



**Statement by:**

**Mr Aeneas C. Chuma  
ILO Assistant Director-General and  
Regional Director for Africa**

**on the occasion of the:**

**OATUU Women Conference  
“Organising informal economy workers into trade unions”**

**Nairobi, Kenya**

**16 September 2014**

[Guest of honour, tbc]

President of OATUU and Secretary General of COTU-K, Mr Francis Atwoli;

Secretary General of OATUU, Mr Owei Lakemfa;

Social Partners;

Distinguished Guests and Colleagues;

Ladies and Gentlemen;

It gives me great pleasure to be here today, and I wish to thank OATUU profoundly for having associated the ILO with this important event, which addresses two issues that are at the core of the ILO's mandate in the African region – organizing informal economy workers and promoting equality for women and men in the world of work. These are two issues that are equally essential for ensuring that Africa's impressive and continuing economic growth becomes an inclusive growth.

We all know that in Africa, the majority of the labour force is in the informal economy. It is estimated that as many as nine out of ten rural and urban workers have informal jobs. The informal economy is the main, and often only source of livelihood for many groups of workers who have no other choice for their survival and livelihood, and who commonly accumulate multiple layers of disadvantage based on gender, migrant status and ethnic origin.

We also know that gender inequality is more prevalent in the informal economy, where women are concentrated in the lower-quality jobs. Moreover, it is in the informal economy that child labour and bonded labour are most prevalent and most difficult to address.

I commend OATUU for convening this conference and congratulate you for having established a Women's Commission which I understand will be formally launched during the proceedings of this conference. The ILO is committed to supporting you in these important endeavours. I also encourage you to complement this milestone with establishing a women's leadership development initiative within OATUU. The ILO is committed to supporting you in these important endeavours.

**Ladies and gentlemen,**

While some activities in the informal economy offer reasonable livelihoods and incomes, most people engaged in informal activities face a range of decent work deficits and often remain trapped in poverty and low productivity for ever. Improving the productivity of, and market access for workers and producers in the informal economy, and facilitating their access to mainstream economic resources and social protection, as well as strengthening their legal protection, is at the heart of many poverty reduction strategies on the continent and also drive Decent Work Programmes that are being developed at national and sub-regional levels.

A coherent, gender-sensitive, national strategy to facilitate transition to formality needs to recognize that the costs of working informally are high for businesses, workers and the community. From the perspective of unprotected workers, the negative aspects of work in the informal economy far outweigh its positive aspects. They are not recognized, registered, regulated or protected under labour and social protection legislation, and are not therefore able to enjoy, exercise or defend their fundamental rights. Since they are not normally organized, they have little or no collective representation in relation to employers or the public authorities.

Breaking out of informality is increasingly seen as one of the main global development challenges.

This is why the 103<sup>rd</sup> Session of the International Labour Conference in June 2014 resolved to pursue discussions towards an international instrument, an ILO Recommendation, as a framework for action to facilitate the transition from the informal economy to the formal economy. The proposed instrument is poised to give special attention to gender equality in order to promote equal opportunities for women and men as well as to promote respect for and realization of the fundamental principles and rights at work for those in the informal economy through freedom of association and the effective recognition of the right to collective bargaining.

### **Distinguished Guests,**

Within the informal economy, women make a sizeable contribution to GDP, either as independent entrepreneurs or in employment relationships in global production chains or small businesses. Yet this is often not captured by national accounts. In West Africa, the Caribbean and Asia, between 70 and 90 per cent of all farm and marine produce is traded by women. Street and market stands are estimated to generate around 30 per cent of all urban wealth. Some estimates suggest that the informal economy contributes around 41 per cent of non-agricultural GDP in sub-Saharan Africa.

However, we all recognize that as women, workers are often marginalized and highly vulnerable to discrimination and exploitation. The trade unions have a critical role to play to organize women workers and represent and protect their interests.

Unions have been paying increasing attention to women working in the informal sector and their inability to defend their rights. Many trade unions in all regions have taken up anti-discrimination work, ranging from updating internal procedures and structures, to launching media campaigns and to defending the principle in a wide range of economic and social forums.

Particular attention needs to be given to poor young women, who are vulnerable to sexual exploitation and trafficking for prostitution, to harassment at work or to disguised forms of poor employment.

### **Ladies and Gentlemen,**

I acknowledge and commend your sense of mission to make “organizing the informal economy” a priority for the trade union movement. We are all conscious that the poorest members of society and the most vulnerable workers are to be found in the informal economy. These workers need a voice! They need trade unions!

But you know better than me that organizing workers in the informal economy is easier said than done. The labour movement itself needs to adapt in order to successfully integrate informal economy workers. This not only involves changing rules and structures, but more importantly, changing ways of thinking. The future of the trade union movement lies in its ability to recruit and involve new members.

Both employers’ and workers’ organizations can play an important role in drawing attention to the underlying causes of informality, galvanizing action by all the tripartite partners to address them and removing barriers to entry into mainstream economic and social activities.

The innovative and effective practices used by employers' organizations and trade unions in various countries to reach out to, organize and assist workers and enterprises in the informal economy should be more widely publicized and shared to facilitate transitions to formality.

Trade unions sensitize workers in the informal economy to the importance of collective representation and are making greater efforts to include them in collective agreements. They also focus on promoting the participation and representation of women, who are particularly numerous in the informal economy, and on accommodating their specific needs. In many countries, the special services provided by trade unions for informal economy workers include information on their legal rights, educational and advocacy projects, legal aid, medical insurance, credit and loan schemes and the establishment of cooperatives. There is also a need to develop positive strategies to combat all forms of discrimination, to which informal economy workers are particularly vulnerable.

The Self Employed Women's Association (SEWA) in India is one of the best known examples of a successful initiative to organize and empower poor women in the informal economy. Adopting a multifaceted approach, as a union, cooperative and women's movement, SEWA provides a wide range of services, including training, assistance in establishing cooperatives, and financial, insurance and social security services. The SEWA model has inspired other initiatives, not only in Asia, but also in South Africa and Turkey.

### **Ladies and Gentlemen,**

Addressing decent work deficits in the informal economy remains central to realizing decent work as a global goal.

Indeed, in a more just world, the informal economy would no longer exist and all work would take place in an environment where workers' rights were respected and workers were protected.

Until this vision is realized, trade unions will continue to play a critical role to help ensure that the greatest number of workers, formal and informal, are granted dignity and hope for a future that holds more promise than mere survival.

Thank you for your attention.