

Strengthening the participation of workers and economic units in the transition from the informal to the formal economy



Decisions about vulnerable salaried workers in many sectors of the informal economy and own-account (self-employed) workers, as well as informal economic units, are most often made in their absence, because there is a lack of bargaining forums where they can participate. In order to strengthen their participation in the transition from the informal to the formal economy, the following will need to start happening:

- creation of new institutions/forums of collective negotiations since these are more or less non-existent for workers and economic units in the informal economy;
- changing the mindset of our social partners who think that collective negotiations can only take place between employers and employees;
- new negotiations forums at local government level – a necessary innovation for many sectors of informal workers such as street vendors, waste pickers, informal transport workers;

Where is this happening already?

Cotonou, Benin – negotiations between SOGEMA market management authority and the informal vendors' unions SYNAVAMAB and USYNVEPID (below)

What is stopping us doing the same in South Africa?



Local Government level: progressing from *ad hoc* new collective negotiations forums to statutory negotiations forums at local government level (*e.g. India – Town Vending Committees in new 2014 Street Vendors’ Act*)

National Government level: inclusion of informal economy worker representatives and informal economic units representatives in national tripartite forums – for negotiation on national issues such as Social Protection (*e.g. Malawi TLAC Tripartite Labour Advisory Council with direct representation by informal workers through MUFIS, Senegal HCSD High Council for Social Dialogue with UNACOIS informal employers’ org representing informal economic units*)

Future of Work

Theme 1 – Work and Society

- Recognition of the democratic membership-based organisations (MBOs) of workers in the informal economy which have arisen and developed with the increasing self-organisation of workers (including own-account workers) in various sectors of the informal economy, as the legitimate representatives of those workers. Together with the democratic membership-based community-based organisations (CBOs) such as civics and residents' organisations and other civil society organisations (CSOs) which represent the community-based concerns of civil society, these MBOs of workers in the informal economy are the most legitimate current representatives of workers in new forms of work which are now also starting to be organised and represented by the traditional trade union movement.

Theme 2 – Decent Jobs for All

- In order to “afford” decent work for all, the current structure of the economy has to be interrogated and transformed. Alternative economies need to be explored and developed. Worker-controlled institutions of the social & solidarity economy, including different kinds of cooperatives, cooperatives banks and SACCOs, need to be strengthened with full participation of the organisations of the workers in these institutions. ILO Recommendation 204 on transitions from the informal to the formal economy is the best framework for ensuring a radically transformed future of work.

Future of Work

Theme 3 – the Organisation of Work and Production

- Access to free and cheap data. Technological changes which are freely accessible to workers in the informal economy in countries such as Kenya is bringing those workers into the mainstream and assisting them to manage their procurement of supplies and marketing more efficiently, control and manage their access to financial services, credit and social protection. For the effective integration of the workers in the informal economy in future work scenarios, their access to and control of affordable new technologies needs to be assured. This includes dropping the price of data, provision of free WiFi in cities, and increased networks and broadband access in rural areas.

Theme 4 – the Governance of Work

- Since workers in many sectors of the informal economy are more impacted by the actions and policies of local government than national government, there need to be statutory forums for negotiation and social dialogue involving all the relevant stakeholders, including the representative MBOs of workers in the informal economy, relevant representative CBOs and CSOs, for decision-making at local government level. Such social dialogue should complement other levels of collective bargaining and social dialogue (*i.e. bipartite, tripartite, multi-partite, national and international*) with all social partners, including organized informal economy workers.

Thank you

