Shining a light of hope: Occupational safety and health in the informal economy

PUNE, India (ILO Online) – Sunita's world came crashing down the day her auto rickshaw driver husband suffered a paralytic stroke.

Still recovering from the shock of losing her 15-year old son in a road accident, she was totally unprepared for this bolt from the blue. Gathering her wits, she somehow managed to get her husband to a private hospital, where she was promptly told that the treatment would cost twenty thousand Rupees (about US$ 500) - a huge sum for Sunita who barely earns Rs. 2,000 a month through her tailoring work.

People like Sunita's husband represent millions of informal economy workers in India and around the world falling ill from overwork, stress and an unhealthy work environment.

45-year old watchman Vasant Narvekar who suffers from asthma is just another example. With a family of four to support, he has no choice but to continue working. Recently he suffered severe asthmatic attacks and needed hospitalization. The treatment estimate was INR 1,600, well over half of his meagre monthly earnings of INR 3,000.

The nature of Vasant's work entails being out in the open, doing rounds of the area under his beat in a dusty environment for close to 12 hours each day. So he has developed asthma over a period of time.

Sunita's husband, an auto rickshaw driver had been working double shifts to pay back the mortgage on his rickshaw. The stress of working long hours at his age (57) led to a paralytic stroke.

At this point what came in handy for both, Sunita and Vasant, was their membership of the Health Insurance Scheme. This scheme, set up in 2003 under the aegis of the Community Based Health Mutual Fund (HMF), initiated by Uplift India Association, responds to the healthcare needs of women members of self-help groups in the slums of Pune.

Healthcare services

The objective of the Scheme was to create a health fund through mutual contributions and create a network of healthcare services which provide quality treatment at affordable rates to the poor through a network of doctors and private hospitals.

Sunita consulted the doctor at the HMF branch office of her area. The doctor's referral letter helped her shift her husband to another private network hospital, where he was given immediate treatment. This not only helped save his life but also prevented further complications to his condition.

While the actual cost of treatment was Rs. 20,000, the network hospital charged only Rs.9,000, a saving of Rs.11,000 in the first instance. Being a HMF member, Sunita received a further discount of Rs. 900 from the hospital. Thanks to his HMF membership, Vasant only had to pay INR 1,000 for his treatment at the hospital.

Building on solidarity and ownership, the risk management of HMF is carried by the local community. The plan is open to all workers in the informal sector. Besides medical coverage this unique insurance plan provides for wage loss for the breadwinner at the rate of Rs. 50 per day for 15 days.

For over a year, Uplift Health has been organizing a broad Communities-Led Association for Social Security (CLASS), aimed at promoting the social security rights of disadvantaged groups. Supported by the German Agency for Technical Cooperation (GTZ) and the ILO's Programme on Strategies and Tools against social Exclusion and Poverty (ILO STEP), CLASS groups comprising cooperatives, self-help groups, trade unions are now spread across India.

"The ILO programme shows that, with the appropriate support, informal sector workers can move from a situation of mere survival to a stronger economic position enhancing their contribution to economic growth and social integration, as well as participating in the improvement of their own working and living conditions", concludes Assane Diop, ILO executive director, Social Protection Sector.

The names of the persons are fictitious, in order to safeguard the persons' identities, as is the photograph.