

Organizing of young informal workers: Does it pay off?



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Summary

Traditionally, labour unions and scholars dismissed informal workers as “unorganizable” due to their lack of legal protections, absence of recognized employers or other obvious negotiating counterparts and lack of institutional experience. While informal workers have had a greater need to make their voices heard by those with the power to affect their lives, their ability to have a strong voice and to challenge their situation has been limited (Bonner-Spooner 2012). Nonetheless, in recent years, millions of street vendors, domestic workers, home-based producers, waste pickers, and other low-income informal workers have begun mobilizing at the local, national, and transnational levels. Though there is a visible trend of increased organization among informal workers, still little is known about the underlying dynamics of collective organization and in turn on the direct or indirect role that associational activities play towards improving the position of labour (Agarwala 2008). Information gaps remain for informal workers in general and for young informal workers in particular. At the same time, understanding the motivation and preferences of young workers in this regard is important as they form a central component of the labour force. Data availability on this issue remains limited and it is in this context that the ILO’s School-to-work Transition Surveys (SWTS) assume much significance.

The present paper makes use of the SWTS datasets to study the dynamics and implications of young informal workers’ participation in associational activities. In this regard, there are several questions to be answered, as far as the nature, dynamics and ramifications of organized action among young informal workers are concerned. This paper attempts to answer these questions from a comparative perspective of Uganda and Nepal. Based on the analysis of the SWTS, the paper identifies several underlying determinants of the likelihood of a young informal worker’s participation in associational activities. It is found that worker’s education, occupational structure and employment position are key determinants in both Uganda and Nepal. However, factors like gender and age are more influential in the case of Nepal thus underlining the role of social context. As far as gains from organizing are concerned, in Uganda adherence to workers’ organizations appear to make tangible difference for young informal in terms of access to benefits whereas in Nepal organizing seems to bring benefits that are less tangible.

Youth
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The ILO School-to-work transitions surveys (SWTS) are implemented as an outcome of the **Work4Youth (W4Y)** project, a partnership between the ILO and The MasterCard Foundation. The project has a budget of US\$14.6 million and will run for five years to mid-2016. Its aim is to “promote decent work opportunities for young men and women through knowledge and action”. The immediate objective of the partnership is to produce more and better labour market information specific to youth in developing countries, focusing in particular on transition paths to the labour market.

See the website www.ilo.org/w4y for more information.

1. Introduction¹

Changes in the structure of production including in labour relations are central to neoliberal economic reforms. Such reforms have led to the large scale informalization of the labour force with 60 to 80 per cent of workers in sub-Saharan Africa and South Asia being engaged in the unorganized sector (Vanek et al 2014, Rodríguez-Garavito 2006). The informal sector, wherein all economic activities undertaken by workers or units are uncovered or inadequately covered by formal arrangements, has been a necessary element of political strategies in less developed and developing countries like India, wherein public policy has allowed informality to act as a buffer for employment and economic growth when development of formal institutions and initiatives have lagged (Manjit and Kar 2011). Growth that has been supported by increased productivity of informal labour could not generate jobs in the organized sector in most of the countries (Ghosh 2013). Consequently, there has been an accompanied increase in economic inequality more or less across countries (Harris-White 2014). This increase in inequality in general and between formal and informal workers in particular has not go unnoticed. Informal workers have been the subject of extensive research and civil society attention (Breman 1996; 2013, Harris-White 2013, Agarwala 2013, Kabeer et al. 2013).

The ILO “Resolution concerning decent work and the informal economy”, adopted in 2002, gave particular impetus to informal workers’ movements. This has enabled recognition of informal workers as a class. Amidst altered labour relations, a vibrant development here has been the increasing engagement of informal workers in associational activities with support from civil society activism (Rosaldo et al. 2012, Gallin 2011). This is important since strong, independent and democratic membership-based organizations are crucial to help informal economic actors break out of poverty and acquire full economic and social citizenship. Collective representation in the informal economy also contributes to enhancing accountability and effectiveness of local governments (Motala 2002).

Contrary to the presumption, informal sector workers are occasionally found to indulge in organized action and movements (Harris-White 2013; 2014). Such engagement does not seek formalization but is rather initiated to strengthen the bargaining power of informal workers (Kabeer et al. 2013, Agarwala 2013). Given that waning participation in unionism is a global phenomenon (Manjit and Kar 2011), the topic of informal workers’ movements are of interest to the research community especially since a global movement for solidarity and cooperation among informal workers can serve as a strategy for resilience against the insecurities generated by neo liberalism (ILO 2011, Mather 2012).

In addition to informal workers engaged with formal trade unions, outside the formal trade union movement there are also self-organized unions and myriads of small local workers’ associations dealing with welfare issues, local taxes, space allocation, permits, organization of work, and so on (Kabeer et al. 2013, Bonner and Spooner 2011). There are examples of solidarity-based organizations from across the Global South, such as the Self-employed Women’s Union in South Africa, the National Alliance of Street Vendors in India, the Latin American Waste Pickers’ Association, the Society of Urban Poor in Nepal, and so on. However, informal workers’ movements are still fragmented and the non-universalist reach of the movements can undermine the structural changes necessary to eradicate social injustices (Routh 2013, Agarwala 2013).

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The fact that informal labourers are increasingly articulating their voices and compelling the states to respond remains in itself of intrinsic significance. It is this process that has much potential and that warrants analysis of its ability to invoke structural improvement in labour relations, especially where formal labour movements have always bypassed informal workers (Agarwala 2013).

Recent literature speaks about how and in what context informal workers have begun to organize in ways leading to transformations in the social contract between the state and the labour (Kabeer et al. 2013, Agarwala 2013, Harriss–White 2013; 2014). Several factors have been observed as catalysts for organization among informal workers such as the place of work (Mather 2012). Further, in what way informal workers organize varies depending upon the demands of activities they undertake (Mather 2012). As such, informal workers' organizations may take the forms of cooperatives, self-help groups, microfinance groups, workers' unions and so on.

Barring few exceptions, the literature on informal workers has paid relatively scant attention to the underlying dynamics of organizations, and in turn, to the direct or indirect role of associational activities towards improvement in the position of labour in relations of exchange (Agarwala 2008). There has been some work to demonstrate how successful examples like the Self-employed Women's Association in India have improved the bargaining position of female workers vis.-a-vis. the contractors they work for and local authority they deal with (Datta 2003, Desai and Joshi 2013). Still, organizing informal workers remains a challenge given that solidarity and collective action are not natural tendencies for informal workers (Bonner and Spooner 2011).

1.1 Research questions

Clearly, this issue deserves closer analysis given the widening base and strength of the organizational capacity of informal workers, especially if it is structural improvement in relation to production that is sought. Moreover, despite a growing body of research on informal workers' organizing, there is a conspicuous gap vis.-a-vis. The actual dynamics and gains of organizing activities (Agarwala 2008). This is so for informal workers in general and young informal workers in particular. In fact, literature dedicated to organization among young workers is difficult to find, let alone cite. This is in part due to data limitations. Regardless, understanding the preferences of young workers is important as they form a central component of the labour force and are a key determinant for a country's development trajectory. It is in this context that the ILO's School-to-work Transition Surveys (SWTS) assume much significance.

The present paper makes use of the SWTS datasets to study the dynamics and implications of young informal workers' participation in associational activities. In this regard, there are several pertinent questions to be answered, for example; what type of organization is prevalent among different groups/sectors of young informal workers? What encourages young informal workers to associate or cooperate? Do these associations result in tangible or non-tangible gains for workers? To be more specific, the paper attempts to address the following three interrelated research questions:

- i. Which types of informal occupations are the most vibrant in terms of organization or cooperation activities?
- ii. What are the determinants of trade union or related organizational participation among young informal workers?
- iii. Whether and how does a worker's membership in unions or related organization affect her/his work conditions?

1.2 Methodology and data

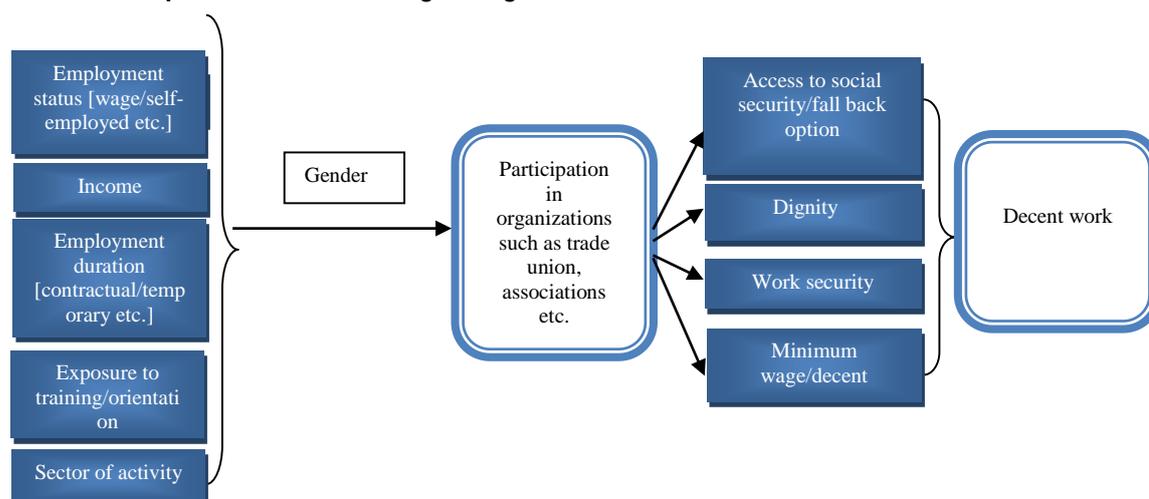
The paper uses a comparative study of data for Nepal and Uganda to offer a South Asian and sub-Saharan African perspective, respectively. The two countries were deliberately selected as they both belong to the low-income category and have similar population sizes. The extent of informalization in these two countries is also similar, with approximately 70 per cent of non-agricultural employment in Uganda being of informal nature while in Nepal it is above 70 per cent (ILO 2012). Based on the SWTS data, informal employment is found to be the standard condition for young workers in the two countries. Discussed in details in the subsequent section, for the purpose of this paper informal employment is identified on the basis of enterprise's registration status.

The research adopts a post-positivist approach to comparative research design based on data obtained from the SWTS implemented in 2013 in both Nepal and Uganda.² There are limitations in the survey data as far as workers' organizing activities are concerned. However, the SWTS data does include some questions for young workers aged 15–29 years that can be manipulated to assess the dynamics of organization. Specifically, the relevant questions investigated pertain to the following:

- i. Whether you are a member of a trade union or any such organization?
- ii. If no, why?
- iii. Whether you have access to specified employment benefits?
- iv. Are you satisfied with your job?
- v. Do you wish to change your present job?

Data on these items, along with that on background characteristics of young informal workers, are central to the analysis conducted in this paper. Data analysis is based on a non-parametric approach, wherein binary logistic regression is the primary technique of analysis. The procedure is to estimate the determinants of workers' affiliation to associations or organizations and to identify the effect of associational engagement on working condition of informal workers. The selection of variables from SWTS was governed by the following conceptual framework (see figure 1).

Figure 1. Conceptual framework on organizing and its role towards decent work



Source: Author's construct.

² Details on the sampling size and methodology of each survey can be found in the national reports: Byamugisha et al. 2014 (Uganda) and Serrière and CEDA 2014 (Nepal).

2. Informality and its characteristics in Nepal and Uganda

With GDP of US\$ 19.77 and US\$ 27.0 billion respectively in 2014, both Nepal and Uganda fall under the low-income category of the World Bank's income classification. During the period of 1990–2013, the GDP *per capita* of Nepal and Uganda grew at average annual rates of 2.3 and 3.5 per cent, respectively. The urban informal sector is the most important employer in both countries, wherein informal employment constitutes around 70 per cent of the non-agricultural employment (ILO 2004, 2011). Thus, Nepal and Uganda share several economic characteristics.

Table 1 distributes young workers – self-employed as well as wage/salaried workers – of Nepal and Uganda by two major characteristics of informality in employment viz. the registration status of firm and the employee size of the firm. There are several definitions of informality proposed in the literature, of which most are specific to the dimension of informality that is being investigated. Firm size, registration status, access to social security for workers and written contracts, have all been suggested as measures of informality. The 17th International Conference of Labour Statisticians (ICLS) guidelines on the measurement of informal employment offer a combination of all these elements (Shehu and Nilsson 2013).

Based on the SWTS data, informality may be defined in terms of access to social security contribution and enterprise's registration status. The former is a broader definition in the sense that this will also include workers informally employed in registered enterprises. However, for the purpose of this paper, informality in employment is primarily considered in terms of the registration status of the enterprises i.e. workers engaged in unregistered enterprises are considered as informal workers. This is done to ensure that both self-employed and wage/salaried workers are included in the analysis (since in the case of self-employed workers, the issue of access to social security contribution and other entitlements is not relevant). Thus, informality as considered here will exclude those workers who are engaged in formal enterprises on informal terms. However, since still the bulk of informal employment is concentrated in the informal sector,³ the exclusion is limited and the findings should not deviate significantly from reality.

Table 1. Percentage distribution of young workers by characteristics of informality

	Firm registration/Size class	Size class (employees)				Distribution by registration status
		Less than 5	5 to 9	10 to 19	20 and above	
Nepal	Firm is not registered	82.7	68.8	46.4	14.7	77.7
	Firm is registered	17.3	31.2	53.6	85.3	22.3
	Distribution by employee size	84.1	8.8	3.2	3.9	100
Uganda	Firm is not registered	98.3	92.4	71.7	73.4	95.4
	Firm is registered	1.7	7.6	28.3	26.6	4.6
	Distribution by employee size	81.0	10.9	3.6	5.5	100

Source: Author's calculations based on SWTSs, Nepal and Uganda, 2013.

³ The share of informal employment in the formal sector out of total employment is 31.8 per cent in Nepal and 12.3 per cent in Uganda (Byamugisha et al. 2014, Serrière and CEDDA 2014).

Based on the two indicators – employee size and registration status of firm – a majority of young worker are found to be engaged in informal sector in both in Nepal and Uganda (see table 1). However, the extent of informality among young workers seems to be relatively greater in Uganda. While in Nepal, approximately 78 per cent of organizations where workers are engaged are not registered, in Uganda this percentage is above 95. However, in both the countries more than 80 per cent of young workers are associated with enterprises of less than five workers. The majority of firms with small employee size are unregistered while larger firms are more often registered.

Table 2 distributes the young informal workers by employment sector and status of in Nepal and Uganda. Nearly 33 per cent of total informal workers in Nepal are either employers or own-account workers i.e. majority of informal workers are self-employed while only 7.5 per cent of informal workers are wage/salaried workers. The share of unpaid workers at 55 per cent is the highest in Nepal. Clearly, informality in Nepal manifests in terms of unpaid work or of small employers/own-account workers. The proportion of own-account workers in total informal workers is more than 50 per cent in Uganda, which is much higher than that in Nepal at just around 13.0 per cent. The percentage of wage/salaried workers is also relatively higher in Uganda at 22.2 per cent.

Table 2. Percentage distribution of young informal workers by sector of employment and employment status

	Sector/status	Agriculture & allied/ Mining & quarrying	Manufacturing	Transport & construction	Wholesale & retail trade	All other	Distribution by employment status
Nepal	Employer	18.5	18.9	60.0	4.0	16.7	19.6
	Employees	3.2	21.6	15.6	22.5	16.7	7.5
	Own-account worker	8.2	35.1	17.8	30.7	25.0	13.2
	Others	0.8	0	2.2	1.3	16.7	1.2
	Unpaid family worker	69.3	24.3	4.4	41.3	25.0	58.5
	Distribution by employment sector	74.7	5.5	6.7	11.2	1.8	100
Uganda	Employer	2.2	4.2	0.8	3.9	1.7	2.4
	Employees	13.3	30.3	66.1	13.7	65.3	22.2
	Own-account worker	55.4	53.8	30.3	60.9	28.1	52.2
	Others	0.5	0.8	1.6	1.3	0.9	0.8
	Unpaid family worker	28.5	11.0	0.8	20.1	3.8	22.4
	Distribution by employment sector	63.1	5.1	5.4	16.6	9.9	100

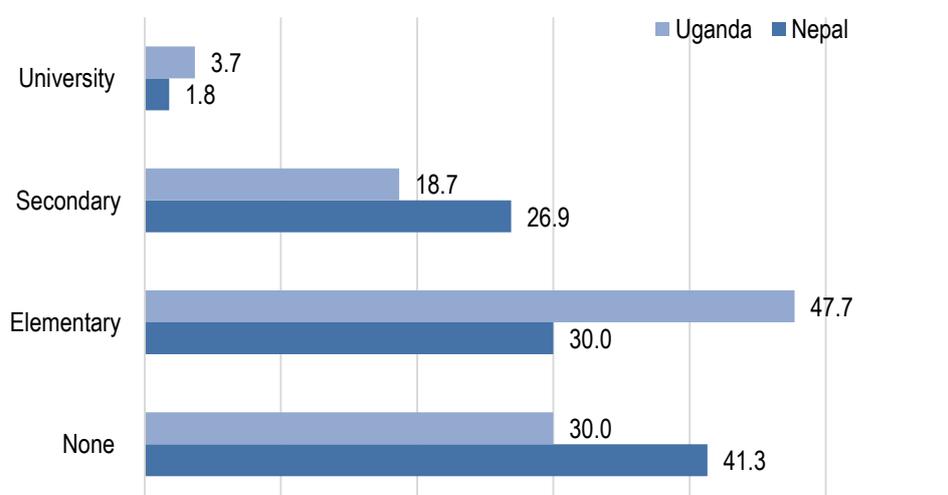
Source: Author's calculations based on SWTSSs, Nepal and Uganda, 2013.

In terms of sectoral distribution of informal workers, agriculture engages more than 70 per cent of informal workers in Nepal and around 60 per cent in Uganda (table 2). This is interesting given the lesser extent of urbanization (15.6 per cent) in Uganda as compared to Nepal (31.0 per cent).⁴ Approximately 11 per cent of informal workers in Nepal and 17 per cent in Uganda gain their livelihood from wholesale and retail trade in both the countries whereas manufacturing accounts for 5 per cent. Overall, agriculture and allied activities and retail and wholesale trade are the primary destination for informal workers in both countries.

⁴ http://www.unicef.org/statistics/index_countrystats.html

Low levels of education remain an unfortunate characteristic of youth in both Nepal and Uganda. In fact, among young workers as a whole, those who have no education constitute approximately 20 per cent in Nepal and 7 per cent in Uganda (Byamugisha et al. 2014, Serrière and CEDA 2014). Another 33 per cent and 75 per cent of youth in Nepal and Uganda, respectively, completed their education at the primary level or lower. Similar trends are found among young informal workers in Figure 2. This goes along well with existing data on adult literacy rate of 60 and 70 respectively in Nepal and Uganda (World Bank 2012). While 41 per cent of young informal workers in Nepal have not received any education, this proportion is relatively less in Uganda. Around 48 per cent of informal young workers in Uganda has an elementary education whereas in Nepal the share is 30 per cent. The gap is less at university level wherein 3.7 per cent and 1.8 per cent of young informal workers have attained university level education in Uganda and Nepal, respectively.

Figure 2. Distribution of young informal workers by level of education



Source: Author's calculations based on SWTSs, Nepal and Uganda, 2013.

3. Informality and organizing

Table 3 gives the distribution of young informal workers in Nepal and Uganda by their membership in trade unions, reflecting the very low extent of organizing among informal workers. Unionization rates in general in South Asia, including in Nepal, are very low and vary between 3 and 8 per cent (Ahn 2008). This is so despite the growing efforts especially from the General Federation of Nepalese Trade Unions (GEFONT) in Nepal to organize labourers including informal workers. In Uganda also only 3 per cent of workers are members of a trade union (LO/FTF Council 2014).

Based on the SWTS, only 3.5 per cent of young informal workers in Nepal and 3.8 per cent in Uganda are members of a trade union. In Uganda, however, there is the National Alliance of Informal Economy Workers Organization, which is an affiliate of Central Organization of Free Trade Unions (COFTU). Nepal lacks a unified umbrella organization for informal workers, though there are informal workers' association affiliated to GEFONT and National Trade Union Congress.

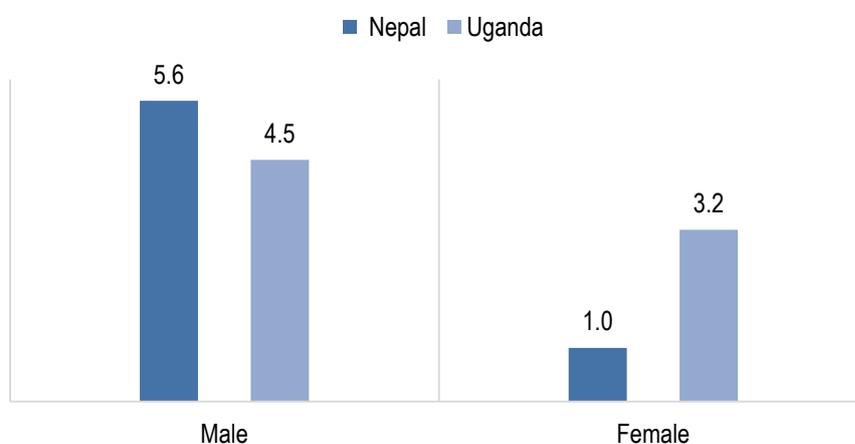
Table 3. Distribution of young informal workers by trade union membership and sex

		Membership of trade union		Distribution by sex
		Yes	No	
Nepal	Male	87.5	54.1	55.3
	Female	12.5	45.9	44.7
	<i>Distribution by trade union membership</i>	3.5	96.5	100.0
Uganda	Male	57.3	48.3	48.7
	Female	42.7	51.7	51.3
	<i>Distribution by trade union membership</i>	3.8	96.2	100.0

Source: Author's calculations based on SWTSs, Nepal and Uganda, 2013.

Of organized young informal worker in Nepal, females constitute only 12.5 per cent against their share of 45.6 per cent in informal workers. In comparison, in Uganda representation among young females is higher than Nepal among both informal workers (51.3 per cent) and organized informal workers (42.7 per cent). This difference is because of greater direct participation of women in livelihood activities in Uganda as compared to Nepal, where women appear to be more engaged in indirect economic activities such as unpaid workers in household enterprises. The share of unpaid family workers among informal workers (shown in table 2) is much higher in Nepal at around 59 per cent than in Uganda at 22 per cent. Further, the proportion of unpaid family workers among young female workers in Nepal is 54.7 per cent, which is much higher than that in Uganda at 23.6 per cent (Byamugisha et al. 2014, Elder and Koné 2013).

Figure 3. Distribution of young informal workers by trade union membership by sex



Source: Author's calculations based on SWTSs, Nepal and Uganda, 2013.

Gender relations in African countries is also relatively less skewed than in Asian countries where gaps in labour force participation and across employment statuses tend to be larger.⁵ Women's status, if seen in terms of literacy rate is poorer in Nepal at 55.1 per cent than in Uganda at around 70 per cent (UNESCO 2015). Although, women's position in Nepal is better than other South Asian countries, still their participation in economic activities outside the home appear to be shaped by gender stereotypes. Figure 3 also shows that while there is not much difference between proportions of male informal workers

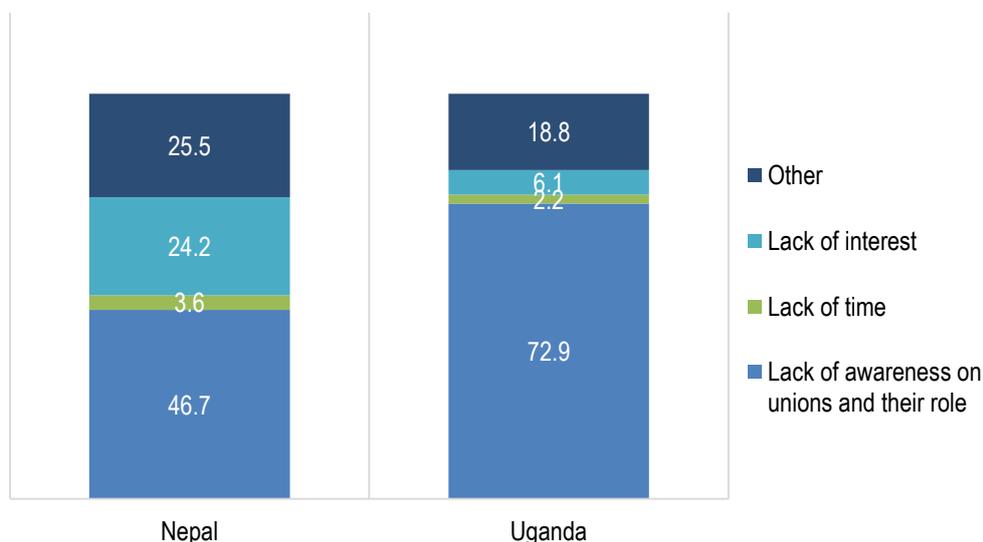
⁵ Elder and Kring (2016) offers a recent gender analysis of the SWTS datasets in 32 countries.

associated with trade unionism in Nepal and Uganda, the proportion of female informal workers engaged in trade unionism is less in Nepal at 1.0 per cent compared to 3.2 per cent in Uganda.⁶ Thus we see relatively greater representation of women workers in organizing activities in Uganda although in both countries, organization among young females remains below young men.

3.1 What are the constraints to organizing among young workers?

Figure 4 gives the distribution of reasons identified by young informal workers for not joining trade unions. The most frequent reason given was their ignorance either about the existence of trade unions or about the role of trade unions. The proportion giving this reason is much higher in Uganda than in Nepal (72.9 and 46.7 per cent, respectively). At the same time, the percentage of those who do not join a labour union due to lack of interest is much higher in Nepal at 24.2 per cent compared to 6.1 per cent in Uganda. As seen in table 3, Uganda seems to have a slightly greater propensity toward trade union membership compared to Nepal, especially among women. Thus, a lack of interest does not assume a considerable share for young Ugandans in figure 4.

Figure 4. Percentage distribution of reasons responsible for non-participation in unionism



Source: Author's calculations based on SWTSs, Nepal and Uganda, 2013.

3.2 What determines trade union participation?

Table 4 gives the findings from a binary logistic regression run aimed to identify some determinants of trade union participation among young informal workers in Nepal. As indicated from the goodness of fit measures, the model is reasonably well predicted. Financial and educational background along with employment status and sector of employment appear as significant determinants of trade union membership in Nepal. Exposure to training and the sex of the worker are also significant determinants. A young worker from a well-off financial background has higher odds of joining a trade union by 3.869, as compared to a worker with poor financial background⁷ (table 4). This could be

⁶ See also Upadhyaya (undated).

⁷ Household income levels are based on the perception of young respondents in the SWTS.

due to the relatively disadvantaged position of poor workers in labour relation due to which he/she avoid participating in union activities since this may threaten her/his livelihood security.

Education appears to be highly significant determinant of trade union participation among informal workers. Workers who have obtained only elementary education or no education have lesser odds of joining a trade union by 0.935 and 0.107 respectively as compared to those with university education. In terms of employment sector, young workers engaged in wholesale and retail trade have higher odds of trade union membership than those engaged in other sectors by 6.673, while those in agriculture have lower odds of joining a trade union by 0.416. This is evitable as agriculture remains the most unorganized activity in less developed countries.

Table 4. Determinants of trade union membership among informal workers in Nepal

	B(Coefficient)	Standard error	Odds ratio
<i>Household financial status (poor)</i>			
Average	1.278	0.921	3.591
Well off*	1.353	0.690	3.869
<i>Highest education (university)</i>			
Elementary*	-1.067	1.239	0.935
Secondary	-0.467	1.209	0.627
None*	-2.232	1.376	0.107
<i>Employment status (Employee)</i>			
Employer**	0.241	0.983	1.272
Unpaid family worker	-0.407	1.013	0.666
Own-account worker**	0.714	0.963	2.043
<i>Sex (female)</i>			
Male **	1.279	0.670	3.591
<i>Received any training (yes)</i>			
No**	2.073	0.571	0.126
<i>Employment sector (Other)</i>			
Agriculture, allied, mining & quarrying*	-0.877	0.772	0.416
Manufacturing	-18.626	5986.035	0.002
Transport & construction	0.851	0.860	2.341
Wholesale & retail trade*	1.898	1.083	6.673
Age	0.056	0.064	1.058
Constant	-4.070	2.588	0.017

*significant at 95% level of significance; **significant at 99% level

Model Chi-Square $X^2(15) = 54.881^{**}$

Hosmer and Lemeshow test Chi-Square $X^2(8) = 10.303$, Significance: 0.244

Nagelkerke $R^2 = 0.311$

Percentage predicted correctly: 96.7

Among young informal workers in Nepal, employers and own-account workers have significantly higher probability of organization than employees by an odds of 1.272 and 2.043, respectively. Young female informal workers have lower odds of joining trade union by 3.591 as compared to male counterparts, which is already noticed from figure 3 earlier. Exposure to training seems to have also a significant impact on the odds of joining a trade union. Those informal workers who have received any training on the job have 0.126 higher odds of having affiliation to a trade union. Moreover, exposure to training enhances workers' network as well as awareness, which gives positive impetus to organizing activities. Workers' age does not appear to have any significant impact on their probability to be a member of trade union.

The determinants of trade unionism among informal workers in Uganda are summarized in table 5. The results are considerably different from Nepal. Several variables have lost their significance in estimates for Uganda. Household financial status of workers does not seem to have any significant impact of the probability that a worker will join trade

union. Unlike in Nepal, the sex of the young worker does not make any difference in Uganda. Education however, has a similar impact on workers' propensity to join trade unions in both countries. As compared to workers who have attained university education, workers with secondary and elementary education have lower odds of joining a trade union by 0.206 and 0.277, respectively.

In terms of employment status, as seen in Nepal, employers and own-account workers have higher odds of having trade union membership than the employees. However unlike Nepal, in Uganda transport and construction workers have greater odds of joining trade unions by 4.646, as compared to agricultural and allied sector workers. In Uganda, age has a significant effect on trade union membership. Each additional increase in age results in an increase in the odds for taking membership in trade unions by 1.195. Unlike in Nepal, access to training has no significant effect on worker's propensity to join trade union in Uganda. While employers in the informal sector have higher odds of joining trade union than own-account workers by 17.63, unpaid family workers have lower chances of trade union membership by 0.108.

Table 5. Determinants of trade union membership among informal workers in Uganda

	B(Coefficient)	Standard error	Odds ratio
<i>Household financial status (poor)</i>			
Average	0.229	0.448	1.257
Well off	0.294	0.254	1.342
<i>Highest education** (university)</i>			
Elementary**	-1.284	0.530	0.277
Secondary**	-1.581	0.451	0.206
None	- 1.169	0.446	0.311
<i>Employment status (own-account worker)</i>			
Employer*	0.567	0.530	17.63
Employee	0.274	0.294	1.315
Unpaid family worker**	-2.224	0.822	0.108
<i>Sex (female)</i>			
Male	0.132	0.660	1.141
<i>Received any training (yes)</i>			
No	0.065	0.859	1.067
<i>Employment sector* (Other)</i>			
Agriculture, allied, mining & quarrying	0.489	0.436	1.631
Manufacturing	0.478	0.622	1.612
Transport & construction**	1.536	0.461	4.646
Wholesale & retail trade	0.205	0.486	1.227
Age**	0.091	0.034	1.195
Constant	4.409	1.724	22.221

*significant at 95% level of significance; **significant at 99% level

Model Chi-Square $X^2(16) = 85.655^{**}$

Hosmer and Lemeshow test Chi-Square $X^2(8) = 3.994$, Significance: 0.858

Nagelkerke $R^2 = 0.138$

Percentage predicted correctly: 96.5

As noted from figure 4, both in Nepal and Uganda the most significant factor behind non-participation in trade union activities is the lack of awareness on trade unions and their roles. This is potentially reinforced by the finding that university education has relatively positive impact on trade union membership since one could expect that awareness and access to information increases with further education.

3.3 Does organizing help?

As far as the impact of organizing or trade union participation on workers' quality of life is concerned, there are limited data to explore the links. Table 6 gives the distribution of informal workers by trade union membership across categories of access to employment benefits in Nepal and Uganda. This analysis is based on smaller numbers of workers since only paid employees were asked their access to entitlements. The self-employed informal young workers are therefore excluded from the analysis. Three separate benefit indicators viz. access to food allowance or transport, access to any bonus and access to paid sick leave are considered here to identify whether membership of trade union has any positive correspondence with them.

As far as Nepal is concerned, table 6 refutes any correspondence. In fact, access to allowances are shown to be higher among young informal workers in paid employment who are not members of a trade union. However, in the case of overtime pay, informal workers who are members of a trade union have better access. One-half (50 per cent) of unionized workers have access to overtime pay as against 31 per cent of non-unionized members.

Table 6. Access to employment benefits by trade union membership

Access to entitlements			Member in a trade union	
			Yes	No
Nepal	Paid sick leave	No	12.5	12.4
		Yes	87.5	87.6
	Food or transport allowance	No	62.5	56.6
		Yes	37.5	43.4
	Overtime pay	No	50.0	69.0
		Yes	50.0	31.0
Bonus	Yes	0	1.6	
	No	100	96.1	
Uganda	Paid sick leave	No	79.4	84.6
		Yes	20.6	15.4
	Food or transport allowance	No	48.6	51.4
		Yes	51.4	48.6
	Overtime pay	No	88.6	94.2
		Yes	11.4	5.8
Bonus	No	70.6	88.1	
	Yes	29.4	11.9	

Note: The analysis pertains to young employees only.

Source: Author's calculations based on SWTs, Nepal and Uganda, 2013.

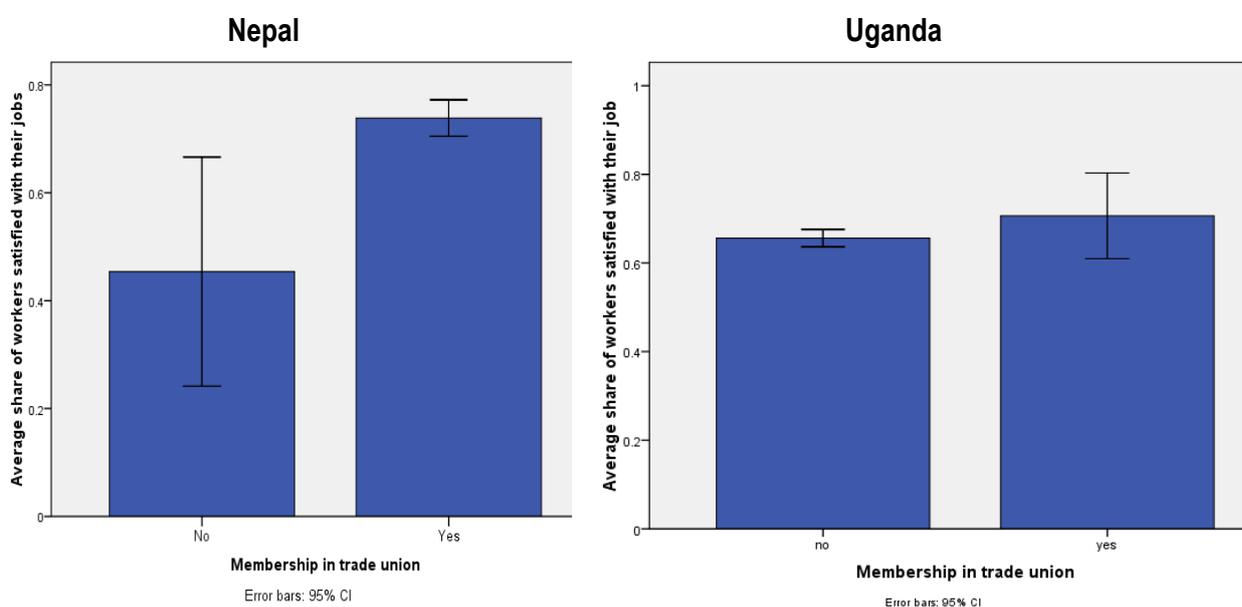
In Uganda, in contrast to Nepal, unionized workers seem to have a clear edge over non-unionized workers as far as access to employment benefits is considered. The proportion of informal employees with access to paid sick leave is 20.6 per cent among union workers as against 15.4 per cent for non-union members. Access to allowances is also slightly higher among unionized workers. The percentage of young informal workers who receive overtime pay is 11.4 among unionized workers, while it is just 5.8 per cent among non-unionized workers. Finally, access to bonuses is significantly higher among unionized workers at 29.4 per cent as against 11.9 per cent of non-unionized workers.

Such results may be indicative of effective unionization in Uganda among informal workers in paid employment as compared to that in Nepal. It has been noted that in

Uganda the strategy to associate, not just affiliate, informal workers association to the national federation level has been successful to some extent (Schurman and Eaton 2012). In Uganda, employers' associations have been actively involved in providing institutional assistance to informal workers, which has helped organizing and cooperation (Mwamazingo 2002). However, there is hardly any evidence in the literature to substantiate to what extent and in which forms workers benefit from organizing, which adds further importance to the results found in this analysis.

While benefits in terms of entitlements are mixed, the results linking union membership to job satisfaction are less ambiguous. As seen from figure 5, the level of job satisfaction is considerably higher among those informal workers who are members of a trade union in both Nepal and Uganda. In the former country, the difference between means as shown from the error bars is statistically significant at 95 per cent level of confidence, while in Uganda the difference in levels is not much significant.

Figure 5. Level of satisfaction among workers by trade union membership



Source: Author's calculations based on SWTSS, Nepal and Uganda, 2013.

Table 7 distributes young informal unionized and non-unionized workers by their desire to change their current employment condition. Results are closely linked to what was found above on job satisfaction. The percentage of young informal workers who wish to change their employment condition is much smaller among union members in Nepal thus implying greater satisfaction; around 21 per cent of those participating in unions wish to change their employment condition compared to 50 per cent of those workers who are not members of a trade union. This is a considerable difference that seems to indicate an effectiveness of collective organization in increasing the levels of workers' satisfaction and lessening the desire to change jobs.

The situation in Uganda is different from Nepal. Here, organizing does not seem to have any correlation to the young informal workers' desire to change their employment situation. In fact, the proportion of workers who wish to change their job is slightly higher among union members. One conclusion is that in Uganda organizing seems to offer tangible gains for workers relative to Nepal, whereas in Nepal organizing seems to offer more non-tangible gains. The differences reflect the varying nature of organizing dynamics in the two countries depending upon their contextual factors, including gender roles.

Table 7. Percentage distribution of union members and non-members by desire to change the current job

	Desire to change current employment situation		Membership in trade union
	Yes	No	
Nepal	20.8	79.2	Yes
	50.0	50.0	No
Uganda	67.4	32.6	Yes
	63.6	36.4	No

Source: Author's calculations based on SWTSS, Nepal and Uganda, 2013.

4. Concluding observations

The findings from Nepal and Uganda unfold some convergence as well as some contradictory trends. If common threads are to be identified regarding determinants of trade unionism among young informal workers, the findings reflect that employment status and sector of employment are significant factors although categories within each of these display differing trends in the two countries. Education, however, has similarly positive implication for the propensity to participate in trade unions in both countries. Given that the lack of awareness is found to be a major obstacle to workers' organizations, the role of education becomes crucial. This finding also has implications for trade unions' strategy as far as enhancing their membership base and mobilizing informal workers is concerned. Campaigns to raise awareness among the less educated (and possibly most vulnerable) young workers will be needed. This is particularly important given the declining participation in trade union activities by formal sector workers as noted earlier, yet also particularly challenging given that many of these youth are likely to be in remote, rural locations.

While exposure to training and gender are important determinants of trade union membership of young informal workers in Nepal, these factors are less important in Uganda. In contrast to Nepal, the participation of female informal workers in trade unionism in Uganda correspond better to their share in informal sector jobs. In Uganda workers' age is a significant determinant of trade union participation. Moreover, factors like sex and age seem to have context specific roles in this regards, which indicates that organizing activities have some level of social mediation as well. In terms of employment status, the self-employed including both the employers and the own-account worker in the informal sector have greater odds of being organized as compared to wage/salaried workers in both Uganda and Nepal. Wholesale and retail trade in Nepal and the transport and construction sector in Uganda appear to be those most likely to enable participation in trade union activities.

As far as the role of organizing towards decent work is concerned, Uganda reveals some clear patterns wherein greater access to several employment benefits correspond to greater levels of union membership. However, results in Nepal are mixed. In terms of intangible gains such as satisfaction from work and a desire to stay on the job, union members fare better in Nepal. In Uganda, in contract, access to tangible elements such as employment benefits are higher among informal workers who are members of trade unions. All in all, while recognizing the limitations of the data to speak about the consequences of unionizing on working condition of informal workers, the trends summarized in this report do leave some reasons to hope for a positive response to the question posed in the title: yes, collective organization does pay off for the young informal worker.

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