

United Nations  
Division for the Advancement of Women  
Expert Consultation on the 2009 World Survey on the Role of Women in Development:

## **I. Introduction**

Four years ago, Pin and her family – consisting of her husband, their two daughters and Pin's mother - moved to Bangkok Metropolitan Area hoping to improve their situation and earn more than had been possible on the family rice farm. In their previous life in the rural area, they had experienced famine and hopelessness. They did not have a network of relatives in the city.

are bitter that their daughter has to drop out of school but they have no other choice if they are to survive the economic crisis.<sup>1</sup>

The situation of many other homemaker families is similar to that of Pin's family. While the details may differ, the overall situation is the same. Some families are in even worse circumstances than Pin because they have irregular jobs, are cheated by their employers or receive very, very low earnings. Other families face serious health problems or have disabled family members. Pin's working conditions and economic situation well illustrates the situation faced by many women homeworkers. These women work very hard to earn their incomes while at the same time undertaking household work. They have no time to improve their health and further develop their occupational skills. Their quality of life is far below acceptable standards. The impacts on the future lives of their daughters have also to be considered. It is important to find ways to ensure that the daughters of homeworkers are not denied educational and other opportunities in order to ensure that they have better futures.

This paper describes the economic situation of women who make up the majority of the labour force in the informal economy in developing countries. The importance of this focus was illustrated by Ela Bhatt, the founder of Self-Employed Women's Association (SEWA), in her statement at the High-level Event on the Millennium Development Goals at UN General Assembly in New York, 25 September 2008: *“Our desire to cut poverty in half by 2015 met with marginal success because the poor are still not our priority. The working poor are the backbone of every nation, and yet they go hungry. Where do we go wrong?”*<sup>2</sup>

## **II. The situation of women in informal sector**

Informal workers are workers who are not employed by the state and have no regular wages or protection through labour laws. There are three types of informal workers: *paid workers*, such as home workers and domestic workers, *seasonal or temporary workers* in agriculture, fisheries, forestry and livestock production; and *self-employed* —those without employees, for example taxi drivers who own or rent their vehicles, street vendors, barbers, cobblers, small grocery and shop owners, as well as micro or small enterprises with some employees. These informal workers are found in cities, towns and rural villages all around the world. In Asia, 65 percent of non-agricultural employment is informal employment. The percentage of both women and men in informal (non agricultural) employment is 65 per cent<sup>3</sup>.

In 2007, Thailand's National Statistic Office reported that a total of 37.1 million workers are employed and that 23.3 million are informal workers, including those working in the agricultural sector. Informal workers make up 62.7 percent of overall workers, compared with 37.3 percent in the formal sector. There has been an increase of seven hundred thousand informal workers

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<sup>1</sup> Information from interviews in a homemaker study on the food and energy crisis carried out by the Foundation for Labour and Employment Promotion, May 2008

<sup>2</sup> <http://www.wiego.org/news/ElaBhatt-MDGSpeech-2008.pdf>

<sup>3</sup> International Labour Organization (2002). Women and men in the informal economy: A statistical picture. Geneva, Switzerland, p. 19.



### **Lack of social protection**

Women workers in the informal economy are in extremely vulnerable situations, with no protection through labor laws, no effective policy measures to address their situations, and lack of access to social security systems. This results in poor working conditions and insecure employment. These women may face social and economic violence because of the invisibility of the informal sector. Poor economic conditions limit their potential to access private social security systems, including health care. As a result, these women face ill-health and poor quality of life.

### **Limited access to capital**

Women home-based workers are poor and do not have the collateral or income statements needed to access capital from commercial or state-owned banks. Some attempts have been made to initiate and organize community-based micro credit schemes, but these efforts are still limited in scope and insufficient in relation to the existing needs. The available micro-credit schemes are primarily focused on meeting emergency needs rather than on more long-term small business development.

and other authorities. Without increased organizing capacities, women will continue to have limited access to state resources, services and promotion programmes.

Constraints encountered by women in the informal economy are linked to other political and socio-economic factors which force them into a cycle of poverty and vulnerability. Improved organizing skills are needed to address issues such as low income, poor social security, limited job choices, health risks and unsafe working conditions. Collective bargaining power is needed to ensure their access to appropriate technology and skills development opportunities. Burdened with economic constraints, women workers in the informal sector cannot develop their entrepreneurship and access micro credit and other supportive programmes. Globalization and the concept of free trade have not brought increased prosperity to women in this economy but have, in many cases, increased women's vulnerability.

### ***Ratify the International Labor Organization Home work Convention (C 177)***

The International Labour Organization Home work Convention (C 177) was adopted by the International Labour Conference on 20<sup>th</sup>, June 1996 to respond to the change in labour markets which threatened to reduce the social protection of homeworkers. ILC 177 aims to protect the labour rights of millions of homeworkers worldwide. It supports homeworkers' rights to organize and participate in organizations, to be treated without discrimination in employment, and to access adequate occupational health, safety and working environments and other development opportunities to raise their potential. It establishes that homeworkers should enjoy the same rights as other workers.

Currently only five countries have ratified the ILC 177; Finland (1998), Ireland (1999), Albania (2002), Netherlands (2002) and Argentina (2006).

In order to protect homeworkers and ensure that they access better working conditions and fair wages, national government should ratify the ILC177 and adjust national policies and labour law to protect homeworkers.

The World Survey should look into sufficient legislation, policy and measures to protect informal workers by:

- Checking data on informal workers from labour force surveys carried out by national statistic offices, in terms of magnitude, types and contribution to the countries' GDP, in order to ensure visibility and recognition of informal workers. Studies of national policies and plans on informal workers would provide useful data which could be used as indicators for monitoring.
- Surveying the progress in ratification of ILC 177 within all countries and examining all reasons for the delay in ratification of this convention. In some countries, such as Thailand





- Investigate the extent to which employers

- Investigating the women organizations which have been established during past decades and their successes and failures; and
- Identifying good practices of MBOPs in the informal economy and documenting case studies of efforts to promote MBOPs.

#### **IV. Conclusion**

The economic development of women workers in the informal sector should be given increased attention in order to address the identified problems, including exploitation and insecurity. The heavy workloads and long working hours, lack of social security, and high levels of poverty need to be specifically addressed. Many women in the informal economy do not have equal access to opportunities for development and are trapped in a vicious cycle of low levels of socio-cultural, economic and environmental development. This has significant negative impacts on their own health and wellbeing and that of their families. The negative impacts for child development must be given particular attention. The employment of women does not necessarily mean better standards of living for themselves or their families. Being employed may even lower the status of women in some contexts, leadr to075 -t (sI6jm)9(e 3u4 o 431 h31fuio-e ralown lo m)ts vidwellbe Td{opp

## V. References

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