# ORGANISING AS A CATALYST FOR PROMOTING DECENT WORK IN THE INFORMAL ECONOMY IN SOUTH ASIA

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This paper, discussing the challenges of informalisation of employment in South Asia, aims to analyse measurable indicators of decent work in the informal economy and argues with a concept that 'organising' is the entry point to working towards the achievement of the joint goal of both the ILO and trade unions, i.e. decent work.

#### I. INTRODUCTION

The rampant spread of globalisation has had an enormous impact on the employment structure in South Asia, which is increasingly shifting towards labour flexibility. The majority of the working population in South Asia, accounting for the range of 66.3 to 93.4 per cent of the work force, are in the informal economy with negligent security and protection. The contribution of the informal economy to the GDP and employment has been tremendous, but the economic returns to the large number of workers in the informal economy have been marginal, pushing them into being the working poor, with little or no chance of improving their working and living conditions.

Trade union organisations, as social institutions for change and as development partners, have to, therefore, act not only as a warehouse to protect the deprived and marginalised, to provide education and training and to network unionists, but also as an alliance to mobilize solidarity, to facilitate collective actions and to increase the voice and representation of the unorganised and informal workers (Ahn, 2004; *et al*, 2007).

The primary goal of the ILO is to promote 'opportunities for all working men and women, to obtain decent and productive work in conditions of freedom, equity, security and human dignity (ILO, 2008a)'. 'Decent work' is meant to fulfil the four strategic objectives of the International Labour Organisation (ILO), related to rights at work, employment opportunities and generation, adequate social security for all and social dialogue.<sup>1</sup> Reaching out to informal workers will be the prime focus of 'decent work'. Therefore, 'organising' could be a common task of the ILO and trade unions, working together towards providing 'decent work' to all workers as well as ensuring their fundamental principles and rights at work.

#### II. INFORMALISATION OF EMPLOYMENT

Some grade workforce into two large segments: the high-paying formal/organised sector and the low-paying informal/unorganised sector, but it is not easy to determine the equation between high-paying jobs and low-paying ones. Others argue that the workforce is largely divided into two distinct categories: one group of workers tend to be better educated, career-oriented, individualistic, and less motivated by class interests and solidarity, while the other group of workers is unskilled, marginalised, and scattered (Jose, 2002, p. 3). The definition of the informal sector varies from country to country, reflecting the local context, as indicated below:

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- 1. The National Labour Academy in Nepal divides employment in the informal economy into three sectors agriculture, non-agriculture and the urban sector (ILO, 2004, pp. 8-9).
- 2. The Bangladesh Institute of Labour Studies (BILS) classifies the employment structure into two broad groups: (i) *non-wage employment*, which includes the self-employed in micro-enterprises or with own account and in family businesses; and (ii) *wage employment*, which includes regular and casual workers, sub-contract workers and home-based workers (BILS, 2006, p. 4).
- 3. The National Commission for Enterprises in the Unorganised Sector (NCEUS), India defines the unorganised sector in the following terms: 'the unorganised sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than ten total workers'. It also categorises the unorganised sector into the following segments: (i) wage workers in the unorganised sector, (ii) the self-employed in the unorganised sector, (iii) unprotected wage workers in the organised sector, and (iv) regular unorganised workers (NCEUS, 2007, pp. 3-5).
- 4. The 15th International Conference of Labour Statisticians of Sri Lanka adopted a conceptual framework of informal employment as enterprises owned by households, as well as units owned and operated by individuals working on own account as self-employed persons either alone or with the help of unpaid family members. These units include (a) non-registration of the enterprise; (b) small size enterprises in terms of employment; and (c) non-registration of the employees of the enterprise (Gunatilaka, 2008, p. 5).
- 5. The ILO classifies employment in the informal economy under three main segments: (i) owners or employers of micro-enterprises employing a few workers; (ii) own account or self-employed workers working alone or with other family members as unpaid employees; and (iii) dependent workers in micro-enterprises working on contract or on casual basis (ILO, 2000, pp. 9-12).

In this paper, the informal sector means a segment of the entire informal economy, covering an unorganised industrial sector, while the informal economy is a macro concept, covering the whole unorganised sector. In classifying employment in the informal sector, there should be a concerted evaluation of educational backgrounds of workers, their employability, the level of earnings needed to maintain decent living standards and the possibility of being protected by social security and legislation. Employment in the informal sector is characterized by less remunerative and low productive work, absence of private and statutory social security schemes, poor working conditions and lack of access to vocational training, skills development and education.

Table 1 shows that labour market flexibility in South Asia is as high as 66.3 to 93.4 per cent. Figures from India's 61st Round of National Sample Survey Organisation (2004-05) indicate that the working population is 457.5 million, of which only 7.6 per cent (34.9 million) is in the organised sector, while 92.4 per cent (422.6 million) is in the unorganised sector. However, the percentage of employment in the informal sector shall go up higher than the official figure, as contract labour, sharing 25 per cent of total workforce in the organised sector, are counted as informal workers. Based on the report of the Labour Force Survey (2002-03), Bangladesh is estimated to have a labour force of 44.3 million, out of which 79.1 per cent are in the informal economy and 20.9 per cent in the formal economy (BBS, 2002).

The large concentration of the informal workforce is in the three categories such as own account holders, unpaid family workers and daily labourers. In Pakistan, out of the estimated 45.23 million labour force (2003-04), 70 per cent is in the informal sector and 30 per cent in the formal sector. The Population Census (2001) in Nepal states that about 9.9 million (93.4 per cent) of the 10.6 million economically active persons are engaged in various informal economic activities. The share of the self-employed in the total labour force is 62.7 per cent, that of paid workers is 24.6 per cent and unpaid workers 8.8 per cent, while 3.8 per cent are employers (ILO, 2004, pp. 5-8). Two thirds (66.3 per cent) of total work force in Sri Lanka are in the informal economy and one third (33.7 per cent) in the formal economy.

Table 1
Workforce in the Informal and Formal Sectors in South Asia

Countries/ Year of data source	No.of labour force (million)	% of workforce in informal economy	% of workforce in formal economy\
Bangladesh, 2002-03	44.30	79.1	20.9
India, 2004-05	457.50	92.4	7.6
Nepal, 2001	10.60	93.4	6.6
Pakistan, 2003-2004	45.23	70.0	30.0
Sri Lanka, 2006	6.66	66.3	33.7

Source: Data adapted from various sources. The date for India originally comes from NSS 61st Round 2004-05 and readopted from a Report of NCEUS, 2007, New Delhi, p.4.

There are a few key factors contributing to the informalisation of employment in the region. Firstly, the active participation of women, especially educated and qualified, in employment has gradually increased, but still a large proportion of them do not have adequate employment opportunities and do not get decent and productive jobs.<sup>2</sup> The labour force participation rate of women is much higher in the rural areas than in the urban areas, as the majority is employed mainly in the agricultural sector, amounting to 70 per cent in Pakistan, 76.9 per cent in Bangladesh and 77.9 per cent in India (ILO, 2003a, pp. 5-7). Many women are involved in unpaid family work and home-based work and belong to the poorest paid group. More young people enter the world of work, but mismatch between the growth areas and job demands persists, pushing young job seekers towards the informal sector. The unemployment rate amongst youth in South Asia, was at 10.9 per cent in 2004, incomparably higher than the overall unemployment rate of 4.7 per cent in the same year (ILO, 2005b). The higher rate of youth unemployment is attributed to the lack of access to education and opportunities for skills upgradation and mismatch between skill qualifications and demand of labour market.

Secondly, mobility of labour, migrating from one place to another in a country where jobs are available, is another cause of informalisation. Furthermore, the migration of labour force from rural to urban areas in search of jobs is escalating, with intensification of labour competition, downgrading of working conditions and wages with unregulated work, low pay, long working hours, etc., as well as increasing multiple problems in urban areas.

Thirdly, the regional economy continues to grow but does not necessarily have any crucial impact on productive employment generation. Between 1990 and 2000, the GDP in South Asia grew at 5.16 per cent per annum, but the employment growth rate was only 2.3 per cent annually (ILO, 2005a, p. 50). The GDP growth in Sri Lanka in the 1980s, 1990s and 2000 was 4.2 per cent, 5.2 per cent and 4 per cent respectively, while the corresponding employment growth has been much lower, at 2.6 per cent, 2.4 per cent and 1.8 per cent during the same periods. Although India's economic growth is attributed to the remarkable success of the manufacturing sector, the

number of jobs in the organised sector has hardly increased since 1991. Rather, employment in the organised manufacturing sector declined between 1996 and 2002.

Fourthly, privatization and downsizing of state-owned enterprises are factors leading to the informalisation of employment across South Asia, for example, the privatisation of airports in New Delhi and Mumbai, the privatisation of the Water and Power Development Authority (WAPDA) in Pakistan, and the privatisation of jute and sugar mills in Bangladesh. In addition, the disinvestment policy of the government in the public sector in India is used as a means to reduce workforce and the contract labour system in the organised sector as a tool to transfer or replace organised workforce to informal employment.

Fifthly, liberalisation of markets results in the expansion of employment in the informal economy. The ready-made garments (RMG) and textile sector is extremely significant in the economy of most South Asian countries, because it employs a large number of workers and earns a substantial amount of foreign exchange for these countries. The garment industry is dependent on cheap labour, usually employed on contract or casual basis. Ninety per cent of the 294 women workers who participated in a sample survey conducted in 2002 in the knitwear sector in Tirupur, India, were casual workers (Devi, 2005, p. 15). A State law in Tamil Nadu, India, which allowed textile and garment firms to employ new job seekers as apprentices for three years at the maximum has grave repercussions on employment relations, garbed under the apprentice scheme, which is exposed to a shadow of exploitation and harassment.

#### III. FEMINISATION OF INFORMAL WORKERS

Informal workers are at the double edge of skyrocketing consumer prices and relatively declining real incomes. The income gap between the rich and the poor, like the less educated and the disadvantaged, has been widening in a globalising economy. The income gap between the top 20 per cent and the bottom 20 per cent countries in the world increased from 30:1 in 1960 to 60:1 in 1990, rising further to 75:1 in 2000, which demonstrates the intensified impoverishment of informal workers in developing countries (ICFTU, 2004, p. 10). The outburst of a global financial crisis in 2008 increases massive poverty worldwide and contributes to growing social inequalities in advanced, emerging and developing countries (ILO, 2008).

Continued high economic growth in South Asia has not led to equivalent growth of income and reduction of poverty. The unemployed and underemployed have increased and nominal wages in most industrial sectors have not increased much, as South Asian countries have been unable to control high inflation. The high levels of inflation, mainly accompanied by increasing prices of oil and food, is bound to reduce the real income and keep more workers as the working poor. Some 123 million in India, accounting for around 31 per cent of the total population, are the working poor, living under the poverty line. A "Report of the National Commission on Enterprises for the Unorganised Sector", Government of India, says that based on an empirical measurement, 77 per cent of the population live within a per capita daily consumption of up to Rs. 20 (NCEUS, 2007, p. i). The number of people belonging to this 'poor and vulnerable' group increased from 811 million in 1999-2000 to 836 million in 2004-05 (NCEUS, 2007). According to a report of the World Food Programme, the number of Pakistani people considered to be in food insecurity had risen by 28 per cent from 60 million in March 2007 to 77 million in March 2008 (IFAD, 2008). In Sri Lanka, about 7 per cent of the population is in the extreme poverty line living within one dollar a day and 45 per cent with two dollars a day (Wimalaratana, 2004, p. 4). In particular, women workers in the region continue to be concentrated in low productivity, low income and low quality occupations marked by exploitative forms of employment.

Table 2 shows that the value of the Gini coefficient, measuring the consumption pattern and inequality, has substantially increased in Bangladesh, India, Nepal and Sri Lanka from the early 1990s to the early 2000s. Pakistan is the only country in South Asia in which the Gini coefficient has decreased by 2.6 points between 1991 and 2002, but the recent rise in consumer prices have lowered workers' real wages and widened inequality in the country.

Table 2
Indicators of Inequality in South Asia, Evaluated by the Gini Coefficient

Country	Start period (year)	End period
Bangladesh	28.9 (1989)	31.8 (2000)
India	29.7 (1990)	31.7 (1999))
Nepal	37.7 (1996)	47.2 (2004)
Pakistan	33.2 (1991)	30.6 (2002)
Sri Lanka	30.1 (1990)	40.2 (2002)

Source: United Nations (2007), World Economic Situation and Prospects, New York and Geneva, p.112, http://www.un.org/esa/policy/wess/wesp2007files/wesp2007.pdf

Workers suffering from high inflation and relatively increased living costs have expressed their discontent by various forms of actions and agitations such as rallies, demonstrations and statements. Sri Lankan trade unions demand a sharp increase in the national minimum wage in the private sector, in order to meet the huge rise in living costs (CFL, 2007, pp.1-4), while the Pakistan Workers Federation (PWF) urges the government to take immediate steps against food and energy crisis and rising unemployment (Dawn, 16 May 2008). The Sramik Karmachari Okkoya Parishad (SKOP), a non-standing decision-making body of 16 affiliated union federations in Bangladesh, holds discussions to devise measures against high inflation. Indian workers made harsh protests against the recent price rise of oil and gas, while being confronted with the police in many cities.

Case studies on the agriculture and ship breaking sectors in India, the RMG sector in Bangladesh and the private sector in Sri Lanka, which will be discussed below, analyse wages and working and living conditions in the informal economy and illustrate the feminisation of informal workers in general.

#### Case 1. Migrant Workers in Agriculture and Ship-breaking in India

According to a survey conducted by the All India Trade Union Congress (AITUC),<sup>3</sup> among landless agriculture workers in the Machhiwara block of Bhatinda district in Punjab, most of the 80 respondents were migrants from Bihar. They got employment for just 90 to 120 days in a year. Male agriculture workers were paid around Rs. 30 to Rs. 40 per day and female workers Rs. 15 to Rs. 20. Over 43.8 per cent of the migrant agrarian workers received less than Rs.1,500 per month and some 13.8 per cent of the respondents received wages that ranged between Rs. 1,500 and Rs. 2,500 (AITUC, 2000, pp. 31-51). Around 40 per cent were paid between Rs. 2,500 and Rs. 3,000. Only 16.2 per cent received wages above Rs. 3,000. Around 67.5 per cent of the 80 respondents said they worked for nine to twelve hours, 16.3 per cent for over 12 hours and the remaining 16.2 per cent for six to eight hours (AITUC, 2000, pp. 42-43). As many of them are marginalized peasants in their native villages, they commonly live in the shadowed, unseen and untouchable domain (Jha, 2008, pp. 6-17).

The wages and working conditions of, as well as welfare measures for, ship breaking workers in Daraukhana, Mumbai, was surveyed by the International Metalworkers' Federation (IMF) in New Delhi (IMF, 2006).<sup>4</sup> Around 90 per cent of total 850 respondents said they had

migrated from the agriculture-based states of Orissa, Uttar Pradesh and Bihar. They were largely young and employed either on a daily or monthly basis or on a contractual basis and only three per cent of the workers interviewed had permanent employment. They were paid monthly at the daily rate. Close to 64 per cent of workers surveyed earned between Rs. 2,001 and Rs. 4,000 per month, while 33 per cent of the workforce earned less than Rs. 2,000. No welfare measures were guaranteed, because medical expenses and social security were not considered the employers' responsibility. Their living standards were pathetic, with most of them living in slums or shelters made of asbestos, plywood and metal sheets. Some 95 per cent of the workers shared small rooms with three or four persons on average to cut their living costs and the families left behind also face great social barriers and hindrance. They did not have basic facilities like drinking water or toilets. The employment situation continues to get worse, because the number of vessels entering the ship breaking yard has reduced from 338 in 2001-02, to 300 in 2002-03, to 294 in 2003-04 and further to 196 in 2004-05 and because of this the volume of work has decreased during the period (IMF, 2006, p. 13).

#### Case 2. Ready-Made Garment Workers in Bangladesh

The Ready-Made Garment (RMG) sector in Bangladesh employs around 2.7 million people and 1.6 million of them are women. Female workers with one or two years' experience, who had worked either as operators or as helpers in small garment factories or were involved in home-based work in Mirpur district of Dhaka, nearly managed to earn between Tk. 1,200 and Tk. 1,800 a month, including overtime payment. In late 2006, the Minimum Wage in the garment sector was fixed at Tk. 1,662.5 per month, which is composed of Tk. 1,125 for basic pay, Tk. 337.5 for house rent, and Tk. 200 for medical allowance.

Of the 120 respondents to a survey by BILS, 48 per cent could barely manage to meet their daily expenses with their salary (Repon and Ahamed, 2005, pp. 100-141). 60 per cent of the respondents were not paid their overtime allowance regularly, while 23 per cent were not paid at all. The remaining 17 per cent were either satisfied or did not answer the question. Most of the female workers spent very little money on food, after paying for accommodation and transportation. Only 21 per cent said they had some savings, while 79 per cent said that they did not have any savings. The garment workers in Bangladesh are caught in a precarious situation with a decline in real wages and a rise in inflation. The workers' grievances against unacceptable working standards, unaffordable living costs and the autocratic management ignored social compliance were reflected in the flare-up of labour unrest in 2005, 2006, and 2008.

#### Case 3. Workers in the Private Sector in Sri Lanka

Real wages have sharply declined and workers' living standards have been deteriorating in Sri Lanka. The minimum wage in the private sector pay was fixed at Sri Lankan Rupees (SRs.) 5,000, with effect from May 2007, by increasing 25 per cent from the earlier minimum wage (Rasseedin, 2007, pp. 1-4). A total of 1.5 million workers in 43 trades are covered by the Wage Boards benefit from the minimum wages, but the majority of informal workers are out of this regulatory framework and their salary depends on a supply-demand relation of job market and individual wage negotiations. According to the Central Bank Annual Report, real wages of all workers who are covered by the Wage Boards machinery declined by 9 to 10 per cent in 2006 and the income of workers in the private sector still does not meet their basic needs for living (Lakshman, 2005; Rasseedin, 2007, p. 6).

A 'Household Income and Expenditure Survey', conducted by the Department of Census and Statistics (DCS), Sri Lanka, in 2005 indicates that each household, having a monthly

Table 3

Average Monthly Incomes and Expenditures by Households in Different Industrial Sectors, 2006

Average monthly income per household		No. of household on average	Average monthly expenditure per household	
All Sri Lanka	20,048	1.9	All Sri Lanka	19,151
In urban sector	32,239	1.9	In urban sector	26,529
In rural sector	18,634	1.9	In rural sector	18,282
In estate sector	12,070	2.3	In estate sector	12,685

Source: Department of Census and Statistics (2005), Household Income and Expenditure Survey, Sri Lanka, readopted and modified from T.M.R. Rasseedin (2007), "Inflation, Wages and Prices in Sri Lanka", NATURE, Colombo, p.17.

average income of SRs.20,048, nearly meet their monthly expenditure, being SRs. 19,151, as Table 3 explains. Households' income of SRs. 32,239 in urban sectors exceeds their monthly expenditure of SRs. 26,529, which indicates that urban households only have some surplus money for savings. The poverty is overwhelmingly a rural issue where 31.3 per cent of the people are the extremely poor, compared to 8.6 per cent in the urban areas (Wimalaratana, 2004, p. 4).

Table 4

Average Monthly Gross Salary of Daily Wage Earners, 2006

By area			By industry		
Urban	Rural	Agriculture	Manufacturing	Service	
6,942	5,444	4,048	6,630 6,089		

Source: Department of Census and Statistics (2005), Household Income and Expenditure Survey, Sri Lanka; Rasseedin, T.M.R. (2007), "Inflation, Wages and Prices in Sri Lanka", pp.11-12.

The DCS survey (2006) in Table 4 describes that daily workers earn SRs. 4,048 per moth in agriculture, SRs. 6,630 in manufacturing, and SRs. 6,089 in Service. Their average monthly salaries are SRs. 6,942 in urban areas and SRs. 5,444 in rural areas. The DCS statistics clearly points out that the income of a vast majority of the informal workers in both urban and rural areas as well as all industries are not commensurate with their monthly expenditure. The increase in prices of nearly all basic food items was so sharp that the lower income groups and fixed income earners were deemed to have suffered severely from high living costs and eventually decent work deficits in their daily life.

## IV. ABSENT OR MEAGRE SECURITY AND PROTECTION FOR INFORMAL WORKERS

Existing labour laws and statutory social protection are not fully applicable to informal workers but mainly benefit the organised sector. In India, Industrial Employment (Standing Orders) Act, 1946 (last amended in 1983), the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (amended in 1988), Workmen's Compensation Act, 1923 (last amended in 1984), Equal Remuneration Act, 1976 (last amended in 1987), Minimum Wages Act, 1948 (last amended in 1984), Industrial Disputes Act, 1947 and Maternity Benefit Act, 1961 (last amended in 1988) regulate the terms and conditions of work and benefits, but they do not secure the employment conditions and rights of informal workers. The Minimum Wages Act provides fixation, review and enforcement of minimum wages for both the central and the state governments with respect to scheduled employment – 45 categories in the case of the central

government and 1,424 in the case of the state governments. The Payment of Wages (Amendment) Bill, 2002 was passed in the Rajya Sabha (Upper House of the Indian Parliament) in May 2002,<sup>5</sup> but minimum wages are rarely paid to those working in the informal sector. The rights-based legislated National Rural Employment Guarantee Programme (NREGP), which ensures 100 days of employment for every poor household or equivalent income to the 100 days work, is being implemented in all districts of India, but non-payment of the state minimum wages is one of the main bottlenecks of the scheme.

The Labour Act, 1992, in Nepal covers only workers in the organised sector and has a separate section on welfare provisions, which includes (i) social security, pertaining to gratuity, pension, compensation, provident fund and so on; (ii) holidays such as sick leave, maternity leave, public holidays, annual leave, paid and unpaid leave; and (iii) other benefits including welfare fund, housing provision, medical care, restroom, day care center, canteen, etc. In order to make the existing labour laws applicable to the informal workers as well, it is mandatory to show an employment relationship, which imposes obligations on the employers. There are hardly any informal workers who are offered letters of appointment or equivalent, which would establish an employee-employer relationship and become a foundation to regulate terms and conditions of work.

The realization of freedom of association and the right to collective bargaining are a distant dream in the informal economy in South Asia. The ratification of the International Labour Organization (ILO) Core Conventions is as high in all South Asian countries as 7 conventions by Bangladesh, 4 by India, 7 by Nepal and 8 by Pakistan and Sri Lanka respectively, but the enforcement of the labour laws and of international instruments is one of the major challenges in assuring the voice and representation of workers, particularly in the informal sector.

The cases of labour disputes filed in Labour Courts/ Tribunals have increased in South Asia, but the present judicial system is hardly in a position to resolve the mounting dispute cases. The system still has fundamental constraints like procedural limitations on handling pending cases, as the huge backlog in the labour tribunals in Sri Lanka has increased from 15,300 in 2000 to 22,400 in 2005 (Ranaraja, 2007, p. 25). Grievance settlement mechanisms hardly exist for informal workers. Labour inspection systems applied to informal sectors to monitor and protect fundamental labour rights either do not exist or, where they exist, are largely outdated.

It is argued that varied organising methods and strategies are regarded as a footstep to transform irregular and informal employment towards formal and regulated employment to prevent informal workers from feminisation, to gain decent incomes, and to promote social security and protection. The next section discusses organising strategies as a means to empower informal workers socially and economically and support the argument that organising is an entry point of fulfilling 'Decent Work' for informal workers.

#### V. ORGANISING AS A CATALYST FOR DECENT WORK

Labour movements at the national and global levels have had to face enormous challenges due to structural changes in the turbulent global economy. Such external variables give rise to a large number of challenges in trade union organisations in South Asia, which are overall structurally weak and vulnerable to external compulsions.

Trade unions face multiple challenges, with the first one being external settings such as changing global markets along with supply chains and changes in employment relationships, increasing closure of the public sector, legal restrictions and continuous threats (even physical) on union activities. They also face internal issues, overall related to a matter of the weak

capacity, such as low union density, fragmentation and rivalry among unions, political dependency, fragile financial self-reliance and the low level of publicity and new recruitment. The low unionisation rate is regressive to the labour movement. The unionisation rate in Bangladesh, India, Nepal and Pakistan is as low as 3 to 8 per cent of the total labour force. Only in Sri Lanka, it is relatively high at 13 per cent with a high union density in the public sector. The collective bargaining power of trade unions is severely constrained by the presence of multiple unions, such as over 20 registered federations in Sri Lanka (with 6,93,513 registered members in 1999), several in Pakistan (with some 1.2 million members as of 2005), 31 federations in Bangladesh (with about 2 million members as of 2005), twelve federations in India (with a verified membership of around 24.8 million in early 2008), and eight federations in Nepal.

The infrastructure development of the union organisations and their capacity-building become preconditions for launching full-fledged organising campaigns. Managing the union in a democratic way is a prerequisite to enhance the level of knowledge on workplace and socioeconomic issues and to gain the public support. Women, young people and migrant workers form the majority of the workforce and, therefore, integrating them under the union umbrella must be a prime task for energising the labour movement. After reforming their internal management systems, trade unions also need to design a roadmap for a new unionism, which should use multiple strategies including organising campaigns, political engagement as a subjective actor, meaningful solidarity at national and global levels, financial self-reliance, networking with civil society and research institutes, planning and implementation of training and education, so as to enable them to reach out to the huge base of informal workers.

The sharp decline in the unionisation rate and shrinking representation of unions in policy and decision-making bodies of societies and governments is a result of the unions' failure to suitably invest in organising activities. The labour movement needs to manifest solidarity and forge a common front, resulting in a loss of popular support. Therefore, 'organising' is regarded as a method to raise the consciousness of the informal sector workers through raising awareness, education, advocacy, vocational training, campaigning, and networking, as well as a method of increasing the organisational strength of trade unions by recruiting new members. This is characterized by:

- 1. An 'organising campaign' must be a way of enabling changes in the status of informal workers from social and economic exclusion to a recognition of their voice and giving them wider representation. Informal workers can be consolidated under the umbrella of different forms of workers' organizations, such as cooperatives, associations, and trade unions. There is no uniform method of organising unorganised and informal workers, but different unions have experienced and contrived varied strategies in given environments.
- 2. 'Organising' could be a method of socialising the unorganised groups such as youth, women and migrant workers, because trade unions are an instrument to provide their members with education, collective bargaining, vocational training, legal aid, rights-based approaches and community mobilisation. A sense of working class consciousness and solidarity can be created to reflect their aspirations for improving working conditions and protecting labour rights.
- 3. 'Organising' can be recognised as a long-term union investment for increasing membership, which requires an enormous amount of financial and human resources as well as organisational mobilisation and leadership commitment. Once unionised, informal workers can leverage their voice and representation to policy-making and bipartite and tripartite dialogue.

4. 'Organising' can be an important means of increasing a union's members. It can become the cornerstone for consolidating the unorganised under different forms of workers' organisations, as a tool to mobilize the disadvantaged and to address workplace-level pitfalls, and as a catalyst for promoting the goal of decent work of the ILO, which strives for inclusive economic development, poverty reduction and social justice, including respect for freedom of association and collective bargaining, eradication of discrimination, and social safety nets.

The report of the ILO Director General, *Time for Equality at Work*, presented during the 91st Session of the ILC in 2003, stresses the significance of unions' organising campaigns, stating that 'the motivation for organising those without representation has not only been to increase membership but also to build wider alliances and to fight for social development (ILO, 2003, p. 100)".

The unions need to address issues pertaining to the sustainability of informal workers' daily livelihoods and their rights. Programmes that are immediately able to provide economic benefits to workers need to be devised, as this would be a tool to attract membership. Organising is, therefore, essential to maintain the strength of the union, to uphold its collective bargaining power and to upscale its political influence. In order to start recruiting campaigns for new membership, innovative policies and strategies like service-based and rights-based approaches or a combination of both needs to be devised with the empowerment of human and financial resources.

Various strategies to reach out to the informal workers have been explored and tried out in the field (Ahn, 2007, pp. 38-48). They include the formation of self-help groups and cooperatives by the South Asian wing of the Building and Woodworkers International (BWI) for forest workers in Orissa, information technology training by Union Network International (UNI) in Bangalore and Hyderabad in India, as well as in Nepal, skills development in Tsunami-affected areas in Ampara district, Sri Lanka and in Tamil Nadu, India, welfare measures by International Metalworkers' Federation (IMF) in New Delhi for ship breaking workers in Mumbai, Maharashtra and in Alang, Gujarat, India, 'friendship houses' by National Workers Congress (NWC) for women workers in export processing zones in Sri Lanka, 'migrant workers support units' by General Federation of Nepalese Trade Unions (GEFONT) for networking Nepali migrant workers abroad, and study circles by Bangladesh Textile Workers League (BTWL) and the Garments and Textile Workers League (GTWL). As observed above, the experiences and experiments of many different unions' diverse organising methods and strategies are being expressed as distinctive union actions, which eventually help empower the informal workers and contribute to bringing 'decent work' to the informal economy.

#### VI. CONCLUSION

In order to introduce an environment conducive to promoting Decent Work and labour rights, it is inevitable to generate a bottom-up pressure from the disadvantaged groups. Necessary steps for policy review, an enabling work environment, social dialogue, and security measures can be followed after the grass-roots level workers start mobilising and motivating them and addressing their concerns. It is also the role of state that has to initiate, set up and implement a social dialogue forum to discuss ground realities and motivate changes in policy and working environments.

Organising campaigns are a channel to mobilise people who are in need, and who could be helped through a collective action. Requiring substantial levels of manpower, financial resources and visionary strategies, organising activities have to be long-term, based on the needs of the people concerned and require consistent investment strategies to deliberate workplace issues, to awaken workers' class consciousness and solidarity among the unorganised, and to increase the membership of trade unions. 'Organising' is the starting point for workers in the informal sector to promote freedom of association, ensure collective bargaining and guarantee social protection for themselves - all in all, a sustainable improvement in their working and living conditions. ILO Decent Work Country Programme (DWCP), being developed by and implemented with tripartite constituents, is an integral approach of policy, activities and projects, so as to make its interventions more effective and accountable in the world of work and thus to empower the marginalised groups. Therefore, organising can serve as a catalyst for exercising the overriding role of trade unions and also fulfilling the ILO's Decent Work Goal, aiming at accomplishing the four inter-related pillars of work, pertaining to rights at work, productive employment, social protection, and social dialogue.

#### Notes

- 1. The tripartite constituents of each member state of the ILO have worked together to develop a 'Decent Work Country Programme', which is an operational framework with national priorities of work. An 'Asian Decent Work Decade, 2006–2015' was launched with the tripartite constituents at the 14th ILO Asian Regional Meeting held in Busan, Korea in September 2007, in order to make a concerted and sustained effort to realise decent work in all countries of the Asia and Pacific region. Reaching out to informal workers is a primary focus of the Decent Work Country Programmes, as well as a means of realising the ILO's decent work agenda.
- 2. Nepal had the region's highest female labour force participation rate of 81.9 per cent in 1999 and Pakistan had the lowest rate of 15.2 per cent in 2000. The economic participation rate of women in South Asia has greatly increased since the late 1990s.
- 3. AITUC interviewed 80 migrant workers on their working conditions. The workers were randomly selected from the industrial areas of Ludhiana (40 workers) and the rural areas of Moga and Bhatinda (40 workers).
- 4. The number of skilled and unskilled workers directly employed in 19 ship breaking plots varies between 5,500 and 6,000. The estimated total employed directly and indirectly involved in the downstream industries such as re-rolling mills, foundries, oxygen plants, transportation companies, local goods stores, and other small businesses is around 20,000.
- 5. The minimum wage ceiling, introduced by the Payment of Wages (Amendment) Bill, was enhanced from Rs. 1,600 per month (Rs.66 per day set in February 2004) to Rs. 6,500 per month in 2006, but the remuneration of informal workers is far short of the ceiling.

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