with their work through the inappropriate disposal of waste.
- **Access to finance and savings security:** We have stressed the importance of access to savings and credit, particularly for workers who must, in effect, run their own business. They will also require advice about how to run a business effectively. It may be appropriate to negotiate for the company supplying contract work to arrange training. Credit unions and cooperatives may be the most practical form of solidarity for some, but they have value for union members also. Involving all the formal and informal economy workers associated with our workplace in a credit union will build a strong common bond and solidarity.
- **Access to social welfare:** Informal economy workers need to know what access they may have to social welfare. Some access may be related to payment of taxes. If they are avoiding tax payments, they may risk prosecution, as well as be ineligible for benefits. This will not be an easy issue to deal with but mechanisms for contributions to social welfare funding should be explored.

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4. It is, perhaps, a responsibility of employer associations or of government departments responsible for small business.

5. The New Zealand National Accident Compensation Scheme is funded by a levy on sales of petroleum.
Organizing Strategies for Home-workers

- **Value of acting collectively and our role**: A major objective of organizing informal economy workers is to have them realize the value of collective action, if they are to improve their situation. They will have little expectation of success as individuals and may be reluctant to work with others. We have to help them overcome that reluctance by showing what benefits may follow. It will be especially useful for home-workers, working for the same employer to network, but attempts should be made to widen the network to other types of work and other employers. Networks can provide the information needs discussed below.

Home-workers, etc. are encouraged to keep their individual arrangements secret. By coming together and sharing information, it will be possible to see whether some get better arrangements than others for the same work. Once people start sharing information, they will begin to see how much they have in common and will discover that others find the rules imposed by the employer to be unreasonable.

**Organize a meeting**
One of the issues that must be raised when contact is being made with target group members is that there will be a meeting at some time in the near future. It will be useful to discuss during these contacts, when might be the best time, day and place for such a meeting. The meeting should be conducted by a responsible person from the union and, if possible, a well-respected member of the target group.

The purpose of the meeting will be to share ideas based upon the surveys and the results of our research. There should be ample opportunity for discussion leading to agreement on objectives, likely costs and a general timetable. An interim committee should be elected and some form of financial contributions agreed.

Membership of any organization (whether as full or associate members) requires a financial contribution to finance the achievement of the members' objectives. This must be agreed in the early stages of discussion. Membership cannot be for nothing, if results are to be achieved. Therefore the potential benefits of joining and making regular contributions should be determined and explained.

It will also be appropriate to try to develop networks of the home-workers, so that they can also become a part of the organizing drive.

A plan of action should be developed with objectives such as:
- Organizing members from the target group
- Negotiating with appropriate organizations
- Establishing agreed benefits.

There should be agreement about when further meetings will be held.

Now we can start implementing the action plan with regular reviews of progress and amendment as required.
Organizing Strategies for Home-workers

A checklist summarising this strategy follows.

**Checklist for preparing to organize informal economy workers**

1. Need to prepare
   a. Agree on why to organize and identify problems/benefits for our union
   b. Set policy and commit resources
   c. Change constitution, structure etc if required
   d. Identify target group/area/industry group

2. Review
   a. Ability of informal economy workers to join a union
   b. Ability to join our union
      i. Associate members?
   c. Negotiate improved position?

3. Interim assessment of their needs based on informal contact and own knowledge
   a. Identify any existing organization and its status

4. List needs

5. Seek advice about how to meet these needs from
   a. Union members
   b. Legal adviser
   c. Global Unions
   d. University staff and students
   e. Government officers
   f. ILO and other UN agencies
   g. Other appropriate organizations

6. Develop appropriate responses for identified needs

7. Identify what expectations we are raising when we approach informal economy workers
   a. Identify what benefits they will receive

8. Determine whether some of the benefits are available to our members
   a. If not, can they be developed for our members first and give informal economy workers access?

9. Implement any necessary changes to union benefits

10. Train union activists
    a. Develop short survey
    b. Develop communication and networking skills
    c. Decide how contact will be made
       i. Interviews
       ii. Information booths
       iii. Additional surveys

11. Start information campaign and review survey results, revise and recontact

12. Outline rights and responsibilities
    a. Laws and regulations
    b. Taxes and charges
    c. Occupational health and safety hazards
    d. Access to finance and savings security
    e. Access to social welfare
    f. Value of acting collectively and our role
    g. Gaining marketing, pricing and other business advice to increase independence
Organizing Strategies for Home-workers

13. Organize a meeting (draw informal economy workers from several localities if possible)
   a. Present ideas based upon the surveys and the results of our research
   b. Set some objectives
   c. Select interim committee (union and target group members)
   d. Determine fees and costs
   e. Create networks
   f. Set out plan of action for agreed period include:
      i. Organizing
      ii. Negotiating with appropriate organizations
      iii. Establishing agreed benefits
   g. Nominate persons to carry out plan of action
   h. Determine report back meeting times
14. Implement plan of action
15. Constantly review progress and amend strategy and tactics as required
Module 5
Organizing Strategies for Street Vendors
Module 5
Organizing Strategies for Street Vendors

Module 5 (1.5 hrs):

Objectives: At the completion of the Module the participants should be able to

- Describe how they would identify the needs of informal economy street vendors.
- List and provide answers to a range of expected questions that might be raised by street vendors when being organized.
- Demonstrate their ability to answer questions from informal economy workers.
- Prepare a checklist of preparations for organizing street vendors.

Preparation:

1. Read materials from all Modules.
2. Re-read materials from Module 5.
3. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and paper, white board markers, task information. Prepare a matrix on sheets of newsprint to be able to summarise response from group work.
4. Reproduce checklist of preparations for organizing street vendors.

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 min</td>
<td>Introduce Module. Note that there are (if required) further modules on organizing strategies for different types of informal economy workers.</td>
<td>OHT 1. White board.</td>
</tr>
<tr>
<td>15 mins</td>
<td>Create groups of not more than 5 participants. Indicate that they have fifteen minutes, complete the task, write their responses and report back. Discuss task, prepare report and select a participant to make the report. Present the report on flip-chart paper supplied.</td>
<td>White board.</td>
</tr>
<tr>
<td>30 mins</td>
<td>Take reports from each group into a matrix on newsprint. Ask for any comments from other groups and add your own to make each report as effective as possible. Keep the information collected and review the Modules for any improvements. Comment on various reports and add any new items.</td>
<td></td>
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<tr>
<td>50 mins</td>
<td>Review each report. Encourage participants to review each report, organize the items, add any new items and integrate them into a single report. The Trainer must be prepared to add any items not included in the reports and discussion. Help to improve the reports.</td>
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<tr>
<td>70 mins</td>
<td>Indicate that we will view a checklist of preparation. Screen OHTs 3-9 explaining each one. Refer back to ideas that were developed by participants in previous discussions. Answer question and note responses.</td>
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<tr>
<td>85 mins</td>
<td>Summarise session. Distribute handout 5.</td>
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</table>

- Handout 5: Organizing Strategies for Street Vendors.
Task for Module 5:
You have **fifteen minutes** to consider the following issues. Complete your reports using the matrix to summarise your views. Select one person to report back. Be prepared to comment on the reports of other groups and to answer any questions about your report.

**All groups:** You have decided to organize **informal economy street vendors**. How will you go about the task of organizing? What resources (human, physical, financial, training) will you require? How do you expect employers and governments to respond?

<table>
<thead>
<tr>
<th>Where</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>How to make contact</td>
<td></td>
</tr>
<tr>
<td>Needs</td>
<td></td>
</tr>
<tr>
<td>Union role</td>
<td></td>
</tr>
<tr>
<td>Internal issues</td>
<td></td>
</tr>
<tr>
<td>Employer issues</td>
<td></td>
</tr>
<tr>
<td>Government issues</td>
<td></td>
</tr>
<tr>
<td>Potential allies</td>
<td></td>
</tr>
</tbody>
</table>
Module 5
PowerPoint
Organizing Strategies for Street Vendors

Slide 1
Organizing the informal economy
ILO Manual
Module 5: Organizing street vendors

Slide 2
Who are street vendors?
- Own-account workers selling on the street or in roadside markets.
- They may produce and/or goods (food vendors, arts and crafts, etc)
- Hawkers and vendors

Slide 3
Checklist of preparations to organize 1
1. Need to prepare
   - Agree on why to organize and identify problems/benefits for our union
   - Set policy and commit resources
   - Change constitution, structure etc if required
   - Identify target group/area/industry group
2. Review
   - Ability of informal economy workers to join a union
   - Ability to join our union
     - Associate members?
   - Negotiate improved position?

Slide 4
Checklist of preparations to organize 2
3. Interim assessment of their needs based on informal contact and own knowledge
   - Identify any existing organization and its status
4. List needs
5. Seek advice about how to meet these needs from
   - Union members
   - Legal adviser
   - Global Unions
   - University staff and students/labour friendly organizations
   - Government officers
   - ILO and other UN agencies
   - Other appropriate organizations

Slide 5
Checklist of preparations to organize 3
6. Develop appropriate responses for identified needs
7. Identify what expectations we are raising when we approach informal economy workers
   - Identify what benefits they will receive
8. Determine whether some of the benefits are available to our members
   - If not, can they be developed for our members first and give informal economy workers access (eg credit union)?

Slide 6
Checklist of preparations to organize 4
9. Implement any necessary changes to union benefits
10. Train union activists
    - Develop short survey
    - Decide how contact will be made
      - Interviews
      - Information booths
      - Additional surveys
11. Start information campaign and review survey results, revise and recontact

Trade Union Manual for Organizing Informal Economy Workers 55
Slide 7
Checklist of preparations to organize 5

12. Outline rights and responsibilities
   - Laws and regulations
   - Taxes and charges
   - Occupational health and safety hazards
   - Access to finance and savings security
   - Access to social welfare
   - Value of acting collectively and our role
   - Gaining marketing, pricing and other business advice to increase independence

Slide 8
Checklist of preparations to organize 6

13. Organize a meeting (draw informal economy workers from several localities if possible)
   - Present ideas based upon the surveys and the results of our research
   - Set some objectives
   - Select interim committee (union and target group members)
   - Determine fees and costs
   - Create networks
   - Set out plan of action for agreed period include:
     • Organizing
     • Negotiating with appropriate organizations
     • Establishing agreed benefits
   - Nominate persons to carry out plan of action
   - Determine report back meeting times

Slide 9
Checklist of preparations to organize 7

14. Implement plan of action
15. Constantly review progress and amend strategy and tactics as required
You have decided to try to organize informal economy street vendors. Street vendors are usually working on their own account. Own account street vendors may also be producing for sale in their own shop or road side stall. They must carry out the full range of activities associated with a business. They will lack general knowledge about business practice such as marketing and pricing, product improvement etc.¹

Prepare
When we decide to try to organize these informal economy street vendors, it is vital that we prepare. The first step in preparation should be a discussion in the union, federation or National Centre towards agreement on committing human and financial resources to the project. Next we need to identify the target group or groups. It is probable that street vendors may not be long term members of our union, so that there may not be substantial economic benefits to the union. However, as social organizations, unions have a responsibility to encourage decent work.

Review how to organize informal economy workers
When we set out to organize street vendors there are a number of issues to be considered:

• Are they legally able to join a union? If not, it will be important to discuss with trade union national centres approaching government to change the law. This may take a lot of time and effort but should be done. However, even if strictly illegal, in some circumstances an employer may agree to representation.

• If the answer is yes, can they join our union? This may involve widening our union’s constitutional coverage or creating associate membership. Is there another more appropriate union that we can involve in the campaign?

¹ The ILO has developed some materials on the issue of Start and improve your business (SIYB) which may be useful (http://www.ilo.org/dyn/empent/empent.portal?p_docid=SIYBHEAD&p_prog=S&p_subprog=BD).

Union Policy: an example
Resolved that our national Union’s Executive Committee has reiterated its commitment to continue to work in organizing in the informal economy.

Resolved that “Special working group” has been set up on “informal economy”. The group will be responsible for organizational plan, devise the strategy for different industry segments as per the regional requirements and it shall co-ordinate and implement the policy, and shall report their activities to the General Secretary and Working Committee. Each affiliated union will coordinate with this committee and give its inputs local situation, its financial and manpower commitments for this important task.

For the national union a levy of Rs. __________ is provided for this purpose and a special levy of Rs. __________ per month is to be collected for a period of three months as a solidarity contribution from each affiliated union.

In the head office special desk on informal economy will be functional and full-time Secretary will be coordinating its activities as per the advise of “Special Working Group” and the General Secretary.

The special committee will review the legal position and the union constitution and shall suggest if the current union structure and its constitution rules on affiliation fee and associate membership needs to amended/changed and based on their recommendations the necessary changes will be implemented.

The union shall work with all alliances/stakeholders, GUFS, ILO and other social organization in achievement of this objective. The union shall provide all the necessary assistance/expert advice to newly enrolled members and prospective members of the informal economy.

From a union in India

Trade Union Manual for Organizing Informal Economy Workers
Organizing Strategies for Street Vendors

Make an interim assessment of the needs of the target group

Once we have identified a target group we can make an interim assessment of their potential needs based upon our own observations and, perhaps, approaches by union activists. It will be useful to determine whether there is already some form of organization created by the target group. If there is we can try to determine how representative and active it is, and it may be possible to work with it. A short survey may be one of the tools to use to assess the needs of the informal economy workers we wish to organize. Reviewing the results of the survey will help to set priorities. One of the questions (but not the first) should be to ask whether the informal economy workers will accept membership or being associated with the union in a self-help group.

A matrix of the needs of this target group might look like this:

<table>
<thead>
<tr>
<th>Needs</th>
<th>Street vendors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secure access to their site</td>
<td>✓</td>
</tr>
<tr>
<td>Better quality sites, secure storage</td>
<td>✓</td>
</tr>
<tr>
<td>Registration (one-stop office)</td>
<td>✓</td>
</tr>
<tr>
<td>Toilet and washing facilities</td>
<td>✓</td>
</tr>
<tr>
<td>Business advice (including marketing strategies, product pricing, accounting and meeting legal, tax and other responsibilities)</td>
<td>✓</td>
</tr>
<tr>
<td>Occupational health and safety advice</td>
<td>✓</td>
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<tr>
<td>Access to social welfare</td>
<td>✓</td>
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<tr>
<td>Bulk buying cooperative</td>
<td>✓</td>
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<td>Secure savings and access to credit</td>
<td>✓</td>
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<tr>
<td>Campaigning and networking skills</td>
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<td>Opportunity to take part in decisions affecting their future</td>
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<td>Consolidation of registration, tax liabilities and flexibility in payments to reflect irregularity of income</td>
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<tr>
<td>Advise about the range of laws, regulations and ordinances</td>
<td>✓</td>
</tr>
<tr>
<td>Consolidation of laws, regulations and ordinances and improved access for registration</td>
<td>✓</td>
</tr>
<tr>
<td>Access to insurance (business, goods, self)</td>
<td>✓</td>
</tr>
<tr>
<td>Legal, medical and other advice centres</td>
<td>✓</td>
</tr>
<tr>
<td>Freedom from all forms of harassment</td>
<td>✓</td>
</tr>
<tr>
<td>Dialogue on accessing and contributing to the cost of facilities (eg electricity, water etc)</td>
<td>✓</td>
</tr>
<tr>
<td>Dialogue with local authorities, inspectors, police etc</td>
<td>✓</td>
</tr>
</tbody>
</table>

Add further ideas generated during training.
Organizing Strategies for Street Vendors

Seek advice about how to deal with these needs
We can seek advice by getting union activists to look into some issues. We can check with our union legal adviser. Union federations, National Centres and Global Unions are active in encouraging organization of all workers. They may have ideas of strategies to follow and may also be able to develop project support for our union.

We should cultivate the support of university staff and students and labour-friendly organizations to review laws affecting the target group(s), especially those governing contracts and improving fairness.

Further, officers of the various levels of government can advise on how they implement laws and regulations. We may also be able to return the favour by indicating the problems faced by those who are subject to laws and regulations. Politicians (at all levels of government) have a responsibility to represent their constituents. Some may be sympathetic to workers interests we can then encourage them to amend and improve laws and regulations. Finally, the ILO, other UN agencies and other sponsors may be able to assist with training material, publications and project support.

Develop responses to the identified needs
Once we have gathered the information that we need to begin our task we must develop appropriate responses.

We might approach the issue of site security by negotiating with local authorities about what is the most appropriate way for street vending to be organized. In Singapore, for example, street stalls have been banned and purpose-built markets have been developed that provide a wide range of facilities for both vendors and customers. A similar development has been tried in Bangkok. In these systems, there is a cost associated with renting stalls, such that there may be a fear among vendors at first that others will take their footpath space rather than moving to the permanent stalls.

Too often street vendors do not register because they must visit a variety of offices to complete registration. It is costly in terms of time lost from their stalls, in addition to fees they must pay. It should be possible for there to be a mobile, one-stop registration office so that applying for and renewing registration can be done with a minimum of effort.

Too many street vending locations have no access to toilets and washing facilities. Street vendors often have to go for long periods without a toilet break. It may be likely that some people will have to go and will do so around the stall area, increasing the likelihood of disease.

All own-account workers will require sound business advice. Local government could be approached to provide classes for street vendors.

Most street vendors are probably unaware of the range of potential occupational health and safety hazards which both they and their family face when they decide to work on the street or local markets.

If they cannot join our union is there an existing union which we could encourage to organize these workers? We should make contact with the union to see whether they will work with us to organize these workers.

3 Where off-street stalls are developed there should be action to ensure that the street stalls do not continue.
If union membership is not possible, perhaps a self-help group could be developed that can provide for some of the needs of informal economy workers that we have identified. Assisting a self-help group to form will create a sense of solidarity amongst the group. An example of a self-help group is street vendors getting together to negotiate improvements in facilities, etc.

One argument that we may use to encourage government to improve the position of informal economy workers is one that International Financial Institutions also stress: most of the informal economy workers do not pay tax, or pay less tax than they should. It is in the interest of government to draw informal economy workers into the formal economy in order to raise taxes.

Is a savings system one of the identified needs of the target group? Does the union have a credit union and, if so, could the target group workers become members? If we identify that informal economy workers would benefit from a credit union, but do not have one for our members we should consider establishing or joining one with wide enough coverage for informal economy workers for whom there is a common bond. To work effectively, members of credit unions should have a common bond (such as the same employer, membership of a club or society, living in the same community) that creates a sense of commitment to the credit union where there may be more limited commitment to a bank.

Informal economy workers expectations
It is critical at this stage not to raise expectations that you are about to organize them or that you have any sure fire solutions to their problems. We need to consider what informal economy workers might expect from us. What benefits can they expect to gain from being associated with our organization? We will need to have some ideas about how, with the active involvement of the target group, we will attempt to fulfil these expectations. This will be especially difficult in relation to issues such as improved social welfare access.

Make any changes to the union that are required
In our preparation we may have identified the need to change our union constitution, to develop or expand membership of our credit union (if necessary establish a union/workplace credit union, or identify and negotiate access to an existing credit union), for example. If any of these are necessary, we should take steps immediately to make the required changes.

Train union activists
Review this ILO training package, others developed by ILO or materials from your own Global Union. Read what information your union has collected to date and any changes that have been introduced. Use Module 8 to have participants actively learn about and develop, review and prioritise the results of surveys of the concerns of street vendors. Develop checklists for making contact and (where appropriate) setting up and operating information booths. Ensure (as much as possible) that those surveyed are able to be contacted again in the future.

Start information campaign and review survey results, revise and recontact
It will be appropriate for informal street vendors to be approached by union activists. A union is also stronger if its members actively support it and speak out about it.

When informal street vendors have been contacted there must be a review of what has been the typical response. It may be necessary to repeat the initial contact with more information based upon the first reactions. Then a meeting can be arranged to discuss how the various groups may be assisted.
Module 5

Handout

Organizing Strategies for Street Vendors

It will be appropriate to try to develop networks of street vendors in a variety of locations. An important step here will be encouraging street vendors to share information about their problems and to focus on strategies to deal with them on a collective basis.

Self-help activities might also include (through a better appreciation of public health issues and good community behaviour) maintaining good pedestrian and vehicle access, improved cleanliness around stalls and appropriate disposal of waste, the health effects of poor access to toilet facilities.

Depending upon the circumstances part of the campaign should include offering advice about rights and responsibilities regarding the following:

**Local, district and national laws and regulations affecting informal street vendors:**

- **Taxes and charges:** This target group will be responsible for their own tax and registration payments from what they receive for their work. This may be an argument for receiving better payment for their work.
- **Occupational health and safety hazards:** There are many hazards of which target group members should be made aware. These hazards may be physical (poor light, ventilation, danger from electric wiring, etc), chemical (fumes from passing vehicles, etc), psycho-social (stress associated with haggling over prices, making sure stocks are not pilfered, setting up and taking down stalls and securing them, demands of other family members, etc), or biological (exposure to a variety of germs). There may also be environmental hazards associated with their work through the in-appropriate disposal of waste.
- **Access to finance and savings security:** We have stressed the importance of access to savings and credit, particularly for workers who must, in effect, run their own business. They will also require advice about how to run a business effectively. It may be appropriate to negotiate for our company to arrange training.

Street vendors need access to finance, both for savings—so that excess money is not kept in the home and insecure—and for credit and loans, so that they can meet short-term emergencies or follow long-term plans for expansion. Credit unions and cooperatives may be the most practical form of solidarity for some, but they especially have value for union members.

Involving all the formal and informal economy workers associated with our workplace in a credit union will build a strong common bond and solidarity.

- **Access to social welfare:** Informal economy workers need to know what access they may have to social welfare. Some access may be related to payment of taxes. If they are avoiding tax payments they may risk prosecution, as well as be ineligible for benefits. This will not be an easy issue to deal with but mechanisms for contributions to social welfare funding should be explored.

- **Value of acting collectively and our role:** A major objective of organizing informal economy workers is to have them realise the value of collective action if they are to improve their situation. They will have little expectation of success as individuals and may be reluctant to work with others. We have to help them overcome that reluctance by showing what benefits may follow. Networks can provide the information needs discussed below.

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4 It is, perhaps, a responsibility of employer associations or of government departments responsible for small business.

5 The New Zealand National Accident Compensation Scheme is funded by a levy on sales of petroleum.
Organizing Strategies for Street Vendors

Street vendors often keep their individual arrangements secret. By coming together and sharing information it will be possible to see whether some get better arrangements than others, for example from different local government agencies. Once people start sharing information they will begin to see how much they have in common and will discover that others find the rules imposed to be unreasonable.

Organize a meeting

One of the issues that must be raised when contact is being made with target group members is that there will be a meeting in the near future. It will be useful to discuss during these contacts when might be the best time, day and place for such a meeting. The meeting should be conducted by a responsible person from the union and, if possible, a well-respected member of the target group.

The purpose of the meeting will be to share ideas based upon the surveys and the results of our research. There should be ample opportunity for discussion leading to agreement on objectives, likely costs and a general timetable. An interim committee should be elected and some form of financial contributions agreed.

Membership of any organization (whether as full or associate members) requires a financial contribution to finance the achievement of the members' objectives. This must be agreed in the early stages of discussion. Membership cannot be for nothing if results are to be achieved. Therefore the potential benefits of joining and making regular contributions should be determined and explained. It will also be appropriate to try to develop networks so that they can also become a part of the organizing drive.

A plan of action should be developed with objectives such as:
- Organizing members from the target group
- Negotiating with appropriate organizations
- Establishing agreed benefits.

There should be agreement about when further meetings will be held.

Now we can start implementing the action plan with regular reviews of progress and amendment as required.

A checklist summarising this strategy follows.

**Checklist for preparing to organize informal economy workers**

1. Need to prepare
   a. Agree on why to organize and identify problems/benefits for our union
   b. Set policy and commit resources
   c. Change constitution, structure etc if required
   d. Identify target group/area/industry group

2. Review
   a. Ability of informal economy workers to join a union
   b. Ability to join our union
      i. Associate members?
   c. Negotiate improved position?
Organizing Strategies for Street Vendors

3. Interim assessment of their needs based on informal contact and own knowledge
   a. Identify any existing organization and its status
4. List needs
5. Seek advice about how to meet these needs from
   a. Union members
   b. Legal adviser
   c. Global Unions
   d. University staff and students
   e. Government officers
   f. ILO and other UN agencies
   g. Other appropriate organizations
6. Develop appropriate responses for identified needs
7. Identify what expectations we are raising when we approach informal economy workers
   a. Identify what benefits they will receive
8. Determine whether some of the benefits are available to our members
   a. If not, can they be developed for our members first and give informal economy workers access?
9. Implement any necessary changes to union benefits
10. Train union activists
    a. Develop short survey
    b. Develop communication and networking skills
    c. Decide how contact will be made
       i. Interviews
       ii. Information booths
       iii. Additional surveys
11. Start information campaign and review survey results, revise and recontact
12. Outline rights and responsibilities
    a. Laws and regulations
    b. Taxes and charges
    c. Occupational health and safety hazards
    d. Access to finance and savings security
    e. Access to social welfare
    f. Value of acting collectively and our role
    g. Gaining marketing, pricing and other business advice to increase independence
13. Organize a meeting (draw informal economy workers from several localities if possible)
    a. Present ideas based upon the surveys and the results of our research
    b. Set some objectives
    c. Select interim committee (union and target group members)
    d. Determine fees and costs
    e. Create networks
    f. Set out plan of action for agreed period include:
       i. Organizing
       ii. Negotiating with appropriate organizations
       iii. Establishing agreed benefits
    g. Nominate persons to carry out plan of action
    h. Determine report back meeting times
14. Implement plan of action
15. Constantly review progress and amend strategy and tactics as required
Module 6
Organizing Strategies for Informal Economy Workers Associated with Transport
Module 6
Organizing Strategies for Informal Economy Workers Associated with Transport

Module 6 (1.5 hrs):

Objectives: At the completion of the Module the participants should be able to

- Describe how they would identify the needs of informal economy transport workers.
- Describe how they would find answers to questions about the ability of informal economy transport workers to organize.
- List possible changes their union may need to introduce in order to organize informal economy workers.
- Prepare a checklist of preparations for organizing informal economy transport workers.

Preparation:
1. Read materials from all Modules.
2. Re-read materials from Module 6.
3. Identify the particular type of transport workers (e.g. motorcycle taxis, water taxis, truck drivers, loaders, etc) and adapt the training modules to suit.
4. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and paper, white board markers, task information. Prepare a matrix on sheets of newsprint to be able to summarise response from group work.
5. Reproduce checklist of preparations for organizing informal economy transport workers.

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 min Introduce Module. Note that there are (if required) further modules on organizing strategies for different types of informal economy workers.</td>
<td></td>
<td>OHT 1. White board.</td>
</tr>
<tr>
<td>10 mins Screen OHT 3 outline some of the preparatory issues to consider.</td>
<td></td>
<td>OHT 3.</td>
</tr>
<tr>
<td>15 mins Ask: What are the needs if informal economy transport workers? Answer question and note responses. Take responses. Screen OHT 4-6. Briefly explain the various items. Add new ideas to slide for future presentations.</td>
<td></td>
<td>OHT 4-6.</td>
</tr>
<tr>
<td>35 mins Create groups of no more than 5 participants. Indicate that they have ten minutes to complete the task, write their responses and report back. Select informal report from the group. Present the report.</td>
<td></td>
<td>White board.</td>
</tr>
<tr>
<td>45 mins Discuss the task, prepare report.</td>
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</table>

Trade Union Manual for Organizing Informal Economy Workers
Module 6
Organizing Strategies for Informal Economy Workers Associated with Transport

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
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</thead>
<tbody>
<tr>
<td>economy workers relevant to the participants' experience.</td>
<td>Comment on various reports and add any new items.</td>
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<tr>
<td>45 mins Take reports from each group into a matrix on newsprint. Ask for any comments from other groups and add your own to make each report as effective as possible. Keep the information collected and review the Modules for any improvements.</td>
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</tr>
<tr>
<td>55 mins Review each report. Encourage participants to review each report, organize the items, add any new items and integrate them into a single report. The Trainer must be prepared to add any items not included in the reports and discussion.</td>
<td>Help to improve the reports.</td>
<td></td>
</tr>
<tr>
<td>70 mins Indicate that we will view a checklist of preparation. Ask questions wherever possible and screen OHTs 8-14 explaining each one. Refer back to ideas that were developed by participants in previous discussions.</td>
<td>OHTs 8-14.</td>
<td></td>
</tr>
<tr>
<td>85 mins Summarise session. Distribute handout 6.</td>
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</tbody>
</table>

Task for Module 6:

You have **fifteen minutes** to consider the following issues. Complete your reports using the matrix to summarise your views. Select one person to report back. Be prepared to comment on the reports of other groups and to answer any questions about your report.

All groups: You have decided to organize **informal economy transport workers**. How will you go about the task of organizing? What resources (human, physical, financial, training) would you require? How do you expect employers and governments to respond?

<table>
<thead>
<tr>
<th>Set policy</th>
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</thead>
<tbody>
<tr>
<td>Where</td>
<td></td>
</tr>
<tr>
<td>How to make contact</td>
<td></td>
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<tr>
<td>Needs</td>
<td></td>
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<tr>
<td>Union role</td>
<td></td>
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<tr>
<td>Internal issues</td>
<td></td>
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<tr>
<td>Employer issues</td>
<td></td>
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<tr>
<td>Government issues</td>
<td></td>
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<tr>
<td>Potential allies</td>
<td></td>
</tr>
<tr>
<td>Possible obstacles</td>
<td></td>
</tr>
</tbody>
</table>
Task for Module 6:

**Group 1:** You have decided to organize informal economy transport workers: 
taxi drivers. How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 2:** You have decided to organize informal economy transport workers: rickshaw pullers. How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 3:** You have decided to organize informal economy transport workers: motorbike taxis. How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 4:** You have decided to organize informal economy formal economy transport workers: couriers (select according to your experience). How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 5:** You have decided to organize informal economy formal economy transport workers: loaders/unloaders (select according to your experience). How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 6:** You have decided to organize informal economy formal economy transport workers: hand cart pullers (select according to your experience). How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 7:** You have decided to organize informal economy formal economy transport workers: bus touts (select according to your experience). How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 8:** You have decided to organize informal economy formal economy transport workers: lorry/truck drivers (select according to your experience). How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?

**Group 9:** You have decided to organize informal economy formal economy transport workers: loaders, cleaners (select according to your experience). How will you go about the task of organizing? What resources (human, physical, financial, training) will you require?
Slide 1
Organizing the informal economy
ILO Manual
Module 6: Organizing informal economy transport workers

Slide 2
Who are informal economy transport workers
- Taxi drivers
- Motorbike riders (persons and packages)
- Rickshaw pullers
- Loaders and unloaders
- Bus touts
- Hand cart operators
- Cleaners
- Truck/lorry drivers

Slide 3
Preparing to organize
- Does the law limit their right to join a union?
- Can they be members of our union?
  - If not can our coverage be expanded?
- Is there another appropriate union they could join?
- Could we assist to establish or improve the workings of a self-help group?
- Develop a survey to confirm problems

Slide 4
What are the needs of informal economy transport workers? 1
- Location
  - Regular space and location
  - Rest spaces, protected rest areas/accommodation
- Cost of licence/registration (time and money)
- Inspectors, police, criminals
- Lack of facilities (toilets, washing area)
- Lack of access to savings and loan for purchase, maintenance, insurance

Slide 5
What are the needs of informal economy transport workers? 2
- Easier registration and licensing arrangements
- Insurance (vehicle, income, life and health)
- Access to medical facilities and legal assistance
- Occupational health and safety including HIV/AIDS
- Sexual and other harassment

Slide 6
What can be done to answer those needs?
- Review regulations
- Make them simpler to operate and comply with
- Establish ranks and register drivers
- Provide facilities (toilets) and ensure they are kept clean
- Establish rules for inspections
- Deal with criminal behaviour
- Credit union/cooperatives
Health concerns of transport workers

- Stress (including from vibration and traffic congestion)
- Respiratory problems
- Stomach/digestive problems
- Vehicle fumes
- Alcohol and drugs/STD and HIV (especially long haul drivers)

Checklist of preparations to organize 2

3. Interim assessment of their needs based on informal contact and own knowledge
   - Identify any existing organization and its status
4. List needs
5. Seek advice about how to meet these needs from
   - Union members
   - Legal adviser
   - Global Unions
   - University staff and students/labour friendly organizations
   - Government officers
   - ILO and other UN agencies
   - Other appropriate organizations

Checklist of preparations to organize 4

9. Implement any necessary changes to union benefits
10. Train union activists
    - Develop short survey
    - Develop communication and networking skills
    - Decide how contact will be made
      • Interviews
      • Information booths
      • Additional surveys
11. Start information campaign and review survey results, revise and recontact

Checklist of preparations to organize 5

12. Outline rights and responsibilities
    - Laws and regulations
    - Taxes and charges
    - Occupational health and safety hazards
    - Access to finance and savings security
    - Access to social welfare
    - Value of acting collectively and our role
    - Gaining marketing, pricing and other business advice to increase independence
Slide 13
Checklist of preparations to organize

13. Organize a meeting (draw informal economy workers from several localities if possible)
- Present ideas based upon the surveys and the results of our research
- Set some objectives
- Select interim committee (union and target group members)
- Determine fees and costs
- Create networks
- Set out plan of action for agreed period include:
  • Organizing
  • Negotiating with appropriate organizations
  • Establishing agreed benefits
- Nominate persons to carry out plan of action
- Determine report back meeting times

Slide 14
Checklist of preparations to organize

14. Implement plan of action
15. Constantly review progress and amend strategy and tactics as required
Organizing Strategies for Informal Economy Workers Associated with Transport

You have decided to try to organize informal economy workers associated with transport (taxi drivers, motorbike taxis and couriers, rickshaw pullers, handcart pushers, tuk tuk drivers, loaders, etc.) Informal economy transport workers are usually working on their own account. They will lack general knowledge about business practice such as marketing and pricing, product improvement etc.¹

**Prepare**

When we decide to try to organize these informal economy transport workers, it is vital that we prepare. The first step in preparation should be a discussion in the union, federation or National Centre towards agreement on committing human and financial resources to the project. Next we need to identify the target group or groups. It is probable that informal economy transport workers may not be long term members of our union so that there may not be substantial economic benefits to the union. However, as social organizations, unions have a responsibility to encourage decent work.

**Review how to organize informal economy workers**

When we set out to organize informal economy transport workers there are a number of issues to be considered:

- Are they legally able to join a union? If not, it will be important to discuss with trade union national centres approaching government to change the law. This may take a lot of time and effort but should be done. However, even if strictly illegal, in some circumstances an employer may agree to representation.
- If the answer is yes, can they join our union? This may involve widening our union's constitutional coverage or creating associate membership. Is there another more appropriate union that we can involve in the campaign?

¹ The ILO has developed some materials on the issue of Start and improve your business (SIYB) which may be useful (http://www.ilo.org/dyn/empent/empent.portal?p_docid=SIYBHEAD&p_prog=S&p_subprog=BD).

**Union Policy: an example**

Resolved that our National Union's Executive Committee has reiterated its commitment to continue to work in organizing in the informal economy.

Resolved that “Special working group” has been set up on “informal economy”. The group will be responsible for organizational plan, devise the strategy for different industry segments as per the regional requirements and it shall co-ordinate and implement the policy, and shall report their activities to the General Secretary and Working Committee.

Each affiliated union will coordinate with this committee and give its inputs according to the local situation, its financial and manpower commitments for this important task.

For the national union a levy of Rs. _________ is provided for this purpose and a special levy of Rs. _________ per month is to be collected for a period of three months as a solidarity contribution from each affiliated union.

In the head office special desk on informal economy will be functional and fulltime Secretary will be coordinating its activities as per the advise of “Special Working Group” and the General Secretary.

The special committee will review the legal position and the union constitution and shall suggest if the current union structure and its constitution rules on affiliation fee and associate membership needs to amended/changed and based on their recommendations the necessary changes will be implemented.

The union shall work with all alliances/stake holders, GUFS, ILO and other social organization in achievement of this objective. The union shall provide all the necessary assistance/expert advice to newly enrolled members and prospective members of the informal economy.

**From a union in India**
Make an interim assessment of the needs of the target group

Once we have identified a target group we can make an interim assessment of their potential needs based upon our own observations and perhaps, approaches by union activists. It will be useful to determine whether there is already some form of organization created by the target group. If there is we can try to determine how representative and active it is, and it may be possible to work with it.

A short survey may be one of the tools to use to assess the needs of informal economy workers we wish to organize. Reviewing the results of the survey will help to set priorities. One of the questions (but not the first) should be to ask whether the informal economy workers will accept membership or being associated with the union in a self-help group.

A matrix of the needs of this target group might look like this:

<table>
<thead>
<tr>
<th>Transport workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secure access to their stand/rank or to operate as couriers</td>
</tr>
<tr>
<td>Toilet and washing facilities</td>
</tr>
<tr>
<td>Registration (one-stop office)</td>
</tr>
<tr>
<td>Fairer rates for their work</td>
</tr>
<tr>
<td>Business advice (including marketing strategies, product pricing, accounting and meeting legal, tax and other responsibilities)</td>
</tr>
<tr>
<td>Occupational health and safety advice</td>
</tr>
<tr>
<td>Access to social welfare</td>
</tr>
<tr>
<td>Secure savings and access to credit</td>
</tr>
<tr>
<td>Funding for their vehicle</td>
</tr>
<tr>
<td>Training (general road safety, safe load stowing and covering, not allowing people to ride on the truck, sexual harassment)</td>
</tr>
<tr>
<td>Skills training</td>
</tr>
<tr>
<td>Campaigning and networking skills</td>
</tr>
<tr>
<td>Opportunity to take part in decisions affecting their future</td>
</tr>
<tr>
<td>Consolidation of registration, tax liabilities and flexibility in payments to reflect irregularity of income</td>
</tr>
<tr>
<td>Advise about the range of laws, regulations and ordinances</td>
</tr>
<tr>
<td>Consolidation of laws, regulations and ordinances and improved access for registration</td>
</tr>
<tr>
<td>Health advice, treatment and assistance</td>
</tr>
</tbody>
</table>

Add further ideas generated during training.
Seek advice about how to deal with these needs
We can seek advice by getting union activists to look into some issues. We can check with our union legal adviser. Union Federations, National Centres and Global Unions are active in encouraging organization of all workers. They may have ideas of strategies to follow and may also be able to develop project support for our union.

Sexual harassment is a major problem for women transport workers, especially when they move into non-traditional roles.

We should cultivate the support of university staff and students and labour-friendly organizations to review laws affecting the target group(s), especially those governing contracts and improving fairness. Further, officers of the various levels of government can advise on how they implement laws and regulations. We may also be able to return the favour by indicating the problems faced by those who are subject to laws and regulations. Politicians (at all levels of government) have a responsibility to represent their constituents. Some may be sympathetic to workers interests we can then encourage them to amend and improve laws and regulations. Finally, the ILO, other UN agencies and other sponsors may be able to assist with training material, publications and project support.

Develop responses to the identified needs
Once we have gathered the information that we need to begin our task we must develop appropriate responses.

We might approach the issue of secure access to their stand/rank, to operate as couriers, by negotiating with local authorities about what is the most appropriate way for informal economy transport workers to be organized. There may be official ranks at appropriate locations with access to toilets and washing facilities nearby. Too many informal economy transport workers have no access to toilets and washing facilities. They often have to go for long periods without a toilet break. It may be likely that some people will have to go and will do so in an inappropriate area, increasing the likelihood of disease.

Couriers and loaders may be similarly organized with a telephone at each rank so that those sending parcels or shifting loads can make contact.

Too often informal economy transport workers do not register because they must visit a variety of offices to complete registration. It is costly in terms of time lost from their work as well as fees. It should be possible for there to be a mobile, one-stop registration office so that applying for and renewing registration can be done with the minimum of effort.

All own-account workers will require sound business advice. Local government could be approached to provide classes for street vendors.

Most informal economy transport workers are probably unaware of the range of potential occupational health and safety hazards which both they and their family face when they decide to work as transport operators.
If they cannot join our union, is there an existing union which we could encourage to organize these workers? We should make contact with the union to see whether they will work with us to organize these workers.

If union membership is not possible, perhaps a self-help group could be developed that can provide for some of the needs of informal economy workers that we have identified. Assisting a self-help group to form, will create a sense of solidarity amongst the group. An example of a self-help group is informal economy transport workers getting together to negotiate improvements in rates for travel, etc.

One argument that we may use to encourage government to improve the position of informal economy workers is one that International Financial Institutions also stress: most of the informal economy workers do not pay tax, or pay less tax than they should. It is in the interest of government to draw informal economy workers into the formal economy in order to raise taxes.

Is a savings system one of the identified needs of the target group? Does the union have a credit union and, if so, could the target group workers become members? If we identify that informal economy workers would benefit from a credit union but do not have one for our members, we should consider establishing or joining one with wide enough coverage for informal economy workers for which there is a common bond. To work effectively, members of credit unions should have a common bond (such as the same employer, membership of a club or society, living in the same community) that creates a sense of commitment to the credit union and where there may be more limited commitment than a bank.

**Informal economy workers expectations**

It is critical at this stage not to raise expectations that you are about to organize them or that you have any sure fire solutions to their problems. We need to consider what informal economy workers might expect from us. What benefits can expect to gain from being associated with our organization? We will need to have some ideas about how, with the active involvement of the target group, we will attempt to fulfil these expectations. This will be especially difficult in relation to issues such as improved social welfare access.

**Make any changes to the union that are required**

In our preparation we may have identified the need to change our union constitution, to develop or expand membership of our credit union (if necessary establish a union/workplace credit union, or identify and negotiate access to an existing credit union), for example. If any of these are necessary we should take steps immediately to make the required changes.

**Train union activists**

Review this ILO training package, others developed by ILO or materials from your own Global Union. Read what information your union has collected to date and any changes that have been introduced. Use Module 8 to have participants actively learn about and develop, review and prioritise the results of surveys of the concerns of home-workers. Develop checklists for making contact and (where
Organizing Strategies for Informal Economy Workers Associated with Transport

Setting up and operating information booths. Ensure (as much as possible) that those surveyed are able to be contacted again in the future.

Start information campaign and review survey results, revise and recontact

It will be appropriate for informal economy transport workers to be approached by union activists. A union is also stronger, if its members actively support it and speak out about it.

When informal economy transport workers have been contacted there must be a review of what has been the typical response. It may be necessary to repeat the initial contact with more information based upon the first reactions. Then a meeting can be arranged to discuss how the various groups may be assisted.

It will be appropriate to try to develop networks of informal economy transport workers in a variety of locations. An important step here will be encouraging informal economy transport workers to share information about their problems and to focus on strategies to deal with them on a collective basis.

Self-help activities might also include (through a better appreciation of public health and transport issues, and good community behaviour) maintaining safe vehicles and driving practices.

Depending upon the circumstances part of the campaign should include offering advice about rights and responsibilities regarding the following:

Local, district and national laws and regulations affecting informal economy transport workers:

- **Taxes and charges:** This target group will be responsible for their own tax and registration payments from their payments. This may be an argument for receiving better payment for their work.

- **Occupational health and safety hazards:** There are many hazards of which target group members should be made aware. These hazards may be physical (working in all weathers, dangerous and congested roads, etc), chemical (fumes from passing vehicles, etc), psychosocial (stress associated with haggling over prices, making sure vehicles and equipment are clean and well-maintained, demands of other family members, etc), or biological (exposure to a variety of germs). There may also be environmental hazards associated with their work through the in-appropriate disposal of waste.

- **Access to finance and savings security:** We have stressed the importance of access to savings and credit, particularly for workers who must, in effect, run their own business. They will also require advice about how to run a business effectively. It may be appropriate to negotiate for our company to arrange training.

Informal economy transport workers also need access to finance, both for savings— so that excess money is not kept in the home and insecure— and for credit and loans so that they can meet short-term emergencies and follow long-term plans for expansion. Credit unions and cooperatives may be the most practical form of solidarity for some, but they especially have value for union members. Involving all the formal and informal economy workers associated with our workplace in a credit union will build a strong common bond and solidarity.
Organizing Strategies for Informal Economy Workers Associated with Transport

- **Access to social welfare:** Informal economy workers need to know what access they may have to social welfare. Some access may be related to payment of taxes. If they are avoiding tax payments they may risk prosecution, as well as be ineligible for benefits. This will not be an easy issue to deal with but mechanisms for contributions to social welfare funding should be explored.

- **Value of acting collectively and our role:** A major objective of organizing informal economy workers is to have them realize the value of collective action, if they are to improve their situation. They will have little expectation of success as individuals and may be reluctant to work with others. We have to help them overcome that reluctance by showing what benefits may follow. Networks can provide the information needs discussed below.

Informal economy transport workers often keep their individual arrangements secret. By coming together and sharing information, it will be possible to see whether some get better arrangements than others, for example, from different local government agencies. Once people start sharing information they will begin to see how much they have in common and will discover that others find the rules imposed to be unreasonable.

**Organize a meeting**

One of the issues that must be raised when contact is being made with target group members is that there will be a meeting in the near future. It will be useful to discuss during these contacts when might be the best time, day and place for such a meeting. The meeting should be conducted by a responsible person from the union and, if possible, a well-respected member of the target group.

The purpose of the meeting will be to share ideas based upon the surveys and the results of our research. There should be ample opportunity for discussion leading to agreement on objectives, likely costs and a general timetable. An interim committee should be elected and some form of financial contributions agreed.

Membership of any organization (whether as full or associate members) requires a financial contribution to finance the achievement of the members' objectives. This must be agreed in the early stages of discussion. Membership cannot be for nothing if results are to be achieved. Therefore the potential benefits of joining and making regular contributions should be determined and explained. It will also be appropriate to try to develop networks so that they can also become a part of the organizing drive.

A plan of action should be developed with objectives such as:

- Organizing members from the target group
- Negotiating with appropriate organizations
- Establishing agreed benefits.

There should be agreement about when further meetings will be held.

Now we can start implementing the action plan with regular reviews of progress and amendment as required.

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3 The New Zealand National Accident Compensation Scheme is funded by a levy on sales of petroleum.
Organizing Strategies for Informal Economy Workers Associated with Transport

A checklist summarising this strategy follows.

**Checklist for preparing to organize informal economy workers**

1. Need to prepare
   a. Agree on why to organize and identify problems/benefits for our union
   b. Set policy and commit resources
   c. Change constitution, structure etc if required
   d. Identify target group/area/industry group

2. Review
   a. Ability of informal economy workers to join a union
   b. Ability to join our union
      i. Associate members?

3. Interim assessment of their needs based on informal contact and own knowledge
   a. Identify any existing organization and its status

4. List needs

5. Seek advice about how to meet these needs from
   a. Union members
   b. Legal adviser
   c. Global Unions
   d. University staff and students
   e. Government officers
   f. ILO and other UN agencies
   g. Other appropriate organizations

6. Develop appropriate responses for identified needs

7. Identify what expectations we are raising when we approach informal economy workers
   a. Identify what benefits they will receive

8. Determine whether some of the benefits are available to our members
   a. If not, can they be developed for our members first and give informal economy workers access?

9. Implement any necessary changes to union benefits

10. Train union activists
    a. Develop short survey
    b. Develop communication and networking skills
    c. Decide how contact will be made
       i. Interviews
       ii. Information booths
       iii. Additional surveys

11. Start information campaign and review survey results, revise and recontact

12. Outline rights and responsibilities
    a. Laws and regulations
    b. Taxes and charges
    c. Occupational health and safety hazards
    d. Access to finance and savings security
    e. Access to social welfare
    f. Value of acting collectively and our role
    g. Gaining marketing, pricing and other business advice to increase independence
Organizing Strategies for Informal Economy Workers Associated with Transport

13. Organize a meeting (draw informal economy workers from several localities if possible)
   a. Present ideas based upon the surveys and the results of our research
   b. Set some objectives
   c. Select interim committee (union and target group members)
   d. Determine fees and costs
   e. Create networks
   f. Set out plan of action for agreed period include:
      i. Organizing
      ii. Negotiating with appropriate organizations
      iii. Establishing agreed benefits
   g. Nominate persons to carry out plan of action
   h. Determine report back meeting timings

14. Implement plan of action

15. Constantly review progress and amend strategy and tactics as required
Module 7
Making Contact
Module 7

Making Contact

Module 7 (1.5 hrs)

Objectives: At the completion of the Module the participants should be able to

- Develop a list of strategies for initial contact with various target groups.
- Describe the purpose of information booths in targeting informal economy workers to organize.
- Describe the roles and responsibilities of organizers.
- Organize appropriate cultural and social activities to strengthen relations with target groups of informal economy workers.

Preparation:
1. Read materials from all Modules.
2. Re-read materials from Module 7.
3. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and paper, white board markers, task information.

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 min Introduce Module.</td>
<td>Answer question and note responses.</td>
<td>OHT 1. White board.</td>
</tr>
<tr>
<td>5 mins Ask: How might we make contact with members of the target group? Screen OHT 2 and stress important role for members in identifying and making first contact.</td>
<td></td>
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</tr>
<tr>
<td>15 mins Ask: What structure does the union need if we are going to organize informal economy workers? Screen OHT 3 and discuss how many persons may be involved in an organizing committee.</td>
<td>Answer question and note responses.</td>
<td>White board. OHT 2.</td>
</tr>
<tr>
<td>25 mins Create groups of not more than five participants. Indicate that they have fifteen minutes to complete the task, write their responses and report back.</td>
<td>Discuss task, prepare report and select a participant to make the report. Present the report on flip-chart paper supplied.</td>
<td>White board. Instruction sheet.</td>
</tr>
<tr>
<td>40 mins Take reports from each group. Ask for any comments from other groups and add your own to make each report as effective as possible. Comment on various reports and add any new items. Keep the information collected and review the Modules for any improvements. Screen OHTs 4-5 and discuss any differences from the group reports.</td>
<td>Make reports and note conclusions.</td>
<td>Flip chart paper. OHTs 4-5.</td>
</tr>
<tr>
<td>50 mins Create groups of not more than four participants. Introduce the role play in which participants will interview the trainer as a member of the target group that they have been assigned. Note that they have ten minutes to prepare and five minutes to carry out the interview.</td>
<td>Prepare for interviews.</td>
<td></td>
</tr>
<tr>
<td>60 mins Conduct role plays and conduct a brief review of each.</td>
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<tr>
<td>85 mins Summarise session. Distribute Handout 7.</td>
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</tr>
</tbody>
</table>

Handout 7: Making Contact.

Trade Union Manual for Organizing Informal Economy Workers
Task for Module 7:
You have fifteen minutes to consider the following issues. Complete your reports using flip chart paper to summarise your views. Select one person to report back. Be prepared to comment on the reports of other groups and to answer any questions about your report.

Group 1: You have decided to try to organize temporary workers (doing the same work as permanent workers on your line, having been employed since a time when workers were laid off some time ago) in your workplace. Until now your employer has refused to permit the union to negotiate on their behalf so that there has been no recruitment. However, some of the temporary workers had been members of your union in the past.

What strategies could you follow that would allow you to achieve what you believe is the most important need of temporary workers: a permanent job? (Note: you want to take this road because you believe it avoids the employer’s refusal to negotiate.)
Finally, outline how you would make the initial and follow up contact.

Group 2: You have decided to try to organize canteen workers, cleaners and waste disposal workers who are not directly employed by your company.

Until now, your employer has refused to permit the union to negotiate on their behalf so there has been no recruitment. However, some of them had been members of your union in the past.

What strategies could you follow that would allow you to achieve what you believe is the most important need of temporary workers: a permanent job with the company? (Note: You want to take this road because you believe it avoids the employer’s refusal to negotiate.)
Finally, outline how you would make the initial and follow up contact.

Group 3: You have decided to try to organize a group of home-workers you have identified who live in the neighbourhood where most of your members live. These home-workers take contract work from a variety of companies.

What strategies could you follow that would allow you to achieve what you believe to be the most important need of the temporary workers: more secure contracts, higher payments and easier production times. You want to take this road because you believe it avoids the employer’s refusal to negotiate.
Finally, outline how you would make the initial and follow up contact.

Group 4: You have decided to try to organize a group of street vendors who sell a range of foods, clothing, trinkets etc. on the busy main street of your neighbourhood. There is a vacant block of land nearby.

What strategies could you follow that would allow you to achieve what you believe to be the most important need of the street vendors: secure access to a site, better facilities for the area, easier registration?
Finally, outline how you would make the initial and follow up contact.
Making Contact

Group 5: You have decided to try to organize a group of (select appropriate group) informal economy transport workers.

What strategies could you follow that would allow you to achieve what you believe to be the most important need of the temporary workers: fairer rates for their work, and easier registration.

Finally outline how you would make the initial and follow-up contact.
Role play
You must approach a member of the target group to begin developing a trusting relationship. Read through the list of needs relating to the target group you have been assigned and select relevant questions to start the process of dialogue. Make a note of the questions. You will not have time to deal with all of the needs so select several that seem most appropriate. You are known casually to the person, you will meet from using their services. **Remember, you are not trying to organize the target person but to find out information that may lead to organizing.** The target person will be played by the Trainer. You have 10 minutes to prepare for one member of the group to open the dialogue with the Trainer. Each interview will be of five to ten minutes duration.

**Group 1:** Your target group is **workers in the canteen.** The canteen is operated by a former employee of the company. There has been a lot of turnover of staff recently. You have heard that there are also concerns about standards of cooking and cleaning in the canteen. Your union members want to see a better service and organizing the canteen workers seems to be one way of achieving that objective.

**Group 2:** Your target group is **home-workers** that take work from your company. Most are former employees of your company. The person you are to meet has become known to you by a union member who takes the work to be done to the home-workers.

**Group 3:** Your target group is **cleaners and waste disposal workers** who work in your company. You have become friendly with a person who cleans around your workstation.

**Group 4:** Your target group is **home-workers** not associated with your company. You have met this person because she makes shirts in her own time and sells to anyone. You have arranged to buy several fitted shirts and are about to pick them up.

**Group 5:** Your target group is **street vendors (or hawkers, or boat market sellers, etc.)** in a local market area. The market is on the footpath in a busy street. You have been buying there for some months and now feel you know several people quite well.

**Group 6:** Your target group is **transport workers** (taxi drivers, motorcycle taxis, tuk tuk drivers, jeepneys, rickshaws pullers, loaders, bus touts, handcart pullers, etc.) You have seen the transport worker you are about to approach quite often in your travels or moving materials.
### Needs of target groups

**Informal economy workers associated with our workplace**

<table>
<thead>
<tr>
<th></th>
<th>Temp workers</th>
<th>Canteen, cleaners, etc</th>
<th>Home-workers</th>
<th>Suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent, more secure job</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Secure contracts (long term)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Increased payments</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>More time to do work/less time pressure</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Faire review of quality of work</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business advice</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Occupational health and safety advice</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Access to social welfare</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Producer cooperative</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Campaigning and networking skills</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Opportunity to take part in decisions affecting their future</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

**Home-workers**

- Secure contracts providing continuous work
- Increased payments on time
- More time to do work/less time pressure
- Faire review of quality of work
- Business advice (including marketing strategies, product pricing, accounting and meeting legal, tax and other responsibilities)
- Occupational health and safety advice
- Access to social welfare
- Secure savings and access to credit
- Producer cooperative
- Skills training
- Campaigning and networking skills
- Opportunity to take part in decisions affecting their future
- Consolidation of registration, tax liabilities and flexibility in payments to reflect irregularity of income
- Advise about the range of laws, regulations and ordinances
- Consolidation of laws, regulations and ordinances and improved access for registration
## Street vendors

<table>
<thead>
<tr>
<th>Service</th>
<th>Provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secure access to their site</td>
<td>✓</td>
</tr>
<tr>
<td>Better quality sites, secure storage</td>
<td>✓</td>
</tr>
<tr>
<td>Registration (one-stop office)</td>
<td>✓</td>
</tr>
<tr>
<td>Toilet and washing facilities</td>
<td>✓</td>
</tr>
<tr>
<td>Business advice (including marketing strategies, product pricing, accounting and meeting legal, tax and other responsibilities)</td>
<td>✓</td>
</tr>
<tr>
<td>Occupational health and safety advice</td>
<td>✓</td>
</tr>
<tr>
<td>Access to social welfare</td>
<td>✓</td>
</tr>
<tr>
<td>Bulk buying cooperative</td>
<td>✓</td>
</tr>
<tr>
<td>Secure savings and access to credit</td>
<td>✓</td>
</tr>
<tr>
<td>Campaigning and networking skills</td>
<td>✓</td>
</tr>
<tr>
<td>Opportunity to take part in decisions affecting their future</td>
<td>✓</td>
</tr>
<tr>
<td>Consolidation of registration, tax liabilities and flexibility in payments to reflect irregularity of income</td>
<td>✓</td>
</tr>
<tr>
<td>Advise about the range of laws, regulations and ordinances</td>
<td>✓</td>
</tr>
<tr>
<td>Consolidation of laws, regulations and ordinances and improved access for registration</td>
<td>✓</td>
</tr>
<tr>
<td>Access to insurance (business, goods, self)</td>
<td>✓</td>
</tr>
<tr>
<td>Legal, medical and other advice centres</td>
<td>✓</td>
</tr>
<tr>
<td>Freedom from all forms of harassment</td>
<td>✓</td>
</tr>
<tr>
<td>Dialogue on accessing and contributing to the cost of facilities (eg electricity, water etc)</td>
<td>✓</td>
</tr>
<tr>
<td>Dialogue with local authorities, inspectors, police etc</td>
<td></td>
</tr>
</tbody>
</table>
Transport workers

<table>
<thead>
<tr>
<th>Service</th>
<th>Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secure access to their stand/rank or to operate as couriers</td>
<td>✓</td>
</tr>
<tr>
<td>Toilet and washing facilities</td>
<td>✓</td>
</tr>
<tr>
<td>Registration (one-stop office)</td>
<td>✓</td>
</tr>
<tr>
<td>Fairer rates for their work</td>
<td>✓</td>
</tr>
<tr>
<td>Business advice (including marketing strategies, product pricing, accounting and meeting legal, tax and other responsibilities)</td>
<td>✓</td>
</tr>
<tr>
<td>Occupational health and safety advice</td>
<td>✓</td>
</tr>
<tr>
<td>Access to social welfare</td>
<td>✓</td>
</tr>
<tr>
<td>Secure savings and access to credit</td>
<td>✓</td>
</tr>
<tr>
<td>Funding for their vehicle</td>
<td>✓</td>
</tr>
<tr>
<td>Training (general road safety, safe load stowing and covering, not allowing people to ride on the truck, sexual harassment)</td>
<td>✓</td>
</tr>
<tr>
<td>Skills training</td>
<td>✓</td>
</tr>
<tr>
<td>Campaigning and networking skills</td>
<td>✓</td>
</tr>
<tr>
<td>Opportunity to take part in decisions affecting their future</td>
<td>✓</td>
</tr>
<tr>
<td>Consolidation of registration, tax liabilities and flexibility in payments to reflect irregularity of income</td>
<td>✓</td>
</tr>
<tr>
<td>Advise about the range of laws, regulations and ordinances</td>
<td>✓</td>
</tr>
<tr>
<td>Consolidation of laws, regulations and ordinances and improved access for registration</td>
<td>✓</td>
</tr>
<tr>
<td>Health advice, treatment and assistance</td>
<td>✓</td>
</tr>
</tbody>
</table>

Advice to Trainer when preparing to be interviewed as part of the role play

Prior to the role play, read through the role play and the list of needs for the relevant interview. During the interview respond in a friendly manner providing relevant answers to the questions raised unless they become too intrusive. **Remember, you don’t expect to be approached by a union person and may be suspicious of too many questions.** Try to take some notes during the interview.

After conducting the interviews de-brief the participants but try not to be too critical. Draw out positives and remind participants that it is not easy to do any role play in front of others.
Slide 1
Organizing the informal economy
ILO Manual
Module 7: Making contact

Slide 2
Making contact
Develop policy and commit resources
Develop and conduct survey
Make use of union members
• To identify target group members
• Make initial contact
Determine approach to be made by those we train
Conduct and review survey

Slide 3
An organizing committee
• A senior member of the executive
• The Trainer(s)
• Persons to negotiate with appropriate counterparts
• Some of those who have been trained
• Add persons from the target group

Slide 4
Organizing close to our workplace
• Identify contact persons in appropriate group to be approached by members/trained persons
• List appropriate opening questions
• Select time (e.g., lunch break) to meet and chat, and develop the relationship
• Seek support for negotiating more permanents in return for membership
• Develop fall back position

Slide 5
Organizing home-workers/ street vendors/transport workers
• Identify contact persons in appropriate group to be approached by members/trained persons
• Select time to meet and chat, develop the relationship
• Call a meeting when there is enough interest
• Distribute union information and contacts
• Follow up
Making Contact

Policy and resources
We have stressed the need for both policy and resources to be assigned to the task of organizing informal economy workers. An outline of such a policy has been suggested. It was noted that there has to be financial and human resource input. Some of this input can be from active members. These persons may be largely volunteers but you may wish to cover any expenses they may legitimately incur (but what is meant by "legitimate" should be spelt out during training).

Initial identification of contacts
For each of the target groups that we have identified we need to determine what will ultimately be our initial point of contact. We have noted in earlier handouts that it is important to involve our members in all union work, but especially in organizing informal economy workers. We should involve them when we determine to conduct a campaign and we should ask them to play a role in identifying and making initial contact with other potential members of the target group. We will want to ensure that they do this discretely and do not raise expectations that we cannot meet.

Members can play a very important role when we are seeking to organize temporary workers. They work beside temporary workers and will have some connection with them. Although the formal enrolment of new members is the task of a union representative, the ordinary members can set the groundwork. This will also be true for other informal economy workers associated with our workplace.

Home-workers, street vendors, transport workers are more distant but members will have potential contacts amongst family, friends and those with whom they do business. They will use the services of informal economy workers and may have enough of a friendship to develop the groundwork for further contact.

Interim strategies
When we start our campaign, we will focus on a target group and some of the potential needs of that target group (issues we have identified in earlier modules). We will develop a strategy for making contact using the activists that we have trained. There will be slight variations in our approach to the various target groups related to their different status and their needs.
We should create an organizing informal economy workers committee that will:

- Coordinate all activities,
- Direct those we have trained,
- Develop and revise surveys and check the results,
- Organize meetings with target group members, and
- Generally keep the campaign on.

They should also document what did or did not work and keep the union executive and our Global Union informed.

Others will be responsible for any changes, we need to make to our union work, and making representations to government or other organizations.

We should develop a survey with not more than 20 questions. These should be drawn up in a matrix (see sample at end of this handout). In the initial contacts, appropriate questions from the survey
can be used to develop confidence and trust (and to collect some useful information). When we feel that we have developed sufficient confidence, we can set out to interview, as many members of the target group as possible, recording their responses to the questions and reviewing the results. The review can form the basis of reassessing our strategy and for reporting to the first meeting with the target group.

Our workplace
In earlier modules, we identified target groups associated with our workplace such as temporary workers, canteen workers, cleaners, waste disposal workers, suppliers and home-workers.¹ We also indicated that it may be difficult to simply enrol and represent these categories of workers, either because of laws or because the employer will not accept our union representing these workers. However, we discussed in earlier modules, strategies designed to try to increase the number of permanent workers to be drawn from these groups. This would, indirectly, allow the union to recruit them.

If that is the core strategy, then it is important that it be extended to those we wish to organize. **The task for those who have been trained in supporting this organizing campaign is to make contact, leading to a meeting, whereupon it can be agreed that the union will seek to negotiate more permanent places.**

Temporary workers, canteen workers, cleaners, waste disposal workers are all quite visible. They work near us every day. Suppliers and home-workers may only occasionally come into contact with some union members (for example, security staff and those in storage areas).

Starting with temporary workers, we can identify other likely persons and meet with them during breaks or over lunch. We will need to open discussion on their status.

The initial questions we may ask can be taken from the survey. We will need a survey that covers such issues as:

- **Would you like to be a permanent employee?**
- **If there were more permanent jobs created would you be interested?**
- **Do you think the union should try to negotiate more permanent jobs?**
- **Would you be prepared to identify other temporary employees to whom we could talk to assess their interest?**
- **Would you be prepared to encourage other temporary employees to attend a meeting outside work to discuss the issue?**
- **Would you join the union if you could?**
- **What hours do you work?**
- **Do you have particular job skills?**

At the meeting, the main focus would be on the value of permanent work, and the value of union representation. There should be discussion of a fall-back position. If the union is unsuccessful in pushing for more permanent positions what should be done? Here our information about whether the temporary workers can join a union, particularly our union, will be important. Are the temporary workers willing to join and see what can be achieved to improve their position whilst still temporary? If not, are they willing to try to organize a self-help group to be supported by the union and then approach management?

¹ This list may vary. Some companies operate the canteen, cleaning, waste disposal as part of their business. The staff is normal employees. Some suppliers are part of the formal economy and employed by formal companies. Home-workers may have been former employees.
On the basis of these decisions, we can take the next steps to implement them. With the other target groups we can take similar steps.

**Home-workers**
Making contact with home-workers depends on finding them. Again, we can ask our members for information. It is likely that someone will know of some home-workers. What should be the approach taken by those we have trained? At first, we will need to gain the confidence of the first contacts. Through them, we will hope to find other home-workers, perhaps an informal network who help each other find work. We will have to have a reason to approach the home-workers, probably in their homes. It may be easier to make the approach, if the home-work is related to our work (for example if we are clothing workers and they sew clothing). We can then indicate that we are surveying conditions of home-workers.

We will need a survey that covers such issues as:

- Do you work for one or more than one employer?
- How did you get started as a home-worker?
- What equipment and materials must you have?
- Do you get regular work?
- Are the deadlines for completion reasonable?
- Are there disagreements about the quality of your work?
- Are the rates paid to you for your work reasonable?
- Do the rates vary?
- Are you paid promptly?
- Do you have a clean place to do your work without affecting your family?
- Do you use members of your family to help you?
- Have you any aches and pains?
- Have you noticed any increased illness since you have been a home-worker?
- Do you pay taxes?
- Do you know of other home-workers?
- If yes, do you ever discuss your problems with them?
- What are your problems?
- Would you be willing to meet with other home-workers to discuss how to improve your conditions?

As we collect this information the campaign committee must review the results and judge when a meeting might be organized. As we have suggested in earlier modules we should try to identify persons in the target group who can take an active role in organizing. We may need to provide training for them, similar to the training we have offered our own activists.

**Street vendors**
All of us will be aware of street vendors, even those who mainly sell to tourists. We will often have purchased from them. We may even have regular street vendors. Members can also identify more potential contacts.
We will need a survey that covers such issues as:

- **How long have you been a street vendor?**
- **How many days a week do you operate?**
- **What hours do you work?**
- **Do you have the same location all of the time?**
- **How did you get a site the first time?**
- **Have you ever operated at another site?**
- **Are you registered as a street vendor?**
- **If yes, how do you do this?**
- **Does it take long to arrange registration?**
- **How much does it cost?**
- **Is that for all time or each year?**
- **Do you use members of your family to help you?**
- **Have you any aches and pains?**
- **Have you noticed any increased illness since you have been a street vendor?**
- **Do you pay taxes?**
- **Do you know other street vendors?**
- **If yes, do you ever discuss your problems with them?**
- **Is there any organization of street vendors?**
- **If yes, what is it? Does it have elections and officers? Do you pay contributions to it?**
- **What are your problems?**
- **Would you be willing to meet with other street vendors to discuss how to improve your conditions?**
- **Do you face harassment from local authorities?**
- **How do you manage utilities such as power, light and water?**

As we collect this information the campaign committee must review the results and judge when a meeting might be organized. As we have suggested in earlier modules, we should try to identify persons in the target group who can take an active role in organizing. We may need to provide training for them, similar to the training we have offered our own activists.

**Transport workers**

All of us will be aware of informal economy transport workers. We will often have used them ourselves. We may even have regular contacts. Members can also identify more potential contacts. There are several types of informal economy transport workers and it may make sense to use different approaches with each group.

We will need a survey that covers such issues as:

- **How long have you been a (insert type of informal economy transport worker)?**
- **How many days a week do you operate?**
- **What hours?**
- **Do you operate from a stand?**
- **How do you gain access to a stand the first time?**
- **Have you ever operated at another stand?**
- **Is the stand covered? Does it have clean toilets and washing facilities? Does it have a rest area?**
Making Contact

- Are you registered as a (insert type of informal economy transport worker)?
  ◦ If yes, how do you do this?
- Does it take long to arrange registration?
- How much does it cost?
  ◦ Is that for all time or each year?
- Do you use members of your family to help you?
- Have you any aches and pains?
- Have you noticed any increased illness since you have been a (insert type of informal economy transport worker)?
- Do you pay taxes?
- Do you know of other (insert type of informal economy transport worker)?
  ◦ If yes, do you ever discuss your problems with them?
- Is there any organization of (insert type of informal economy transport worker)?
  ◦ If yes, what is it? Does it have elections and officers? Do you make (or have you ever made) contributions to it?
- What are your problems?
- Would you be willing to meet with other street vendors to discuss how to improve your conditions?
- Do you have regular medical checks?
- Are you insured?
  ◦ Property damage
  ◦ Injuries to persons?
- Do you ever get harassed by local authorities or others?
- What do you do about utilities (such as water, electricity)?

As we collect this information, the campaign committee, must review the results and judge when a meeting might be organized. As we have suggested in earlier modules, we should try to identify persons in the target group, who can take an active role in organizing. We may need to provide training for them, similar to the training, that we have offered our own activists.

Information booths

Another strategy, that may be useful is to establish information booths in or close to locations for street vendors and informal economy transport workers. This will be a more general strategy and may allow you to reach out to any unorganized workers, be it formal or informal. The information booths might be staffed by union activists that we have trained, by our union legal adviser or other supporters, or by members of various target groups. This approach is much more demanding in resources because it includes people and information leaflets, surveys and advice. The information booth might operate on weekends and focus on different themes to capture the attention of the unorganized.

Since information booths will appeal to a wide audience, it will be necessary to have both a variety of information and surveys to allow us to collect the information we need and to make contact with various target groups. It will be useful to keep contact information from those who approach the staff of the information booths. It is also important to indicate that meetings of target group members are intended to be conducted, so that they should keep an eye out for future advertising at the booth. The information booths could also be used to provide general information about occupational health.
and safety. Whoever is to staff the booth, should be trained in managing hazards and with specific information about typical hazards faced by the target group.

**Social and cultural activities**

It may be possible to create a trusting atmosphere by providing or supporting social and cultural activities in the areas where the target group operate. Sometimes local (or national) authorities organize festivals. Our union could arrange to take part.

**Social and cultural activities**
*Ship breaking*
Metal unions in India worked with St John's and Red Cross to provide first aid and ambulance services to ship breaking workers. They also provided bottled drinking water and finally negotiated the supply of pure drinking water by local authorities.

**Working with allies**

We may be able to work with allies to assist us in making contact as well as to gather appropriate information and advice. They may be able to join information booths and to answer queries from those who come to the booths. They may be able to assist us in making contact with appropriate local and national government authorities.

**When do we sign people up?**

There will be different occasions for signing up depending on the target group. For temporary and other workers associated with our workplace, it may be appropriate, to accept them as associate members as soon as they express an interest. At the very least, the union can advise them on how to take up any problems with management. At the latest, membership could be completed when more permanent places are negotiated. This is especially relevant, if we can negotiate that the permanent jobs should go to union members (who are suitably skilled).

For other target groups associate membership may be justified once a meeting has been held and commitments made to, at the very least, some form of self-help group. At that stage, the target group is beginning to act like an organization and some of its members could be drawn into the recruitment process. Over time they would take on increasing responsibility for conducting the self-help group. Those who can become full members should be welcomed; it can be expected that self-help groups made up of those who cannot join will be sympathetic to unions in the future.
Draft survey form for street vendors

Only ask target group members to answer these questions after you have gained their trust. Indicate that you are seeking information that may assist in improving the welfare of members of the target group.

Some of the initial questions require background information about the interviewee. Others require a Yes or No answer. Others an explanation from the person being interviewed. For Yes use a √ No use X. Try to summarise the answers to explanations but be clear.

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
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</thead>
<tbody>
<tr>
<td>How long have you been a street vendor?</td>
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<tr>
<td>How many days a week do you operate?</td>
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<tr>
<td>What hours do you work?</td>
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<td>How do you get a site the first time?</td>
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<td>Have you ever operated at another site?</td>
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<tr>
<td>Are you registered as a street vendor?</td>
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<tr>
<td>If yes, how do you do this?</td>
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</tr>
<tr>
<td>Does it take long to arrange registration?</td>
<td></td>
</tr>
<tr>
<td>How much does it cost?</td>
<td></td>
</tr>
<tr>
<td>Is that for all time or each year?</td>
<td></td>
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<tr>
<td>Do you use members of your family to help you?</td>
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<tr>
<td>Do you employ anyone else?</td>
<td></td>
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<tr>
<td>Have you any aches and pains?</td>
<td></td>
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<tr>
<td>If yes, what and where?</td>
<td></td>
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<tr>
<td>Have you noticed any increased illness since you have been a street vendor?</td>
<td></td>
</tr>
<tr>
<td>If yes, what?</td>
<td></td>
</tr>
<tr>
<td>Do you pay taxes?</td>
<td></td>
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<tr>
<td>Do you know other street vendors?</td>
<td></td>
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<tr>
<td>If yes, do you ever discuss your problems with them?</td>
<td></td>
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<tr>
<td>Is there any organization of street vendors?</td>
<td></td>
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<tr>
<td>If yes, what is it? Does it have elections and officers?</td>
<td></td>
</tr>
<tr>
<td>Do you pay (or have you ever paid) contributions to it?</td>
<td></td>
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<tr>
<td>What are your problems?</td>
<td></td>
</tr>
<tr>
<td>Would you be willing to meet with other street vendors to discuss how to improve your conditions?</td>
<td></td>
</tr>
<tr>
<td>Do you face harassment from local authorities?</td>
<td></td>
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<tr>
<td>How do you manage utilities such as power, light and water?</td>
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</tbody>
</table>
Module 8

Setting up a Credit Union or Cooperative
Objectives: At the completion of the Module the participants should be able to

- Describe the finance needs of the target group.
- Describe what is a credit union and what is a cooperative.
- Describe the process by which a credit union or a cooperative may be formed and the benefits of registration.\(^1\)
- List steps required to determine how informal economy workers may access a credit union or cooperative.
- Develop a survey to be put to members of the selected target group.

Preparation:
1. Read materials from all Modules.
2. Re-read materials from Module 8.
3. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and paper, white board markers, task information.
4. Identify and contact national credit union and cooperative organizations. Collect advice and materials on their operations, rules, etc. Approach your own credit union and/or cooperative or identify any local organizations that it may be possible to join. Check ability of identified informal economy workers to become members.

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
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</thead>
<tbody>
<tr>
<td>0 min Introduce Module.</td>
<td></td>
<td>OHT 1. White board.</td>
</tr>
<tr>
<td>5 mins 5 min Ask: Why might members of our target groups benefit from access to a credit union or a cooperative?</td>
<td>Answer question and note responses.</td>
<td>White board. OHT 2.</td>
</tr>
<tr>
<td>15 mins 15 min Ask: Do any of your union's members have access to a credit union or a cooperative?</td>
<td>Answer question and note responses.</td>
<td>White board.</td>
</tr>
<tr>
<td>20 mins Ask: What are some of the benefits of being a member of a credit union?</td>
<td>Answer question and note responses.</td>
<td>White board. OHT 2.</td>
</tr>
<tr>
<td>25 mins Ask: What are some of the benefits of being a member of a cooperative?</td>
<td>Answer question and note responses.</td>
<td>Whiteboard. OHT 3.</td>
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</tbody>
</table>

\(^1\) There may be costs associated with formally registering a credit union of cooperative. These are sometimes related to providing security for the organization in the case of fraud or poor administration.

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<table>
<thead>
<tr>
<th>Trainer action</th>
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</thead>
<tbody>
<tr>
<td><strong>35 mins</strong> Ask: <em>assuming that your union does not have a credit union what would you do to find out how to establish one?</em> Note responses and screen OHT 4.</td>
<td>Answer question and note responses.</td>
<td>White board. OHT 4.</td>
</tr>
<tr>
<td><strong>40 mins</strong> Ask: <em>What would you do to find out how to establish a cooperative?</em> Note responses and screen OHT 5.</td>
<td>Answer question and note responses.</td>
<td>White board. OHT 5.</td>
</tr>
<tr>
<td><strong>50 mins</strong> Outline the results of your investigation into credit unions and cooperatives.</td>
<td>Ask questions and note results.</td>
<td></td>
</tr>
<tr>
<td><strong>55 mins</strong> Create groups of not more than five participants. Indicate that they have ten minutes to complete the task, write their responses and report back.</td>
<td>Discuss task, prepare report and select a participant to make the report. Present the report on flip-chart paper supplied.</td>
<td>White board. Instruction sheet.</td>
</tr>
</tbody>
</table>

Take reports from each group. Ask for any comments from other groups and add your own to make each report as effective as possible. Keep the information collected and review the Modules for any improvements.

| **85 mins** Summarise session. Distribute Handout 8. | | |

- **Handout 8:** *Setting up a Credit Union or Cooperative.*
Task for Module 8:

You have ten minutes to consider the following issues. Complete your reports using newsprint to summarise your views. Select one person to report back. Be prepared to comment on the reports of other groups and to answer any questions about your report.

Group 1: You have decided to try to organize temporary workers in your workplace. You have decided to use a survey as the second stage in your organizing campaign. Discuss the range of needs that we have identified and develop at least six survey questions that will assist you to confirm the temporary workers needs.

Group 2: You have decided to try to organize canteen workers, cleaners and waste disposal workers who are not directly employed by your company. You have decided to use a survey as the second stage in your organizing campaign. Discuss the range of needs that we have identified and develop at least six survey questions, that will assist you to confirm the temporary workers needs.

Group 3: You have decided to try to organize a group of home-workers, you have identified who live in the neighbourhood where most of your members live. These home-workers take contract work from a variety of companies. You have decided to use a survey as the second stage in your organizing campaign. Discuss the range of needs that we have identified and develop at least six survey questions that will assist you to confirm the temporary workers needs.

Group 4: You have decided to try to organize a group of street vendors who sell a range of foods, clothing, trinkets etc. on the busy main street of your neighbourhood. You have decided to use a survey as the second stage in your organizing campaign. Discuss the range of needs that we have identified and develop at least six survey questions that will assist you to confirm the temporary workers needs.

Group 5: You have decided to try to organize a group of (select appropriate group) informal economy transport workers. You have decided to use a survey as the second stage in your organizing campaign. Discuss the range of needs that we have identified and develop at least six survey questions that will assist you to confirm the temporary workers needs.
Organizing the informal economy

ILO Manual
Module 8: Credit unions and cooperatives

- Sense of belonging/solidarity
- Access to secure savings
- Higher returns on savings
- Cheaper access to loans to purchase consumer goods
- More involvement
- Members more financially secure
- Procedures simpler than for banks (e.g., regarding collateral and guarantors)

Benefits of cooperative 1

Producer Coop
- Better employment conditions
- Purchase supplies in bulk
- Negotiating contracts with strength
- Negotiate with customers with strength
- More profit (surplus for distribution of growth)

Benefits of cooperative 2

Distributors' Coop
- Better employment conditions
- Share cost of distribution
- Easier to contact customers (one seller with larger stocks)
- Reasonable prices
- Better quality

Establishing a credit union

From internet or phone book, identify national credit union organization
Make contact and identify possibility of linking to existing credit union
Establish requirements for creating a stand alone credit union
Clarify the process for establishing

Establishing a cooperative

From internet or phone book, identify national cooperative organization
Make contact and identify possibility of linking to existing cooperative
Establish requirements for creating a stand alone cooperative
Clarify the process for establishing
Setting up a Credit union or Cooperative, and Developing a Survey

We have noted that many informal economy workers have difficulty in securing savings and gaining credit, as banks are not interested in the small sums usually associated with informal economy workers. We have also noted that cooperatives could provide mechanisms for informal economy workers to purchase supplies more cheaply or to sell their products more effectively. We have also stressed that our own members could benefit, at least from credit unions.

How do we go about establishing a credit union or a cooperative?

In most countries, credit unions and cooperatives are recognised as tools in poverty relief efforts. In most cases, there will be a legislation that controls how these organizations should be established and operated. There may also be a system for insuring the organization from fraud or poor administration by its officers.

When preparing to organize informal economy workers we may have decided that a credit union or a cooperative may be a useful tool. If we already have a credit union, we will need to consider whether and how to extend the membership to allow our target group to access it. If that proves impossible (or if we do not have a credit union) we should investigate what is required to establish one.

If we have ready access to the Internet, we can search on credit unions and our country name. We should be able to find the name and contact details of the national organization for credit unions. We should read their material and consider contacting the organization to discuss what we should do to become a member.

Often the website will list the credit unions that are registered. This may suggest credit unions which might accept our union members (if we do not presently use one) and the target group (if we cannot accept them as members).

We will need to discuss with our credit union, or any other credit union, how to give informal economy workers ready and easy access. This may mean establishing mobile offices that can transact some business at odd days and hours (for example, visiting various locations at fixed times so that deposits can be made). For the wider range of credit union functions it may be appropriate to have the mobile office visit each market area on a specific day and time for several hours.

These special arrangements may mean that service costs are higher but the potential extra membership and business should make it worthwhile.

This might similarly be the case with a cooperative. Search the internet on cooperatives on our country. Follow a similar approach to what was outlined above for credit unions and find out whether any cooperatives exist that could be joined by the target group or how one might be established.

Developing survey questions

We have suggested several times that a survey may be a useful tool in assessing the needs of the informal economy workers that we have decided to organize. We need to include in the survey open and closed questions.
An open question is one that invites discussion (such as, how would you recruit a new starter at your workplace?). A closed question requires a definite answer (yes, no, or ‘today is Wednesday’). Open questions are more difficult to review. Closed questions permit us to add the number of yes and no answers, for example.

We will also want to include contact information in our survey so that we can follow-up interested individuals. Ideally the people we survey will be those with whom our members have already made initial contact, or persons to whom we are introduced by those we have surveyed.

The survey should include a list of expected difficulties, associated with the needs that we have noted earlier. As you list the problems you should make a note of the appropriate need on your list.

We might start with questions such as:

- How long have you been in this position? Closed question
- Why did you take it up? Open question
- What are some of the problems that you face? Open question
- Why are these issues a problem? Open question
- Do you discuss these problems with others? Closed question
- Have you or others ever tried to do something about the problems? Closed question
- If yes, how and who did this? Open question (If they have tried to do something by developing a group, or identifying a spokesperson, ask who that was and how to make contact. Also check what they did and the result).
- What do you think is the minimum daily wage for unskilled workers in this area? (You will need to know what it is in advance).
- Is your personal income from your work more or less than that?
- Are you registered to carry out this work?
- What is involved in getting registered?
- How much does it cost?
- Do you pay taxes?
- Do you pay into any social welfare system?
- What health and safety problems are associated with your work?
- Would you be willing to join an organization to try to deal with the problems you have identified?
- How can we contact you in the future if there are enough people interested in meeting?
- What day and time would be best for you to attend a meeting?

We have talked in earlier Modules about the survey questions being a basis for approaching target group members informally. The objective during the informal approaches is not to conduct the survey—— but to use the kinds of questions in the survey as an entry point for discussion, to develop some trust and access information about problems and attitudes. In the informal stage there can be many points of entry, any of the survey questions listed can be useful.
Module 9

Negotiating to Improve Conditions for Informal Economy Workers
Module 9 (1.5 hrs):

Objectives: At the completion of the Module the participants should be able to

- Describe six components of negotiating.
- Demonstrate their ability to prepare and negotiate with appropriate counterparts.

Preparation:

1. Read materials from all Modules.
2. Re-read materials from Module 9.
3. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and paper, white board markers, task information, copy of Issues Matrix (It is in addition to the Handout).

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
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</thead>
<tbody>
<tr>
<td>0 min</td>
<td>Introduce Module.</td>
<td>OHT 1.</td>
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<tr>
<td></td>
<td></td>
<td>White board.</td>
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<tr>
<td>5 mins</td>
<td>Screen OHT 2 and give simple examples</td>
<td>Discuss and note</td>
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<tr>
<td></td>
<td>of each component.</td>
<td>responses.</td>
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<td></td>
<td></td>
<td>OHT 2.</td>
</tr>
<tr>
<td>10 mins</td>
<td>Distribute Issues matrix and screen OHT</td>
<td>Answer question and</td>
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<td></td>
<td>3-4.</td>
<td>note responses.</td>
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<td></td>
<td>*Ask: What does the matrix tell us?</td>
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<td></td>
<td>Note responses.</td>
<td></td>
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<td></td>
<td>*Ask: Are there any other issues that we</td>
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<td></td>
<td>might add?</td>
<td>Note responses and add</td>
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<td>some if there are</td>
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<td></td>
<td></td>
<td>limited responses.</td>
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<tr>
<td>25 mins</td>
<td>*Ask: Can you give examples of</td>
<td>Answer question and</td>
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<td></td>
<td>counterparts for some of these issues</td>
<td>note responses.</td>
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<td></td>
<td>and target groups?</td>
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<td></td>
<td>Note responses and add some if there are</td>
<td>Asist question and</td>
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<td></td>
<td></td>
<td>are limited responses.</td>
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<tr>
<td>35 mins</td>
<td>*Ask: What might be demands for X target</td>
<td>Answer question and</td>
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<td></td>
<td>group/issue?</td>
<td>note responses.</td>
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<td></td>
<td>Note responses. Raise several others and</td>
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<td></td>
<td>give some examples of your own.</td>
<td>Asist question and</td>
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<td></td>
<td></td>
<td>note responses.</td>
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<tr>
<td>45 mins</td>
<td>*Ask: What positive arguments for X target</td>
<td>Answer question and</td>
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<td>group/issue could you suggest?</td>
<td>note responses.</td>
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<td></td>
<td>Note responses. Raise several others and</td>
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<td></td>
<td>give some examples of your own.</td>
<td>Asist question and</td>
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<td></td>
<td></td>
<td>note responses.</td>
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<tr>
<td>55 mins</td>
<td>*Ask: What might be the responses of</td>
<td>Answer question and</td>
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<tr>
<td></td>
<td>counterparts to these positive arguments?</td>
<td>note responses.</td>
</tr>
<tr>
<td></td>
<td>Note responses. Raise several others and</td>
<td>Asist question and</td>
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<td></td>
<td>give some examples of your own.</td>
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<td>Asist question and</td>
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<td></td>
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<td>note responses.</td>
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### Negotiating to Improve Conditions for Informal Economy Workers

<table>
<thead>
<tr>
<th>Trainer action</th>
<th>Participant action</th>
<th>Training aids</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ask: What counter-arguments could we suggest in addition to these?</strong></td>
<td>Answer question and note responses.</td>
<td></td>
</tr>
<tr>
<td>Note responses. Raise several others and give some examples of your own.</td>
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<td></td>
</tr>
<tr>
<td><strong>Ask: What collective action for X target group/issue could you suggest?</strong></td>
<td>Answer question and note White board. responses.</td>
<td></td>
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<tr>
<td>Note responses. Raise several others and give some examples of your own.</td>
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75 mins Summarise session. Distribute Handout 9.

- Handout 9: **Negotiating to Improve Conditions for Informal Economy Workers**
Slide 1
Organizing the informal economy
ILO Manual
Module 9: Negotiating

Slide 2
Negotiating
• Issues
• Counterparts
• Demands
• Positive arguments
• Counter arguments
• Collective action

Slide 3
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Trade Union Manual for Organizing Informal Economy Workers
Negotiating to Improve Conditions for Informal Economy Workers

Throughout these modules, we have indicated that it is likely there will be a need to negotiate with a variety of organizations in order to resolve the problems identified in the needs assessment of our target group. Whenever we negotiate, we need to first establish the issues we wish to negotiate. This will help us to decide who our counterparts in the negotiation are and the demands that we will make of them. We then have to develop positive arguments to support our demands. We need to predict, what might be the responses of our counterparts and develop counter arguments to answer them. Finally, we must consider what collective action may be needed to support our demands.

**Issues**

For each of our target groups, we need to determine the issues that must be negotiated. The following matrix gives an indication of the range of issues that might be appropriate for the various target groups:

For each issue we will need to identify the potential solution. For example, better quality sites/stands for street vendors and transport workers are issues for local government authorities and/or private landholders who might rent vacant land for an off-street market. Access to social welfare is an issue for appropriate national government, ministries/departments. Secure savings and credit are issues for credit unions and perhaps, banks.

**Counterparts**

Once we have identified the issues and how we may try to deal with them we can identify the negotiating counterparts. For business advice, we may approach the relevant government agency. Many governments wish to encourage and facilitate small business, so that they may offer to provide speakers (and perhaps provide financial support) for seminars explaining the requirements to operate effectively in a small business. There may be courses offered, or supported, by relevant educational institutions such as universities. Once we have identified the appropriate counterpart, we will need to approach the counterpart to arrange a meeting and to ensure that the appropriate persons are present.

**Demands**

Now we can develop our demands. Demand is a typical trade union word, and it may not be the most positive term to use in this context. Demand is something that the strong do and we may not feel that the target group is strongly behind the demand and therefore willing to demonstrate effective support. At any rate, we need to develop clear proposals indicating exactly what we want the counterpart to agree.

Examples of proposals might be negotiating with a credit union to extend coverage to members of a community (anyone living in a locality) or of a particular market.

Such demands might include:

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1 As you conduct these sessions you may find that parties suggest other ideas that you should add to the matrix. It is suggested that, rather than print many copies of the handouts sufficient for several courses, you print sufficient for each course and make appropriate changes before printing sufficient for the next course.
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1. That any person who lives in the designated area or who conducts a stall in the designated market may become a full member on purchase of a share in the credit union.
2. That the credit union will operate an office (static or mobile) in the market area at agreed times every day.
3. That arrangements will be made for secure evening and weekend deposits.

Positive arguments in support of our proposals
What do we mean by positive arguments? A negative argument is one the strong can put forward such as, we want it, give it to us. If you don’t give it to us we will just take it. However, when organizing informal economy workers we do not have such strength. When we seek a mobile one-stop registration for street vendors is it likely that the street vendors will all agree not to operate until our counterpart agrees.²

Whenever we negotiate we must be able to build a logical explanation of why the negotiating counterpart should agree. This is important not simply in order to convince the counterpart, it is also important if we are to convince our members to give the collective support that we expect when we negotiate on their behalf.

Remember: it is always useful in a negotiation, if you can find benefits for your counterpart. We can argue that a mobile one-stop registration has benefits for government as well as street vendors. It will ensure all are registered and that government receive all of the revenue, it expects on time.

Predicting responses and developing counter arguments
Our counterparts may not accept our arguments. We need to consider, what their response may be so that we can develop answers to them. For example, when we propose to the local authorities that they should create a mobile one-shop office to make it easier for informal economy workers to register, they may decline, stating it is too difficult to organize.

Our counter arguments might include that:
• It is not good social policy that informal economy workers are not formally registered and contributing to the cost of government; or
• There will be more need for inspectors and more possibility of corruption, if large numbers of informal economy workers are not properly registered. This will undermine good government.

Collective action
Although we suggested above that informal economy workers have limited strength, collective action can still be taken. There may be a wide range of ways for informal economy workers to demonstrate their support for our demand.

These include:
• Signing a petition. If we can get a very large proportion (say, more than half) of homeworkers contracted by a single company to sign a petition asking for improved payments, longer deadlines, and more security of contracts, then it demonstrates support.
• Attending a meeting in support of negotiations. If those petitioners are also willing to meet outside the company when the negotiations are underway it will also be a demonstration of support.

² This is not to say that we might consider ways that pressure can be demonstrated.
Joining a union either as a full or associate member.
Forming and registering an organization or association and taking part in elections and meetings.

There may be many other forms of collective action that can be used to support our positive arguments. For it has to be remembered that sometimes the other side is strong and may say we don't want to give you what you ask for, and we won't give it.

Some examples of negotiating strategies

For temporary workers in our workplace:

Issues
Permanent job

Counterparts
Our company

Demands
To negotiate clauses in the collective agreement that:

- Govern movement from temporary/probationary to permanent worker.
- Defined time period after which permanency is granted to temporary workers.
- Existing temporary workers who have passed the time limit to be made permanent and service backdated to when they would have been permanent.
- Refusal of permanency to be strictly on the basis of failure to achieve agreed targets and through the same discipline regime as permanent workers.
- Probationary workers able to have a trade union representative present to ensure fairness.
- Recognition of right of temporary workers to join and be represented by the union.

Positive arguments
- Unreasonable for persons doing similar work to have such difference in status.
- Increased security of employment will improve morale because workers can enter into a variety of arrangements such as loans to buy a home, furniture, etc. It will also lead to increased productivity and quality.
- Temporary workers deserve the same right to an opportunity to fix any complaints of the employer about their work as permanent workers. Workers who fear arbitrary dismissal will be less efficient.
- All workers should have the right to approach their union, if facing discipline and to be represented to ensure that the agreed procedures are followed. For the employer, a workplace in which workers are certain of fairness in their relations with management studies show that greater productivity and quality will result.
- Representation should not be free. If temporary workers are to gain the benefits of representation they should be able to join the union. If the employer is to gain the benefit of improved relations with the workforce, recognition of the union is also a gain.
Counter arguments
Likely objections by the employer to the demands might include:

- Temporary workers are a cushion against uncertainty of orders. It would be unfair to be taking people on permanently and laying them off as the market fluctuates. Permanent workers who are laid off receive severance pay which may weaken the company's ability to keep trading.

Here it will be important to have an estimate of the proportion of temporary to permanent workers and the length of time they have been employed. *The higher the proportion and the longer the period the weaker is the employers' case.*

It will also be useful to make some estimate of current orders and whether there has been much fluctuation in the number of temporary workers in recent times. The general state of the economy may also be worth considering.

Trade unions play an important role in society. They are involved in social dialogue with governments and employers on a range of social and economic issues including the minimum wage. It is recognised that workers should have a say in their working lives. By giving workers a voice the company, will find greater cooperation in achieving its objectives.

Collective action
Temporary workers are in a weak position to take strong collective action. However, if they can legally join our union (even if the employer refuses our right to represent them) *the fact of doing so prior to the negotiation of the new clause would demonstrate support for the demand.* If membership is not legal, a petition signed by as many temporary workers as possible would also demonstrate support for the demand.

For Street vendors:

**Issues**
Secure access to their site.
Better sites and provision of facilities (storage, washing and toilet).
Simpler one stop registration procedures.
Business advice.

**Counterparts**
Local government and relevant ministry officials.

**Demands**
- Develop market areas designed to remove markets from footpaths.
- Market areas to provide sites for rent with provision for facilities (storage, washing and toilet).
- Rationalisation of registration: so that provisions for meeting national and local government requirements can be provided in one document and through a single agency.
- Provide mobile offices that tour the various markets on a regular basis so that street vendors can apply for or renew their registration.
- Provision of course offering business advice (including occupational health and safety, public health issues).
Positive arguments

- Footpaths should be for pedestrians, not commerce. It is difficult to give a street vendor any security in part of the footpath. This means that expansion is limited through inadequate access to credit.
- Street vendors are subjected to traffic fumes, lack of access to clean facilities, and they must take their goods away every night. This is not conducive to good health (individual or public).
- Registration procedures are so complex, difficult to understand and time consuming that it actually discourages compliance, which in turn reduces government income. It also encourages corruption of government officers and general inefficiency in government operations. Simplifying procedures to ensure that national and local government requirements are consistent with each other, do not overlap and can be provided in one document and office will increase compliance, reduce costs and increase revenue.
- Building an office at market sites or fitting out a mobile office will improve access and compliance.
- Training street vendors in business will improve compliance with regulations. It will lead to improved, more profitable businesses that produce more revenue for government.

Counter arguments

Likely objections by the local government and relevant ministry officials to the demands might include:

- It is too difficult to rationalise national and local government regulations as they are decided by different bodies.
- It will not be easy to identify and build off street markets to replace street markets as the city is already built.
- It is the responsibility of any business person to make themselves aware of regulations before beginning business.

Even though it may be necessary for us to raise the issues in other decision-making bodies, it should not be impossible for these counterparts to work together to make compliance easier and implement some of our suggestions because of the benefits of compliance.

Collective action

Street vendors creating a self-help association in conjunction with the union will be an indication of support. It may also be appropriate for the negotiating delegation to include a number of street vendors.
Module 10

Negotiation Practice
Objectives: At the completion of the Module the participants should be able to

- Describe six components of negotiating.
- Demonstrate their ability to prepare and negotiate with appropriate counterparts.
- Demonstrate their ability to predict management responses and develop counter arguments.

Preparation:

1. Read materials from all Modules.
2. Re-read materials from Module 9.
3. Prepare OH Projector and slides/LCD projector and PowerPoint Presentation, White boards, flip chart boards and paper, white board markers, task information, copy of Issues Matrix.

Create groups of no more than five participants. Distribute instructions for negotiating practice. Explain that they will first prepare and then negotiate with the Trainer, each group in turn. Note that after all practices are completed there will be a review.

Your role is to prepare to negotiate. Try to do so in a way that allows the participants to develop their arguments (for example, ask why should I do that? rather than simply say no.) If necessary, make counter offers that move in the direction they wish. However, each group may use no more than fifteen minutes.

Negotiating task for Module 10

You have twenty minutes to prepare to negotiate with your counterpart. For the target group you are given, you will be asked to negotiate on the following:

- The assigned issue, in which you must determine your demand (proposal for achieving your objective);
- Your positive arguments (including a fall back position);
- Your counter arguments; and
- What collective action you will advise your counterpart when appropriate.

Informal economy workers associated with our workplace

Group 1: You are to negotiate with your company manager to increase the number of permanent workers, ideally from the longest serving temporary workers in your company.

Group 2: You are to negotiate with your company manager to offer home-workers contracted with the company permanent employment or an improved contract for home-work.

Group 3: You are to negotiate with your company manager to take over operation of the canteen, cleaning activities and waste disposal.
Informal economy home-workers

**Group 1:** You are to negotiate with a company that has contracted about fifty home-workers (some more regularly than others) for some time. The home-workers have banded together to create a producer cooperative and now operate from a small factory.

**Group 2:** You are to negotiate with a company that has contracted about fifty home-workers (some more regularly than others) for some time. The home-workers have recently been asked to complete some new items of sewing that are difficult to do on the machines they have bought. They want the company to improve their contract to provide more certainty about their work, to purchase machines that have more capabilities and lease them to the home-workers, and to offer means of reconciling disagreements about the quality of their work (At present the company picks up the goods and inspects at the factory: the quality of work is determined by the company without explanation and deductions are made to the agreed price).

**Group 3:** You are to negotiate with a company that has contracted about fifty home-workers (some more regularly than others) for some time. The home-workers have agreed that they want training in how to run an effective business.

Street vendors

**Group 1:** You are to negotiate with local government officers for a group of street vendors. The street vendors have agreed that they would like to move to a vacant block of land, so that they are less exposed to traffic fumes and other hazards. They want the local government to buy or lease the land and build toilets and washing facilities and to provide spaces for rent.

**Group 2:** You are to negotiate with local government officers for a group of street vendors. The street vendors have agreed that they want to comply with regulations but want them to be made easier to understand and consistent between national and local government requirements. They also want to be able to comply through only one office that deals with national and local government regulations.

**Group 3:** You are to negotiate with local government officers for a group of street vendors. The street vendors have agreed that they want an office opened near to their street market area at which they can quickly and easily register and renew registration.

**Group 4:** You are to negotiate with local government officers for a group of street vendors. The street vendors have agreed that they want training in how to run an effective business.

Informal economy transport workers

**Group 1:** You are to negotiate with local government officers for a group of (insert identified target group; e.g., rickshaw pullers). They have no stand and want a number of covered stands created throughout the local suburb, with toilet and washing facilities and rates for distance determined and posted at the stands.

**Group 2:** You are to negotiate with an association of (insert identified owner of target group vehicles [eg taxi drivers]). The target group want a firm written agreement that covers rates of payment, hours of work, place of change over, arrangements for cleaning and servicing the vehicle, etc.
References


ILO: Beyond survival — Organizing the informal economy, International Labour Office Geneva, Bureau for Workers' Activities.  


PSI supported StreetNet workshops  

UNI supported StreetNet workshops  

Working Women's Forum  
http://www.workingwomensforum.org/

Case Studies

Organizing in the Informal Economy: A Case Study of the Clothing Industry in South Africa (SEED WORKING PAPER No. 37)  
By Mark Bennett  

Organizing in the Informal Economy: A Case Study of the Building Industry in South Africa (SEED WORKING PAPER No. 38)  
By Tanya Goldman  

Organizing in the Informal Economy: A Case Study of the Minibus Taxi Industry in South Africa (SEED WORKING PAPER No. 39)  
Trade Union Manual for Organizing Informal Economy Workers

One of the greatest challenges facing trade unions today is the growth of the informal economy. In Asia/Pacific, workers in the informal economy make up around 65 per cent of the labour force.

Workers in the informal economy face serious deficits in decent work - they are engaged in poor quality jobs, with low productivity and incomes, poor working conditions and occupational health and safety standards and limited access to knowledge, technology, finance and markets. Although not a homogeneous group, the common bond of informal workers is that they are usually low paid, low status, and they have little job, employment or income security and are vulnerable to abuses of workers’ rights.

Workers in the informal economy are unrecognised, unregistered, unprotected and socially excluded. Their problems are compounded by their lack of organization and voice at work. Organizing the informal economy is, therefore, a priority for trade unions.

This Manual, drafted and validated by trade union trainers and organizers based on their wide knowledge and rich experiences, focuses on both process and contents. It is hoped that it will be a useful tool for trade unionists in developing their skills and strategies to organize workers in the informal economy, thus achieving two objectives: firstly, empowering the workers in the informal economy to defend and protect their rights and secondly, strengthening workers’ solidarity and the trade union movement as a whole.