

Organise – **don't resign**

Fighting poverty through the implementation of the right to organise in the informal economy.

Documentation of a project of the
German Commission for Justice and Peace
2003 – 2006

Series of Publications on Justice and Peace
Published by the German Commission for Justice and Peace
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Series of Publications on Justice and Peace, no. 110e

Editor: Dr. Hildegard Hagemann

ISBN 978-3-932535-99-4

Bonn, April 2007 (translation)

Available at:
Justitia et Pax, Kaiserstr. 161, D-53113 Bonn,
Tel: +49-228-103217 – Fax: +49-228-103318
Internet: www.justitia-et-pax.de – E-Mail: Justitia-et-Pax@dbk.de

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Foreword

Informal work will only disappear if you organise the workers!

Renana Jhabvala, SEWA 2005

This insight of an Indian trade unionist operating in the informal economy is the quintessence of a project which the German Commission for Justice and Peace has intensively prepared and implemented in the past four years, together with a large number of partners in Germany and in other European countries.

The informalisation of the labour market is expanding through globalisation. Seen from a worldwide perspective, the situation is dramatic since far more than two-thirds of the working population in many countries work in the so-called informal economy. Even in Germany, employers, trade unions and governments have been increasingly concentrating on this phenomenon in recent years. What at first sight appears to be a liberalisation of the labour market, and hence an expansion of economic opportunity, frequently means for those concerned a profound lack of security for their lives and of opportunities to plan for the future. Neither international nor national employment policy has so far developed coherent concepts to counter these trends effectively and sustainably, so that people can survive and live by their own work and perhaps even gain a certain degree of prosperity and security for themselves and their families.

In this situation of change, Catholic social doctrine warns against insisting that the changes take place in a deterministic manner. On the contrary, the human person must ultimately remain the decisive factor, the “referee” of all change who must also remain the true protagonist of his work.¹

What latitude is there if people living in extreme material poverty must make their daily living by means of insecure, unregistered, unregulated and inadequately-paid activities, in other words informal work? How can they be a decisive factor and protagonist in view of the lack of opportunities to effectively express their needs and security requirements (such as with regard to social security) in the political arena, and if they are certainly unable to claim these opportunities?

Projects being organised by state and church development cooperation facilities in the fight against poverty strive to provide educational opportunities and training subsidies,

¹ cf. Pontifical Council for Justice and Peace, 2004, Compendium of the Social Doctrine of the Church, No. 317, Libreria Editrice Vaticana

to facilitate the provision of initial equipment to launch a business, and to seek to improve access to microfinance. However, the relevance of the right to organise, of political expression of opinion and of joint representation of interests in the informal economy is much too seldom taken into account. This was the preserve of formal workers, who could join trade unions in their multitude of ideological and political leanings worldwide. The International Labour Organisation (ILO) recognised at an early stage that these rights must be available to all working people, including informal workers.

It is high time to make a strong plea in all sectors of society for fundamental rights at work – particularly also in precarious employment. Social alliances such as those between trade unions and churches can promote the right to decent work, so that the priorities are set correctly in our globalised world and people can once more give shape to the future of the world which is entrusted to them.

The German Commission for Justice and Peace has built bridges to trade unions and development policy players in Germany and in the South through the project which it has been organising over the past three years. It starts this documentation by providing a detailed presentation of the project, and goes on to present selected contributions, setting out their goals and outlining the progress that has been made. The insights obtained and the results of the project unfold, not in chronological order, but with a topical structure.

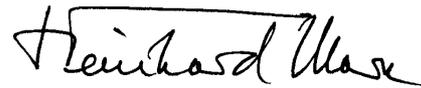
Thus, the right to decent work in times of informalisation and globalisation is presented first of all. Statements by the President of the Pontifical Council for Justice and Peace, and by the Chairman of the Confederation of German Trade Unions, underline the significance of the International Labour Organisation's decent work concept, each from their own perspective.

The significance of freedom of assembly as a fundamental right of working people is analysed for the situation encountered in the informal economy against the background of these human rights contributions. Personal testimony from Chile and India make this clear and are supplemented by a compilation of the content of the international conferences that have been implemented and experience from an exposure and dialogue programme.

In a further step, employment and development policy challenges are formulated which range from support for international regulatory instruments, via the promotion of social dialogue, through to development cooperation approaches.

The German Commission for Justice and Peace considers its task to lie in observing these topics, developing perspectives and endeavouring to strengthen social alliances, so that even people in insecure employment can stand up for their interests, can become organised, and can ensure a decent structure of work worldwide.

Trier, 25 August 2006

A handwritten signature in black ink, reading "Heinrich Wase". The signature is written in a cursive style with a horizontal line above the name.

Bishop of Trier
President of the German
Commission for Justice and Peace

1. Introduction to the project

“Freedom to organise in the informal economy”

A matter of concern for the German Commission for Justice and Peace

As a ‘roundtable’ of the Catholic Church in Germany, the German Commission for Justice and Peace has set itself the task of taking up and bringing into the political dialogue example topics related to peace, human rights and development, in an innovative manner and with respect for the principle of subsidiarity. It has tackled in particular those problem areas which affect the lives of the poor and marginalised in the countries of the South and impair their participation in economic, political and social life. Its considerations and activities are guided by the principles of solidarity, subsidiarity and participation, which constitute fundamentals of Catholic social doctrine. “Acting in solidarity recognises the personal dignity of others, and aims to shape the life of society in such a way that people experience themselves as the subject of their individual development, and thus become one another’s neighbours.”²

A characteristic feature of the economic activities of those living in poverty is that of obtaining a livelihood in informal and precarious employment. This so-called “informal economy” has expanded dramatically in recent decades, paralleling the increasing globalisation of the economy and the world of work and the disappearance of borders in the transport of goods and services. The International Labour Organisation has placed the question of the implementation of core labour standards and social standards in the informal economy at the forefront of its research in recent years. It has recognised that the informalisation of work is not a transitional or rump phenomenon on the path to a prosperous economy in full employment, but that it is a given within economic structure, and that it will tend to grow worldwide. In view of globalisation, it is becoming clear that the threat of wage dumping in the countries of the North can only be countered if social standards are successfully introduced and refined in the countries of the South. A world of work which is structured in a socially-fair manner thus requires an intensive cooperation between the social partners and civil society players in the North and South.

The implementation of the core labour standards is not only a contribution towards sustainable development, but has a major role to play in the security of economic,

² Gerechtigkeit für alle. Zur Grundlegung kirchlicher Entwicklungsarbeit, German Commission for Justice and Peace, Bonn, November 1991, ISBN 3-928214-22-5, p. 29

social and cultural human rights. For this reason, in its programme of action for 2015, the German Federal Government also seeks to bring about respect for the core labour standards, and regards this as constituting an approach towards achieving the Millennium Development Goals (MDGs). Neither worldwide respect for the core labour standards, nor the MDGs can be achieved by state efforts alone. Civil society players are also called upon to make a contribution towards the fight against poverty in line with their skills and capacities.

The German Commission for Justice and Peace has tackled the topic of freedom to organise as an example from the field of the core labour standards, and asked what this right of freedom to organise means for workers in the informal economy. Those in informal employment are seldom able to assert their interests effectively, in public and in the political arena, and to fight for their economic and social rights. This is a result of a lack of frameworks in the legal area, as well as of frequently inadequate facilities of organisation and forms of organisation. Even successful self-help and grass-roots organisations in the informal economy ultimately do not have the acceptance and understanding of established structures which have achieved traditional status as social partners in the formal world of work.

In the course of their history, recognised trade unions have not only gathered considerable experience with regard to the organisation of people from very different work contexts, but as member-orientated organisations with negotiation experience they also have expertise in exerting political influence and in asserting interests. They therefore offer the best preconditions to support self-help organisations in the informal economy and organisation processes remaining open in this field. Trade union initiatives to support these organisational processes in the informal economy are nonetheless still few and far between.

It is therefore a matter of concern for Justice and Peace³ to increase the understanding among German Trade Unions for self-help organisations to organise informal workers, and to promote an interest in cooperation in order to facilitate these forms of organisation at international level, and to clear the way for their interests to find a voice, in particular in the respective national context. This goal is shared with partners such as the Indian SEWA organisation (Self-Employed Women's Association). They too hope to see their interests confirmed and strengthened on the basis of discussions and exposure meetings with the Confederation of German Trade Unions (for instance by means of a policy dialogue between the Confederation of German Trade Unions and Indian trade

³ cf. *Gerechtigkeit für alle. Zur Grundlegung kirchlicher Entwicklungsarbeit*, German Commission for Justice and Peace, Bonn, November 1991, ISBN 3-928214-22-5, section 4.3.3.4

unions). SEWA has now become a member of the International Trade Union Confederation.

Furthermore, by using the international partner networks, Justice and Peace is also observing the topic in the countries of the South in which the informal economy accounts for a major section of the national economy, although the degree of organisation and structure in it does not by any means live up to this potential. This takes place by supporting specialist conferences or through the exposure and dialogue programme in which the participants, as well as the exposure partners, are able to experience the dimensions of such mutual understanding and reciprocal support in the political effort.

The debate on the phenomenon of the informalisation of the world of work in the countries of the South attracts attention to the development of the national and regional labour market in the North. This development is subject to changes in production processes, decentralisation of production and liberalisation of all markets. The labour market by itself is not appropriately typified by open, permeable international borders, but restricts itself to shifting the production and service locations to countries with a lower wage level. The increasing informalisation of jobs here, as this emigration progresses, for instance blurs the distinction between self-employed, potential employers and workers who enjoy full, long-term security under a contract. The trade unions are called on here once more to face the employment policy changes also with regard to the interests of their own members. Exerting political influence to encourage the recognition of international regulatory instruments can just as well constitute a response to these changes as can the suggestion to discuss the definition of decent work at international level and with the involvement of a multiplicity of stakeholders.

The German Commission for Justice and Peace prepared its contributions in the stages listed below, in chronological order:

- Promotion of and cooperation in the international conference on 'Core Labour Standards and the Informal Economy' held on 16/17 December 2003 in the Universidad Alberto Hurtado, Santiago de Chile, Chile
- Cooperation with the Federal Presidium of the Confederation of German Trade Unions in the implementation of the joint international specialist conference entitled 'Organise – don't resign' held on 18/19 March 2004 in Berlin, Germany

- Guidance and promotion of an exposure and dialogue programme at SEWA from 10 to 19 September 2005 in Ahmedabad, India, under the leadership of EDP e.V. and in cooperation with the Confederation of German Trade Unions
- Organisation of the international Justice and Peace Congress on 15/16 December 2005 on the topic: The significance of the informal economy for achieving the UN Millennium Goals
- Publication of the brochure '11 Good Reasons to Ratify the ILO Home Work Convention' on 13 January 2006 as a joint production of the Global Labour Institute (GLI), the Confederation of German Trade Unions, the Church Development Service (EED) and the Friedrich-Ebert Foundation (FES)
- The launch of a dialogue between the trade unions on 13 June 2006

2. Decent work in times of informalisation and globalisation

The German Commission for Justice and Peace sought to cooperate with the Confederation of German Trade Unions on the project entitled “Freedom to organise and informal economy”. Together, they organised the international specialist conference “Organise – don’t resign” in March 2004 at the headquarters of the Confederation of German Trade Unions in Berlin. The fruits of this cooperation were also shown at the Congress of the German Commission for Justice and Peace in December 2005, the review year of the Millennium Goals, on the topic of “The significance of the informal economy for achieving the UN Millennium Goals”.

Both events involved international players. Firstly, a contribution from the International Labour Organisation, which drew up the decent work concept, and secondly by the Pontifical Council for Justice and Peace, which attaches great significance to this concept on the basis of Catholic social doctrine.

The contributions of Cardinal Martino, President of the Pontifical Council, P. Dr. Dominique Peccoud, Special Adviser to the Director-General of the ILO, and Michael Sommer, Chairman of the Confederation of German Trade Unions, are presented below, explaining the right to decent work each from their own perspectives.

2.1 Work that is worthy of man

Cardinal Renato Raffaele Martino

(Intervention at the Congress of the German Commission for Justice and Peace on “Informal Economy and Millennium Development Goals”, Bensberg, 15/16 December 2005)

1. I am very pleased to participate in this Congress promoted by the German Justice and Peace Commission, for a common reflection on the informal economy with reference to the Millennium Development Goals. The theme given to me concerns work that is worthy of man in times of increasing changeability and destructuralization, two phenomena that are intensified by the process of globalization. In my reflections, I will make use of the Compendium of the Social Doctrine of the Church, published by the Pontifical Council for Justice and Peace in accordance with the directives given by the Servant of God, Pope John Paul II.

2. The great challenge today, if we wish to bring about an equitable globalization, is making the question of human dignity and human work the first priority. Work, in fact, is the key to the social question, which today is a worldwide question. Work, recognized and appreciated, is the key that makes it possible for individual people to free themselves in a sustainable manner from absolute poverty; it is the key for bringing about change in society and institutions. Work is the efficient cause of development; work must be the starting point if we wish to satisfy the need to produce goods in sufficient quantity and in adequate quality, effectively making use of technological and material resources⁴. In fact, "man is the principal agent of development, not money or technology"⁵, while reductionist conceptions tend "to reduce the human person to a market variable, to a piece of merchandise, which really makes the person a totally irrelevant factor in the decisive options"⁶.

If actions aimed at equitable globalization, at the reduction of poverty and of inequalities, lose sight of the centrality of work, they will be doomed to being unsustainable even economically. On the positive side, many concrete experiences of development brought about by very different agents (non-governmental organizations, local authorities) give tangible proof of how important it is for work to be the central consideration. The possibility of work transforms the poor from being a "problem" that must be dealt with to being a "resource" that is actively capable of meeting the needs both of the poor themselves and of the community in which they live. The experience of work, which gives people a leading role in their own development, brings to rebirth within people the awareness of their own dignity and the capacity to defend their rights.

3. It is from this central role that work must have in economic growth and in the development "of each person and of the whole person"⁷ that there arises the extreme importance of a broad and continuous effort of educating in the full meaning of work: this is not merely a question of transmitting knowledge and technical abilities, but of real "education". Many young people, especially in less developed areas, lack not only a decent job but also the awareness of being a person who is unique, precious and called to the duty of cooperating in the work of creation, a duty that is appealing because it is filled with meaning.

⁴ (cf. Compendium of the Social Doctrine of the Church, nos. 317-322).

⁵ (John Paul II, *Redemptoris Missio*, 58)

⁶ (John Paul II, Speech to the Sixth Public Session of the Pontifical Academies of Theology and of St Thomas Aquinas, 8 November 2001, 3)

⁷ (Paul VI, *Populorum Progressio*, 14)

Work fulfils its compelling task of constructing reality not so much by the mechanical application of some technology but in the meaning that work has for the person. What is required therefore is education in the subjective dimension of work: This must never be neglected, not least of all in the present context where everyone agrees that the strategic resource for development is knowledge, which by its very nature comes from the person and is communicated by means of interpersonal relationships⁸.

Those who already have a job, then, are called to learn how to share their problems with others and how to join efforts in resolving these problems, building up self-help networks, creating associations and becoming more aware of personal rights and duties. Union and non-union organizations, so important if all are to participate in development, are in fact not the result of mechanisms or of policies arising from on high: they are the result of investing in relationships, which brings individual freedom into play. In a certain sense, even the relational talents of each person have a "universal destination".

4. Allow me now to offer a more specific reflection having to do with our European reality. At the 93rd General Conference on Labour organized by the International Labour Organization, held this year in Geneva, the Holy See took part as an Observer and focused attention above all on two issues. The first is that the inhuman severity of work still persists, above all in the case of forced labour⁹ and child labour. The second aspect singled out by the Holy See is the phenomenon of unemployment among young people, which is still a cause for concern in various parts of the world, where it is often the case that half of the young workforce is without a job.

Fortunately, these two phenomena are not strongly present in Europe; nonetheless, they represent two great concerns for our task of fostering the dignity of work. Moreover, Europe itself is experiencing dramatic moments of high tension in the area of work, in protecting jobs and in managing work as a factor of active citizenship. Great changes are afoot, and we cannot rule out the possibility that even on our continent we will witness, in the future, forms of regression in the culture of work, induced and brought about by economic-productive motivations, but sustained as well by a reductionist culture of work.

⁸ (cf. Compendium of the Social Doctrine of the Church, 270-275)

⁹ There are 12.3 million people in the world who are made to engage in forced labour by private parties, by States or by rebel military organizations.

5. The principal pastoral concerns of the Church for the future of work, which should be made the object of careful consideration for a new culture of work in tomorrow's Europe, are the following:

5.1 The first area of reflection can be described as the problem of the uncertainty of work and of job protection. Unemployment in Europe is substantially under control. It is a phenomenon that must be carefully monitored, and which must be further reduced, but in any event it does not at present represent a real social calamity. But that should not put us at ease. In fact, the uncertainty of work is on the increase: the relationships between employee and employer are changing, there is greater need to relocate because of work-related motives, contracts are becoming more short-term. Especially preoccupying is the relationship between work and the family. The ever-increasing uncertainty of work brings about a delay in the formation of a family on the part of young people, and family life, once it is begun, is unsettled and weakened.

Faced with these phenomena, we need a non-abstract culture of work that recognizes the dynamics of the economy and of production without being overly dependent on now-obsolete conceptions, but that at the same time creates new forms of protection and of solidarity in the world of work. The Ford vision of a job-for-life has become obsolete not because of recent legislation on work in different European nations, but because of the changes in the economy itself such that we have seen the de facto creation of new types of work and of new work relations that were not contemplated and therefore not addressed by the old system of legislative guarantees and labour union safeguards. Attempts to stop these phenomena are of little avail; it is better to give expression to a new culture of work that creates new forms of solidarity between workers, forms of solidarity that are no longer centralized but decentralized, and to give expression to new forms of juridical protection for these "new workers".

5.2 The second area of reflection can be described as the problem of welfare reform. A new culture of work is absolutely necessary also for the coordination in Europe of necessary welfare reforms. International competitiveness arises between national systems, and the apparatus of public administration in general and systems of social protection in particular represent significant costs. How much do State apparatus and systems of social protection affect the cost of a European industrial product? And then, after having made this calculation,

another question needs to be raised: how much of this price is due to excesses, dysfunctions, abuses, overlapping, lack of controls, status income, corporate interests, and so on; and how much of the price is absolutely necessary? With the competition of products from outside Europe, we cannot claim as a right "this" national apparatus and "that" welfare system; nor can we proceed by dismantling such apparatus or systems by trial and error. What is needed is a plan for revision that will guarantee the same goals of social security while making adjustments to allocating agents and to the means and mechanisms of allocation, and doing this with the courage to dissuade corporate resistance. Europe must not become uncompetitive, but neither must it renounce its tradition of a humanistic culture of work. All of this requires an updating of this culture of work in conformity with the times and in keeping with tradition.

- 5.3 The third area of reflection can be described as the problem of the relationship between economic growth and culture. The last observations I just made bring us back to the most difficult of problems. Economic growth and growth in productivity are never merely phenomena linked solely to economics and to productivity, they are also linked to culture. The improvement of instruction, the development of research, social cohesion, the capacity to work together, human ecology, the status of the family are not elements that are foreign to economic growth. Rather, they represent the prerequisites for this growth, and for this reason we can say that Europe's eventual economic decline in productivity, or vice-versa its renewed development, will be linked in some way to European culture, to European identity, to the clarity with which Europe sees its own roots.
6. I am now approaching my conclusion, taking up once more the theme of the reflection on the relation between globalization and work. Globalization is not the result of impersonal forces; it is certainly a conditioning factor but, insofar as it depends itself on the exercise of human freedom, it is not decisive. For this reason, making work that is worthy of man a worldwide and European objective represents a particularly important ethical and cultural commitment. In fact, this direction offers to human freedom and responsibility guidelines for concrete action that are at everyone's reach, everyone – however small or powerful they may be – can take on this task according to the concrete circumstances of their own condition. Making decent work a worldwide objective undoubtedly represents a path to the "globalization of solidarity". Solidarity is in fact intended for everyone: it is the persevering determination to feel responsible for everyone, "to accept

responsibilities with respect to other human beings, to all the inhabitants of the earth". It is not a "vague compassion" but a concrete vision of mutual relationships, a policy of shared responsibility, a criterion of action for coordinating resources with a view to the common good¹⁰.

For all these reasons, the Church has much work to do. A new culture of work – capable of altering the means by which the dignity of workers is protected without closing the doors on the changes required by the new economy, capable of seeing the value of civil society as a subject of work, capable of guiding the restructuring of welfare systems that today weigh down economic growth but that in their basic principles cannot be forsaken, capable of responding to the dangers of competition between workers from different countries, capable of enhancing knowledge – such a culture of work, together with the capacity to be made new again, is a serious commitment that must find the Catholic Church on the front line, since it is her own social doctrine that orients her in this direction.

2.2 The decent work concept

P. Dr. Dominique Peccoud SJ

(Speech at the international specialist conference of the Confederation of German Trade Unions and the German Commission for Justice and Peace *"Organise – don't resign"*, Berlin on 18/19 March 2004.)

The decent work concept

I would like to speak about "decent work"! I am sure that you are aware that the two words "decent" and "work" are very important. The German programme for this event talks about "menschenwürdige Arbeit", which was translated as "humane labour", although this by no means corresponds to the ILO strategy of "decent work". And I want to come back to those two words because when we chose them before Juan Somavia became head of the ILO, we discussed a lot of words and deliberately chose these after a detailed discussion. Why therefore did we opt for "decent work"?

First of all, why "work" and not "labour"? We are the International Labour Organisation. "Labour" is normally understood as organised work. When the ILO was established in 1919, its aim was to promote organised work all around the world. Together with trade unionists, representatives of employers and governments, our aim at that time was to

¹⁰ (cf. Compendium of the Social Doctrine of the Church, 332)

ensure that labour is provided in all parts of the world on the basis of a contract. The question arose this morning of why it is so difficult to appear as a trade union. This is because of the very genesis of the ILO. Juan Somavia is by the way the first director of the ILO to come from the South. All others before him came from industrialised nations. And he focussed on the informal sector from the very beginning. This is why he spoke about “work” because they never speak about “labour” in the informal sector. We speak about “work” in the informal sector. This wraps up the distinction between “work” and “labour”.

Let us turn to the word “decent”. It is not about “humane work” or “dignified work”, but about “decent work”. What is understood by decency? “Decency” means being decent, and is the manner in which you achieve human dignity in a specific cultural context in a particular country and at a particular time. “Decency” has to do with the concrete implementation of human dignity. And this is extremely important. I want to particularly underscore two points in this context about that:

The first point is that it is an absolute priority for the ILO to see respect for a very important principle, which is the principle of subsidiarity. This means that the ILO is not interested in concluding conventions which have to be applied in exactly the same way in all places. With the exception of the basic prerequisites for decent work, to which I shall return later, we are very much aware that the conventions which we have developed up to now are not equally applicable in all kinds of economies and in all kinds of countries. We know that decent work is a work in progress: This is something which we must work at on a continuous basis. If you cease striving for decent conditions, you are no longer decent. Decency is always something where you want to be more decent. This means that the principle of subsidiarity, as well as the basic prerequisites for decent working conditions, to which I shall return later, are of great importance.

Secondly, I would like to note that the striving towards decent work is a dynamic concept which will never be fully completed. Respect for human dignity is contingent on humanity and decency. This is an indefinite concept. This is why the terms “decent work” were chosen.

Now, how do we practice decent work? To create a definition, we have defined four fundamental precepts which are universally valid independently of the principle of subsidiarity. They are to be observed everywhere in the world from today on. These are, firstly, the right to associate and the right to collective bargaining, secondly the

elimination of forced labour, thirdly the elimination of child labour, and fourthly the elimination of any discrimination at work connected to race, gender and so on.

How did we set these fundamental prerequisites in the conventions on decent work? Some of these conventions are already binding on all ILO members, regardless of their ratification status. For instance, the principles of the right of association and no effective recognition of the right to collective bargaining have from the very inception of the ILO been binding on every member of the ILO, whether or not they have ratified the pertinent conventions. There are still countries which do not adhere to them.

The first of these four fundamental prerequisites is the very foundation of society. You cannot have a society when you have no assurance of the right to associate and effective recognition of the right to collective bargaining. They are the very bedrock on which a society is built. If you have not those two rights you can never speak about social cohesiveness or progress. They are as indispensable for a society as a boot program for a computer, without which it cannot start. The right of association and the effective recognition of the right to collective bargaining are so to speak the boot programme of social life. They are the *sine qua non*.

The three other fundamental prerequisites are also very important issues, not only in practical terms, but also from a symbolic point of view, above all when it comes to social cohesiveness. It becomes highly symbolic when we speak about eliminating forced labour. Why is this so? The central message here is that economic growth should not be allowed to become the goal of an economy per se. Rather, it must aim to create better social conditions. Forced labour is practical in economic terms because if you can get people to work for nothing, you make a lot of profit. But it is socially unjust, and it is fundamentally unacceptable because forced labour is a complete lack of respect. This is the very root of human dignity. If you are exploiting workers, you have no respect for them. Forced labour and human dignity are mutually exclusive. This makes its elimination the second fundamental prerequisite for decent work.

The third fundamental prerequisite is the eradication of child labour. Why do we want to do away with child labour? Because we know that the fight against extreme poverty and the creation of a better world with better social conditions is a goal which our generation will not achieve. You will die, I will die, probably the next generation will also die, without experiencing decent working conditions for all. There is still a long way to go. This is a continuing process for humanity as a whole, and so we cannot pretend that history will end with our generation. That means that young people have to be trained to solve the problems of tomorrow which will be much more difficult than

the problems that we have to solve today. Our problems are more complicated than those of the previous generation. But it is a general process, and so child labour has really to be eliminated because it is the beginning of a sound start towards more decent working conditions. We are thinking of the next generation.

The fourth fundamental prerequisite is the prohibition of discrimination at work. Discrimination at work also stems from disregard for human dignity. Recognising human dignity means recognising that not all people are equal. And the differences are really constitutive of our humanity. We have to build on this diversity, and not on uniformity. We have to recognise and conserve the beneficial characteristics of others. This means that discrimination at work is not reconcilable with the goal of creating more decent work.

Having established these fundamental prerequisites, the question arises of how we intend to implement them, taking into account economic development and the different cultures. The strategy encompasses four aspects. The first is very straightforward. It is the promotion of respect for fundamental rights. This is the primary job which the ILO intends to tackle. This is the first axis where we seek to implement our strategy. The second one in this context is that of employment development, given that where there is no employment it is not possible to promote decent work.

What is meant by employment promotion? Education – initial education and further training. If we do not promote education, there will be no one who can create more jobs. What we also need if we want to create jobs is money. This is why we have a major commitment to microfinance and mini-credits because we are very much aware that employment now is not developed at all by the big transnational companies – on the contrary, it is they who cut jobs whenever they can. Jobs are created today by small and medium-sized enterprises. And obtaining finance is a very big issue. This is what microfinance is for. If you invest credit funding well in expanding self-employment, you have created two or three new jobs. Microenterprises also find it difficult to obtain adequate credit funds. They have to gain the lenders' trust. This is why we are working intensively to set up suitable guidelines for granting microloans, for instance.

However, with regard to employment development, we are also addressing the diversity of types of enterprise. There are not only capitalistic enterprises. We are very much aware that cooperatives are very, very useful and have considerable potential. Associations and other types of combination create jobs, not only capitalistic organisations. This is also a topic on which we are expending considerable effort.

The first measure to implement the fundamental prerequisites was the promotion of respect for fundamental rights. The second measure was creating jobs and employment. The third is the issue of social security.

If we speak about social security, we mean first and foremost security at the workplace, and secondly social security associated with hazards and risks of all kinds connected to unemployment, health and pensions insurance. These are humanity's three main concerns: illness, unemployment and old age. And because the systems currently existing in the industrialised nations are no longer practicable, new concepts must be developed. On the other hand, we see for instance in many developing countries that they are developing a lot of micro-insurance schemes in their healthcare systems. How can we ensure that these micro-insurance schemes can really be stable and sustainable? We have carried out a lot of research in developing micro-insurance schemes and re-insurance systems, have contributed adequate funds and ensured sufficient re-insurance in order to find out how to ensure the long-term functioning of these new systems. This was therefore the third measure for the promotion of decent work.

The fourth measure is easy to understand. Better working conditions can only be achieved if there is a dialogue. This is why we are striving towards a tripartite dialogue. But tripartite has to start with bipartite. That means that for instance we have to start by getting the informal sector into a debate with governments. You cannot undertake tripartite dialogue when you don't have even bipartite dialogues. We consider all this to be necessary because we are very much aware that all the strategies which have been developed in developing countries without any dialogue taking place between governments and civil society and organised society, such as trade unions and employers' associations, all failed very quickly. In all instances in which there was a debate on the introduction of new systems in the run-up to their introduction, it was possible to develop much more sustainable concepts. And this is the fourth measure for the promotion of decent work.

So decent work can be described in very straightforward manner: ensure fundamental rights, promote employment, social security and social dialogue. These are the measures for the promotion of decent work. Now we only have to implement them. Thank you!

2.3 Decent work or “Workingman’s Death”

Michael Sommer

(Speech at the congress of the German Commission for Justice and Peace “The significance of the informal economy for achieving the UN Millennium Goals”, Bensberg, 15/16 December 2005)

Three years ago, my colleague Jürgen Eckl from the international section asked me to consider this topic much more deeply in collaboration with you, with Justice and Peace. I never regretted him convincing me to do this. I am saying this because I believe that we particularly rely on remaining in a discourse, on seeking a consensus and also on drafting shared views on these issues, particularly knowing that there are far too few of us drawing attention to such topics in our society.

I would like to do this in my own way, and I would like to start by re-examining the significance that this topic actually has for us, i.e. in the sense of fighting against poverty and exploitation. I would like to start by saying that I personally used my journey here to think very intensively and personally about two things. One is this really good relationship between the terms “Justice and Peace”, namely in the clear knowledge that there can be and will be no peace in this world, real peace in this world, without justice. And on the other hand, I asked myself: Is informal work not better than none at all? Is not the fact that one cannot work at all, that one can be excluded from work, itself an element of considerable inhumanity?

If I talk here in Germany with those among the long-term unemployed who are not layabouts, but who have ultimately been pushed out of this society, it becomes clear that the issue is not only one of a lack of personal livelihood, since no one in Germany is starving because they are unemployed. However, a process of emotional exhaustion sets in because of being prevented from working. And I would like to point out that if we then go out a long way into the world and talk about informal work in the meaning of a core of exploitation, we sometimes forget this aspect, which is that work is also a part of man – a part of his dignity – and that we should, I believe, take this aspect into account.

As the first International Trade Union Confederation Deputy President, I am the leading representative of the industrialised nations in this Confederation. We have trade unions from 150 countries among our affiliated organisations. We declare with pride that we organise at least 160 million employees. What we say less clearly is that the organisations from the Third World among our members are largely trade unions which represent the formal sector. When we held our Executive Board Meeting in Hong Kong

last week, we had on our agenda a topic which you also have on your agenda, namely SEWA, the women's trade union from Southern India. They had filed a membership application.

And as is our habit, the Secretariat goes there and takes a look at whether we should accept them and then recommends to the Board whether they are to be accepted or not. The recommendation was: Let us carry out a longer examination, not because the Secretariat took the view that it would not be worth accepting them, but because both major Indian trade union confederations opposed their membership; with two very interesting reasons, by the way. One was that SEWA would allegedly split the trade union movement, and the other was that it was allegedly not a trade union at all, but an organisation of traders. Both are reasons which you have to digest. And then something happened which I personally am also proud of: We did not accept SEWA that day, this would not have been possible. But we carried on a debate, my colleagues from Austria and Sweden, my Australian colleagues, and myself, and we said that we should discuss together how we actually imagine trade union organisation in the informal sector. Let us make it a topic for discussion. And this was the first time that a Board decided to make an issue of this topic since 1949, when the ICFTU was founded.

And I must say that this was for me, so to speak, a nice personal pre-Christmas present because I believe that we must face this topic, even if it is difficult. And we in the international trade union movement have a good opportunity to tackle this topic anew because we are on the point of merging the two major non-communist trade union organisations in the world, on the one hand the ICFTU, which is by far the largest (this must always be said) and on the other hand the World Confederation of Labour, which organises the Christian trade unions, in Vienna next year. This is an established fact, so that we are creating a large international confederation of trade unions, actually a new organisation, only the name has not yet been decided on. But – and now I come back to our topic – for me, the decisive point in the establishment of this new international trade union movement, which at the same time entails the dissolution of the remaining international communist trade union movements, seems to be that we are also using this to, so to speak, set a new joint goal, namely to take on the organisation of the informal sector.

I consider this to be a most important point. Because I also believe that it is not only about people here – naturally the focus is on people –, but it is also about the question of whether a trade union movement may actually call itself a trade union movement if it starts by excluding 65, 75, 85, 95 per cent of the workers in some countries of this

planet. I remember when I accompanied Federal Chancellor Gerhard Schröder on his Africa trip, I had the opportunity to speak for two hours with my Ghanaian colleague. And he was in an office building which was not the finest, but also not the worst which is to be found in Accra, and he was also a proud man, and we also had a very good discussion until I asked him: Tell me what percentage of the working population of Ghana you organise. And then he said, well, fifteen. I said: banks. Yes! civil servants? Yes! I said: textiles? No! farmers? No! port workers? No! I don't think I need to go on. And at that point, I realised for the first time very personally – I was only elected to this office a short time ago, and it takes time to acclimatise – the importance of the informal sector. Because I am talking in large parts of this planet about the majority of the working population.

I would now like to cut to my own approach to the topic. I had the opportunity to host the world première of a film in August in Berlin. The film is called "Workingman's Death", and was produced by two German filmmakers who describe the topic of work in five sequences. And they describe the topic of dignity and work in these five sequences. The first take – they are each about twenty minutes long – deals with four Ukrainian miners who have lost their jobs and take on an abandoned mine and mine it themselves. They crawl under the ground into the mountain, through tunnels 45 centimetres high, work with their bare hands, stay down there for three days, climb 200 metres into this mountain, and when each of them has a bag full after three days, they come up. This is Europe. And there is still one of the most wonderful scenes, I will really never forget it as long as I live; I can really recommend it to anyone who has the opportunity to see this film to take a look at it, even if it is really very hard in some places. The oldest of them then gets his state pension because he used to be a proper miner, and then they take their bags of coal, take his helmet and burn it along with three days' work. And I have rarely experienced a moment when I was so moved to say that it is also possible with artistic means to communicate something which already makes it clear that work and human dignity, that work and life do have something to do with one another.

The second sequence – I would just like to outline it briefly – is set in an abattoir in Nairobi. If you can't stand it, you should really go out for twenty minutes. And even there it is possible to repeatedly make it clear that there are people who work there, and all informally. There, the wage for the killing of a cow or of lamb or whatever is always handed over once the work is done in the twofold sense of this word. Then there are the famous people in Bangladesh who use cutting torches and their own hands and nothing else to disassemble tankers into their separate parts, who go on to report how

they go to the coast for six months, and then return to their families. Then there are people in Indonesia who retrieve sulphur from the sea with their bare hands, burn their skin and on the way down are informally paid by tourists taking photographs of them. And the last scene is set in China, where a blast furnace is operated under conditions which no steel worker in Germany could imagine.

I tell you this because I believe that we must face this reality of work in the informal sector worldwide. I have spent a long time thinking about whether I would say today that we in Germany naturally also have an informal sector now, and that this is not particularly dignified. I will not do so because the problems which we have here are some which we could solve if we tackled them, and are totally different from those that I have just described.

I would like to mention one final point before reaching my conclusions. We know that there are probably 200 million children in the world who have to work. And that the programmes which have been launched such as in Brazil are absolutely grandiose in quantitative terms – I met President Lula six months ago; they have eliminated two-fifths of the child labour, but three-fifths are still working. I spoke with a colleague in Bogotá in the spring, where it was really very warm, and when I asked her why she was wearing a long-sleeved T-shirt, she asked me: Do you really want to see it? And I said, yes. And then I saw the line between the protective glove and the normal T-shirt and between was burned skin. All this is related to “decent work”.

I spoke to a colleague from the Philippines who organises textile workers in a special economic zone and who told me what it is like when you are locked up and forced to work. And when I speak of Chinese working conditions, then certainly not in the same vein as many German entrepreneurs, of an El Dorado for the German economy. These are all massive problems which we know have to be named, but we also know that naming them does not solve them. And we know also that there are a wide variety of approaches in terms of how to tackle these problems. And the fact that “Justice and Peace” is doing this is the reason why I am here today to express my admiration to you because not many people are tackling this. And nonetheless, Bishop Marx is right in one thing: We cannot all stew in our own juices, but we have to see where we can agree on common goals.

And if one takes a look at these Millennium Goals, each is right per se and each per se is too big to really achieve. And I am therefore someone who is a highly concrete proponent of making progress step by step. And this means for me – this has something to do with the fact that I come from the trade union movement and also live it, live it

internally – that I say that there is a strategic point which would help us to really achieve something, and this would be if we could really make the core labour standards stick in all parts of the world. And I would like to use the opportunity once more to list them here.

This includes the right to organise freely. This includes the right to be able to negotiate working conditions and to safeguard them by contract. This includes the right to work free of coercion, slavery and debt bondage. This includes the right not to be discriminated at work. And this also includes the right not to be forced to work as a child. And I believe that if we achieved a situation in which this were the worldwide norm for work, and that that would be fulfilment of what the ILO means by ‘decent work’, I call it quite simply decent work in opposition to indecent work, if it were to be possible to make it the norm, then I believe that we might be one step closer because we would then also have goals which human rights organisations could assert, regardless of the motivation by which they tackle this topic.

And a final remark: I have now been running around with this topic since I became Confederation of German Trade Unions Chairman, from one international conference to another, from the Minister of Labour in Germany to the Minister of Labour in Austria, from a G8 presidency meeting of the Labour and Employment Ministers in Stuttgart to the next WTO Ministerial Conference, and everyone says yes and nothing happens, and I become more and more frustrated. This is simply because there are naturally also interests which do not want these core labour standards to become a moral guideline of this globalised economy, so to speak. Two years ago, I was able to convince Wolfgang Clement to include in the Chair's Conclusions of the G8 Labour and Employment Ministers, who were meeting in Stuttgart – this was December two years ago – that there should be an institutional dialogue forum between the WTO and the ILO, and that there is a joint consultation body there, and that it is agreed bindingly for the WTO as a norm that it also strives to bring about respect for the core labour standards in trade processes. This was entrenched in this document, and since then nothing has happened. And the prospects are slim that my colleagues who are still in Hong Kong this week will be able to introduce the topic of core labour standards as part of the WTO process. This means that I am still looking for allies, and I am happy that I have found some here today. Thank you very much.

3. The significance of freedom of association for the informal economy

In the project “Freedom to organise in the informal economy”, the German Commission for Justice and Peace has to discuss the significance of freedom of association for the informal economy in several events with various players and in different regional contexts. The national Kolping family, together with the Jesuit ‘Universidad Alberto Hurtado’, and with the support of the International Kolping Society, of the Episcopal Adveniat campaign and of the German Commission for Justice and Peace, organised an international conference in Chile in December 2003. The Kolping family is also committed in Uruguay. In Germany, the Confederation of German Trade Unions and Justice and Peace tackled this question together, and stepped up its work by means of an exposure and dialogue programme in India. The present chapter is devoted to the contributions of those affected by informal work, as well as of rapporteurs and participants in the events that were organised.

3.1 As a seasonal worker in Chile

Maria Cartagena

(Speech at the specialist conference “Seminario Internacional sobre Economía y Normas Fundamentales del Trabajo en el Sector Informal” of the Universidad Hurtado, Chile, International Kolping Society and the German Commission for Justice and Peace, 17/18 December 2003, Chile)

I have been a seasonal worker in agriculture for twenty years: These are twenty years full of suffering and sacrifice. I have seven children, and I am now doing it all for them. I am now a national coordinator for seasonal workers and a member of the “Anamuri” network for rural and indigenous women. I was able to achieve quite a lot in my twenty years as a seasonal worker. There were however some things which I did not achieve. For instance, I don’t have proper social insurance. When I wanted to apply for my pension, I found out that I don’t have any pension expectancies at all because only one million Pesos (editor’s note: approx. € 1.383,00, Dec. 2003) had been made as contributions for me.

Twenty years as a seasonal worker, twenty years as an abused woman. Many things have already been mentioned here. But no one has spoken of the great suffering which we had to endure: The suffering of seasonal workers and their abuse at the hands of their employers. This is why we are now offering resistance to the employers.

Twenty years ago, we seasonal workers asked for a crèche for ourselves. My children are grown up now. I already have fourteen grandchildren, and there is still no crèche.

Mons. Fernando Ariztía (Bishop of Copiapó†, editor's note), who recently died, was the only one who helped us, the workers of Copiapó, as we were quite alone. He was our model and our pastor. For twenty years he was on our side and he stuck with us, even during the dictatorship, claiming human rights, so that finally the abuse, bad food and sexual coercion and rape of our girls should come to an end.

The workers who came from the South of the country were completely neglected. Not even the dead were taken care of. And I myself had to organise the funerals of five seasonal workers for whom no relatives could be found.

We had no organisation with the aid of which we could have changed anything. This is why I joined the Anamuri women's organisation to fight for seasonal workers.

My children are grown up now, and it is no longer so important that we don't have proper social insurance. As long as I am healthy, I will work on.

A seasonal worker must work for five years before she has a right to medical care in the event of an occupational disease. I myself do not have the money to go to Santiago and pay for expensive tests for a seasonal worker who has already given birth to disabled children. No one has ever put forward a statute in Parliament to protect the health of these children. Where are they? How many children need medical care?

We have now held the first meeting. Thanks to Anamuri two hundred women from Copiapó attended the meeting in the capital Santiago in 2002.

In 2003 we wanted to speak to Parliament in Valparaíso. There they were scared that seasonal workers would become a burden for them since they work together with those workers who sleep on the ground and eat near piles of refuse. How nice the factories of the seasonal workers are! And what are these "nice" factories good for? Have the MPs ever seen the canteen of the seasonal workers? Have they ever seen the toilets of the seasonal workers? No, they have never been here! And we wanted to talk to the MPs about all that.

Thank God that my children are not alcoholics or drug addicts since I am active in the Church and in the Kolping Society. I help in a large number of organisations which care

for drug-addicted children. The workers frequently have to leave their children alone when they are at work because there are no crèches. And why are there no crèches? The state crèches are not much use to us because the opening times of the crèches and schools do not match our working hours. That is why we have to leave our children unsupervised. And now one could ask why no one out of the family helps us to look after our children. It is simply that there are so many children that it is difficult to look after someone else's children as well. And we come home so tired because our work is so tiring. This is why our children are often in the street.

It has also been said here that the companies would help us. But we, the seasonal workers, are the ones who help the companies. If for instance a ship comes in and a certain number of palettes has to be processed, we carry crates until the early hours. This is the truth. We are the ones who are helping the companies.

Thank God we now have a new inspector in Copiapó. We told him: "If you want to work with the seasonal workers, fire all the old inspectors because we don't want any more abuse." The previous system was that the company was informed when an inspector was to come to inspect the contracts and the sanitary facilities. But there were no contracts! The employers do not make contracts with the women. The women work for perhaps three days, and are then "made redundant" by the employer again. And what did this inspector do? He issued fines, a total of 155 fines!

It was the first time that I had sat at a table with the employers, and I was proud that I was allowed to represent the seasonal workers, but the employers did not give in on the working hours. And now at harvest time the exploitation is much worse. The women do not earn what they actually have a right to. I don't know what is the matter with the women, why they do not want to organise themselves. They are very scared. When I wanted to organise the women and start a trade union, I was fired. Now I am unemployed – another blow of fate. My daughter was ill and I looked after her. They didn't even give me 85,000 Pesos (editor's note: equivalent to € 123.25) although I also worked every Saturday and Sunday until three or four in the morning because I was responsible for all workers from the South. And I ask myself: Why do they speak about wonderful washrooms and toilets and about crèches if they don't keep their promises? They should have a look at the real situation.

Anamuri is getting stronger and stronger, and we are in a constant struggle. I am now a coordinator at national level, and I am proud of it. I go to the MPs and don't let go. And they can't "buy" me!

I will keep on fighting. Thanks to the Kolping Society, which has been helping us for many years, we have also been able to organise basic and further training courses for the seasonal workers.

I have gone from being a seasonal worker to become a smallholder.

3.2 Summary of the Conference: **“Organise – don’t resign.**

The right to freedom of association for the informal economy.

Models, strategies, obstacles” held on 18/19 March 2004 in Berlin

Karin Pape

The specialist conference took place in an atmosphere of friendship and cooperation. This was already made clear by the introductory words of the representatives of the two organisations which organised his conference, Confederation of German Trade Unions Chairman Michael Sommer and Bishop Dr. Reinhard Marx. Both emphasised the commonalities in their statements, indeed one might say that at no point could any difference of opinion be ascertained. The agreement was expressed in that both organisations, trade unions and the Catholic Church, claim to support human rights and the defence of human dignity.

Michael Sommer (Confederation of German Trade Unions) admitted in a spirit of self-criticism that the trade unions are not yet sufficiently prepared for the changes taking place on global labour markets. The increase in precarious employment to the detriment of jobs in the formal economy has not yet led to adequate trade union activity. He spoke of the trade unions of the North needing to learn from the self-help organisations of the South. We must make new efforts to approach women and young people. He stressed that human dignity and rights are inviolable. The ILO’s core labour standards and their implementation are vital in this context, and among them in particular the right to organise (freedom of association).

Bishop Dr. Reinhard Marx (German Commission for Justice and Peace) made it clear that there is no dissent between church social doctrine and the policy of the Confederation of German Trade Unions. The Catholic Church has a tradition as a labour movement, and also the Pope has stated that a modern society is inconceivable without strong trade unions. Bishop Marx said that the development of the globalised world of work affects our country, in particular the increase in precarious employment. It is said

to also be economically injudicious to massively encroach on workers' rights since the regulations governing the social welfare state benefit everyone. It was said to be proven that the fight against poverty, democracy and economic progress belonged together. Social progress existed only by virtue of joint action, by a movement from below leading via a change of awareness to a change in structures (good governance). In this context, it is said to be important not only to discuss in theoretical terms, but also to consider what we can do. Alliances were said to be necessary, including ongoing cooperation between churches and trade unions. Bishop Marx also stressed that we can learn from the organisations of the South concerning the organisation of people in the informal economy.

In the ensuing discussion, areas were touched upon in which action needs to be taken in order to improve the situation of working people in the informal economy, be it in the context of the World Trade Organisation (WTO), voluntary undertakings entered into by enterprises to adhere to specific codes of conduct, or indeed restrictions on the possibilities open to states, for instance to establish special trading zones.

Both Michael Sommer and Bishop Marx stressed the significance of solidarity. Michael Sommer said "international trade union policy must not be a hobby; there must not be an international division between the formal and the informal sectors." Bishop Dr. Marx added that the stance of the Catholic Church on the introduction of the core labour standards into the WTO was the same as that of the Confederation of German Trade Unions. He also stated that there were critical voices against this from the developing countries which stressed that the entrenching of the core labour standards was a competitive disadvantage. Bishop Marx underlined that competition may not be at the expense of human rights.

Karsten Hinrichs (Federal Ministry for Economic Cooperation and Development) explained the principles of the Federal Government's development policy. Orientation to a social market economic society is one of the development policy criteria which signifies amongst other things the existence of trade unions and adherence to core labour standards. Although the World Bank had been made sensitive to workers' rights, it had unfortunately not been possible to bring social standards into the WTO. At national level, the Federal Ministry for Economic Cooperation and Development has established a roundtable where employers' associations, trade unions, non-governmental organisations and the government are represented in order to discuss voluntary codes of practice for the enterprises. Internationally, the United Nations' "Global Compact Initiative" is supported, and the International Labour Organisation

was also acting as a partner in the framework of PPP projects (Public-Private Partnership), and not only enterprises.

Father Dominique Peccoud SJ (International Labour Organisation – ILO) explained the fundamental principles and rights at work which apply to all working people. All Member States of the ILO undertake by their accession to adhere to these fundamental rights, regardless of whether or not they have individually signed them. The ILO has connected this set of rights to the term “decent work”. The four prerequisites for decent work are:

- freedom of association and effective recognition of the right of collective bargaining,
- the elimination of all forms of forced labour or obligatory work,
- the effective elimination of child labour, and
- the elimination of discrimination in employment and at work.

Manuela Tomei (International Labour Organisation – ILO) made it clear to the conference participants what this means for the informal economy. She reminded us that the growing share worldwide of unprotected work was not perceived as a problem for a long time, or indeed as an area needing action, since it was presumed that this was a temporary manifestation which would disappear in line with economic growth. There are good reasons to presume now that this part of the worldwide economy will continue to grow. Responsibility for this is shared by the as yet incomplete process of “sub-contracting” and “outsourcing”, economic recession and development of economic growth, which does not go hand-in-hand with job creation (jobless growth). The concept of “decent work” means for the informal economy that the fundamental principles and rights at work that have been established by the ILO must be implemented, in particular the right to organise and to have a voice. Furthermore, Manuela Tomei emphasised that the creation of minimum social security was indispensable.

Renana Jhabvala (Self-Employed Women’s Association – SEWA, India) showed the extent of the informal economy in a highly-comprehensible manner: More than 90% of all working people in India are in the informal economy, of whom more than 90% are women, and a considerable share work in agriculture. More than half of gross domestic product is made in the informal economy. SEWA is both a trade union and a cooperative. There is frequently no classical negotiating partner (an employer or an employers’ organisation), but negotiation partners are frequently official agencies,

authorities and also the government. SEWA organises 700,000 women in the informal economy. SEWA operates its own bank in order to be able to grant microcredits to its members. SEWA's activities are not limited to national level – there is also a strong commitment at international level, be it as a member organisation in several international Global Union Federations (GUFs) or indeed in the international network of the informal economy: WIEGO (Women in Informal Employment: Globalizing and Organizing).

Questions arose as to the degree to which SEWA can be a trade union at all, given that it largely organises microenterprises, and where the boundaries lie. Renana Jhabvala answered that most members themselves combine the areas of work and capital. The question as to the boundaries was said to have not yet been relevant in practical terms. SEWA emphasises the designation “own-account-worker” (for instance street vendors). The main task is said to be to organise women in their capacity as workers, regardless of their religious or caste affiliation.

Francis Owusu (Ghana Trade Union Council) described the difficulties which arise if trade unions which previously organised their members largely in the formal sector are also trying to reach the informal sector. According to the law as it stands in Ghana, each worker has the right to organise regardless of the conditions under which he or she works. The individual unions in Ghana have made major efforts, with partial success, to organise people who work in the informal economy. There are however also fears among the traditional membership that their interests will no longer be adequately accommodated if the organisation potential of informal workers is further exhausted. There are considerations to bring together the workers of the informal economy in their own, separate organisation. This question is to be discussed at the next trade union congress.

Nelly Botevska (newly-founded Confederation of Independent Trade Unions in Bulgaria) reported that the phenomenon of the informal economy was also nothing new in Bulgaria. The greater the instability of the formal economy, the higher is the share of the shadow economy. In Bulgaria, this area is estimated at 30 to 35%, compared to gross domestic product. The cause of this lies in privatisation, connected with inadequate fiscal policy, which has led to shrinking incomes and hence to the widening of the income gap. Laws were not adhered to, the controls of the labour inspectorate were inadequate. The trade unions have held a variety of campaigns which aimed, on the one hand, to recruit members and to build up trade union structures in various sectors, and, on the other, for instance to see to it that the core labour standards are adhered to. The State has reacted by implementing a minimum wage with obligatory

social insurance, and has also demanded that all employment must be registered. High penalties are imposed in the event of breaches.

Maria Cartagena (RADMURI seasonal workers network, Chile) described in a highly personal, moving report the undignified working conditions endured by seasonal workers in Chile. Discrimination against women and their children, sexual exploitation and a life in the street, working with no healthcare protection against pesticides and with no social security whatever against accidents and illness, without old-age security, without protective rights for pregnant women, are only a few key words characterising the situation of these women. In 2002, RADMURI organised for the first time a “National assembly for seasonal workers” in Santiago de Chile in which 1,600 out of a total of approx. 20,000 seasonal workers took part. Here, they were heard for the first time, since senior government representatives (including ministers, the Directors of the employment services, the department head in the Ministry for Women and the President Ricardo Lagos) also attended. The seasonal workers called for health and pensions insurance and for an organisation to represent their interests. They made it clear that many of the sub-contractors for which they work are sub-contractors of European firms. Maria Cartagena is at the same time the representative of the Kolping diocese of the North Region, the only organisation supporting the seasonal workers and their (in some cases drug-addicted) children. The Chilean trade unions have not so far taken an interest in the concerns of seasonal workers. RADMURI is the first association of this type in Chile by which the fate and the demands of these women and their families is made public.

Mamounata Cissé (International Confederation of Free Trade Unions Assistant General Secretary) stated that the informal sector had always had priority for the work of the ICFTU. At the last ICFTU congress in Durban in 2002 it was decided to step up efforts to organise all working people, including those who worked in the informal economy. A work group was installed within the ICFTU, to which non-governmental organisations also belong. The recommendations which the ILO’s International Labour Conference adopted in 2002 form the basis for the ICFTU. To do justice to the trade unions’ special responsibility, for instance, a campaign was launched together with the Global Union Federations (GUFs) in order to organise women in particular in the informal economy. More on this campaign can be read on the ICFTU website (www.icftu.org). The trade unions have recognised that the worldwide development of labour relations must be re-defined. Sometimes the formal sector cannot be clearly separated from the informal sector, especially because there are people who work in both areas. The trade union organisation can take on a variety of forms. In some countries the traditional trade union

organisations take on members from the informal economy, whilst in other countries there is good cooperation between traditional trade unions and the organisations which have separately organised people in the informal economy. The social security of working people in the informal economy is the task of the respective governments. The trade unions and the self-help organisations of the informal economy can help by their representation structures to assert claims for social protection. The problem of child labour is the consequence of increasingly unprotected employment. If the parents have decent work, there is no need for the children to work.

In the final podium discussion on the topic “What are our responsibilities and possibilities”, the transferability of the models to our target groups was discussed with some controversy: Wolfgang Heller (Federal Ministry of Economics and Labour – BMWA), Father Dominique Peccoud (International Labour Organisation – ILO), Frank Schmidt-Hullmann (IG Bauen-Agrar-Umwelt [Construction, Agriculture, Environment]), Jürgen Stetten (Friedrich Ebert Foundation) and Birgit Zenker (German Catholic Workers’ Movement).

Wolfgang Heller tried to find an answer to the question of how to move from the informal to the formal economy? He stated that the discussion at the meeting of the G8 meeting of the Labour and Employment Ministers last year in Germany had also gone in this direction, additionally attended by representatives of the ILO and the OECD. The triple debate between trade plus core labour standards plus social standards is said not to be the suitable approach, but growth, which includes the creation of jobs, is linked to a corresponding employment policy. The Federal Government is said here to emphasise dialogue and to have placed the focus of its efforts on political dialogue between the EU and the Asian countries.

For Frank Schmidt-Hullmann did not find this position of the government, which was largely based on voluntary action and on the effect of market forces, to be satisfactory. The core labour standards and corresponding social standards should at least be implemented in the G8 themselves. These were said for instance not to be applied to seasonal workers. The G8 are the most powerful countries in the world which implement many goals for the economy, but which focussed on voluntary measures when it came to human rights. The trade unions were said to use certification as a tool to implement ecological and social standards, which was a useable tool for branded goods, but difficult to apply in the construction industry and for agriculture.

Birgit Zenker stressed the integrated approach taken by her organisation. The German Catholic Workers' Movement was said to be a part of a world church workers' movement which pursued a variety of approaches on different continents. In a politically authoritarian country, such as Uruguay, the fact of the employees' organisation being associated with the Church made trade union work easier. All in all, there must be a movement from below combining a variety of organisations. She therefore supported the position of other trade union representatives who emphasised the significance of joint, global action.

Jürgen Stetten praised the long tradition of cooperation with the Confederation of German Trade Unions, in particular in the field of international trade union policy. He stressed that an ideological debate on the "informal sector" would lead to a cul-de-sac. Also the trade unions could not solve their own problems by "taking over" the informal economy.

Father Dominique Peccoud SJ took the view that local responses to local questions had to be found in the informal economy, and that the path to be taken at international level was to develop a variety of approaches and to combine these two spheres. He asked which structures had to be built up in the informal economy? Which strategies of the organisation had to be pursued? The traditional strategy of the trade unions was to organise working people by the factory system. However, this is not possible in the informal economy. An approach should be followed here which took more account of the place of residence or of the community. There should be no separation between "significant", or economic, institutions and "meaningless" ones, such as the ILO and the United Nations. We need "global governance", but should bear in mind that the representatives in the international organisations represent their countries and bear responsibility at national level.

The specialist conference made it clear that the informal economy is de facto no longer a marginal problem, nor has it been for a long time, but that it continues to be perceived by the public as an exception. Unprotected employment has now already become the norm in many economies, and the formal economy is the exception, not vice versa. Despite different approaches and also in some cases different positions, the two-day event did have one common concept: Trade unions, churches, government representatives, MPs, human rights organisations and others who are active in the informal economy with a social commitment must combine their forces and act together, be it at local, national or international level, since work that is carried out

under unprotected conditions is a breach of human dignity. Not only is there a willingness to act together, but the organisers also voiced their willingness to back up words with actions in the shape of this joint specialist conference, which hopefully is only a first step towards long-lasting friendship and cooperation.

3.3 Informal economy, precarisation, an EDP, SEWA, German Trade Unions and the Millennium Development Goals Arne Klöpper

(Statement to the congress of the German Commission for Justice and Peace "The significance of the informal economy for achieving the UN Millennium Goals", Bensberg on 15/16 December 2005)

Introduction

This statement pursues two main goals: Firstly, an attempt is made to sum up the most important results of an exposure and dialogue programme (EDP) which took place in September 2005 under the title "Decent work for all – core labour standards and freedom to organise in the informal economy"¹¹ in Ahmedabad, India. Secondly, a link is created between the EDP and the topic of the 2005 Justice and Peace Congress entitled 'The significance of the informal economy for achieving the UN Millennium Goals'. This means that the observations and experiences in India¹² which arose in the context of the visit of a trade union which organises women in the informal sector are considered in relation to the achievement of the Millennium Goals. It is not possible in the context of this short paper to provide a comprehensive response to the question of the significance attaching to the informal economy for achieving the Millennium Goals. Rather, some aspects emerging from the approach, the goals and the day-to-day work of SEWA, and its effects, are presented and a discussion begun. Decent working and living conditions are also on the reform agenda in the highly-developed industrialised nations. Trade union debates and strategies do not need (any more) to take place only in the international context, but increasingly also 'in one's own backyard', given the existence of social division, poverty, economic uncertainty, precarity and the like. A large section

¹¹ The 9-day event was implemented by EDP e.V. with the participation of the German Commission for Justice and Peace, of the Confederation of German Trade Unions (DGB) and SEWA (Self-Employed Women's Association). The participants (totalling 13: German trade unionists, representatives of EDP and J+P, as well as representatives of other bodies interested in and committed to improving development policy) stayed for three days in the families of women who work in Ahmedabad and in the surrounding area in the informal sector (exposure). Subsequently, a three-day dialogue phase took place with policy-makers within SEWA.

¹² All the participants drafted 'experience reports' after the EDP and wrote the 'life story' of their hostess. These reports are available to EDP e.V. A publication on this is in preparation.

of this statement is based on my report on the EDP, and was expanded during preparation of the Justice and Peace Congress by considerations on the Millennium Goals¹³.

I. Informal economy and SEWA – the Indian situation

Our exposure hosts work in various areas in the informal economy¹⁴ and carry out a variety of different functions in their organisation. In addition to the respective particularities and problems emerging from the activity and place of residence (town/country), we also found commonalities which appeared to typify the informal economy in India and the lives of the women there: income fluctuations, dependence on clients and the subordinate role of women.

The 'Indian circumstances' can – in brief – be roughly outlined as follows: A large share of the population works with no formal employment agreements¹⁵ and has a low level of protection under labour and social law (health, unemployment and age, as well as violence and administrative arbitrariness). A low level of education and high illiteracy, long working hours, inadequate industrial safety and uncertainty about employment are typical of this situation, which is characteristic of the countries of the 'South'. Informality is the norm in work there. Informal economic forms are particularly widespread among home workers, in small manufacturing and in the services. Liberalisation, privatisation and globalisation, as well as other reasons, have caused the informal economy to grow further since the eighties. Like their activities and jobs, the employees there are frequently 'invisible'. One of SEWA's goals is to make them visible, to give them a voice and to lend expression to their right to decent working and living conditions. This organisation has existed for more than thirty years, and now has more than 700,000 women members. SEWA takes a look at women's whole lives, and hence tackles the needs of the members directly: Education, culture, healthcare and credits are major areas to which many members otherwise would have no or virtually no access. Collectively creating a self-awareness also creates an identity, and a community is

¹³ The detailed report is available from the German Commission for Justice and Peace, EDP e.V. or directly via the author (arne_kloepper@ gmx.de).

¹⁴ The German participants stayed with a bidi worker, an agricultural worker, a construction worker, a tobacco worker and a technical assistant in agriculture. Hildegard Hagemann and I (supported by an interpreter and a facilitator) accompanied a street trader and her family in their everyday lives.

¹⁵ Only 10-20% of employees can be attributed to the formal sector. They work above all in the public service and in large companies. These areas are also represented by very strong trade unions which negotiate on the members' working and income conditions, above all at company level and separated by ideological and political orientations. Informal workers are virtually absent from their strategies.

formed. In addition to classical trade union goals, the improvement of working conditions and the income situation, and partly with state support, SEWA has established a comprehensive social insurance system, has set up a bank, has cooperatives and educational facilities. Organising informal employees¹⁶ to ensure them better conditions within the informal economy is a major step towards creating an awareness of the situation both among those concerned and among other social groups and within the international community. SEWA stresses that women should also be regarded as workers¹⁷. In this way, their status also changes. They are then no longer only 'poor women' whom other players can help by providing voluntary charity, but employees who have demands and rights and who indeed claim them. The cultural dimension and other 'holistic' aspects supplement the economic and socio-political activities.

II. Precarisation and the Confederation of German Trade Unions – the German situation

The situation of workers in Germany is utterly different than in India. Informal and precarious employment still appears to be a marginal phenomenon. The term 'precarious employment' permits one to subsume a variety of diverse forms of insecure and unprotected employment. There is no uniform definition. The perception of this changes with the expansion of temporary work, disguised employment relationships and minijobs. Formal and as a rule legal employment which is however at a disadvantage with regard to rights and social protection as against so-called normal employment, has increased considerably in recent years. Illegal forms of making a livelihood, such as illegal work or activities which are carried out for minimal wages under undignified conditions by (legal and illegal) migrants are also included here. Precarious employment has in common that those concerned are uncertain as to their presence and future – with all the consequences which this entails.

In addition to objective data, which do not appear to be particularly alarming at first sight – especially if one takes a look at the long-term trends – the perspective of those in precarious employment and the impact that their existence has on those in 'normal

¹⁶ "Informal work will only disappear if you organize the workers." (Renana Jhabvala, Manipur, 16 September 2005)

¹⁷ Having said that, the members are formally self-employed. As a result, there is frequently no negotiating partner with whom a discourse could be entered into. In many areas, however, the situation is only different in formal terms to dependent wage-earning. Frequently there is only one client for whom the numerous women work. Demands can be asserted here too with collective activities similar to strikes.

employment' must be considered: Those who are completely integrated via gainful employment register the vulnerability in which also their seeming security is to be seen. The precarious nature of the position hence takes on a disciplinary function; those who are in employment will do (almost) everything to promote the enterprise in order not to 'slip down'. Hence, standards are successively undermined and operational and social power relations are shifted against those who are in employment.

I can see several arguments in favour of a need for trade unions to act with regard to increasing precarisation: Core staffs come under pressure as a result of precarious employment. This makes it more difficult to implement trade unions' demands even for the 'most privileged' of employees. There is a risk that fewer and fewer people will have secure, 'good' jobs, so that the (current) membership base will slide even further. What is more, it is part of the trade unions' fundamental understanding to improve the living and working conditions of all workers. Solidarity and available resources must therefore also be contributed for groups suffering from even greater disadvantage in order to be able to speak with one voice.

So far, there is little concrete information and few coordinated strategies with regard to those in precarious employment. An inter trade union debate which is inclusive of other social groups is lacking, as is a network of existing basic activities in this field. New forms of organisation must be tested which are orientated to the specific needs of the respective groups, to which trade unions have so far found it difficult to gain access¹⁸. It is nonetheless important to guarantee a systematic exchange and to coordinate, evaluate and secure in the long term the strategies in the respective regions, sectors, and precarious areas.

The debate on a statutory minimum wage can be regarded as an element of the debate among German Trade Unions on precarious employment and their (temporary) impotence with regard to the implementation of their demands in autonomous collective bargaining. There is however still no agreement with regard to the effectiveness and the impact of this tool.

¹⁸ The divisions of IG BAU (e.g. construction, building cleaning, agriculture) and of NGG (e.g. food, beverages, private domestic services) in particular indicate a great degree of precarious employment. The discussion is further advanced here than in other trade unions, and strategic elements have already been developed.

III. The Millennium Goals in the context of the informal economy

The definition of the Millennium Goals which are to be achieved by 2015 is a major challenge for the United Nations. The goals describe (almost) all relevant individual and social dimensions. An accumulation of negative characteristics is to be found in particular among people who have an additional element in common: the informal nature of their work. The informal economy offers income options if access to formal labour markets is restricted. The starting threshold is low, and only low levels of education and training, capital and other resources are needed. It follows from these characteristics of informality that access to food, healthcare, social security and more or less public, but seldom free of charge¹⁹, services, goods and infrastructure facilities is only available to a restricted degree. Economic reproduction is a core foundation of human society: The means of securing a livelihood must be manufactured and provided; their allocation must be organised. The economy takes on a prominent strategy in both individual and collective terms.

Extreme poverty and hunger should be greatly reduced according to the first Millennium Goal. I consider a redistribution of material riches (in the global and national context, and to the degree necessary in order to achieve significant effects) to be rather unlikely. What remains is to increase the scale of production. (Subsequent) industrialisation is virtually no longer regarded to be a sufficient strategy²⁰. The strengthening of (basic) local structures, which also include the informal and subsistence economy, can help satisfy direct needs. It is virtually impossible to initiate this 'from the outside' if patronage is to be avoided; this is why it is indispensable to support existing self-developed organised structures (such as those developed by SEWA). It is however also important to guarantee framework conditions which provide security (which can probably be best realised and claimed via state structures). This relates both to economic factors (security of contracts and legal security, money) and to working conditions (workings hours and protection), as well as to social systems which for instance guarantee basic security for children who become orphans, for illness, unemployment or old age.

Public institutions also take on a central function with regard to the second Millennium Goal, namely the expansion of primary schooling. In addition to the universal

¹⁹ Free of charge is to be understood here in the broadest sense of the term: For instance, a variety of costs are incurred when children attend school, such as for study materials, even if no fees are charged. There is also the cost of the income lost (by the family responsible for the pupil's livelihood) since those attending school must cease or at least reduce the work they contribute.

²⁰ Historic experience can be used for this assessment, as can ecological problems, conflicts of interest or the exclusion effect of creating corresponding structures.

availability of suitable facilities, the causes of the non-attendance at those schools which are on offer must also be countered. The benefit of attending school and of the skills imparted there is questionable for some social groups in particular if it does not actually increase the opportunities to improve the social situation. Added to this is the problem inherent in the first goal: If families depend on the income from the work of the children to secure livelihoods, they can only enable them to go to school by accepting even greater poverty. It is only if parents have sufficient income that they can afford to send their children to school. Over and above this, there can be a discussion of the activities for which schools (can) prepare. There is little awareness of the function of school in that it structures everyday lives and provides discipline. Reading, writing and arithmetic are certainly always useful skills – but as parents may know from their own experience, you can also do without them. To what degree general knowledge prepares for the requirements of ‘the economy’ is contentious. Integrating into the curricula information about the informal employment and how to deal with the concomitant risks can increase the advantages of school attendance. This could however point people in a specific direction too early. This however applies all the more so if only certain individuals have any access to educational facilities at all.

Promoting gender equality, as provided for by the third Millennium Goal, is one of the (proclaimed) political goals (almost) worldwide. Here too, one can observe a close link to labour markets and educational systems. Having said that, the historical social structures (in particular in families) which reproduce the social gender constructions and attribute to men and women specific skills and roles as if they were innate, also take on a major significance. The need for women to sell their labour also does not necessarily change anything in this respect, particularly if activities are carried out in concealment (such as home work). Measures ‘from above’ have virtually no impact on the informal economy. One approach may be to increase trends towards emancipation within informal contexts. If institutions can be built up which have direct access to informal workers, it is also possible to exert an influence on awareness-creating processes.

Millennium Goals 4 (child mortality), 5 (maternal health) and 6 (diseases, HIV) relate to healthcare, perception and prevention. Information with regard to risks, hygiene, etc., must on the one hand be viewed in the context of cultural particularities. On the other hand, here too economic conditions must be created making it possible to take up offers, to guarantee the acquisition of food and water supply. How health care systems can be funded and who has access to services is a challenge for all societies. If healthcare is seen and enshrined as a right, this must be guaranteed by the state, and corresponding structures must be provided – regardless of worker status and income.

'Informal organisations' can also be involved in identifying specific problems, education and the provision of infrastructure.

Ensuring ecological sustainability (Millennium Goal 7) is contingent on an awareness of the consequences of specific modes of production and lifestyles. At the same time, it must be possible to act in a sustainable manner. This entails knowing about the consequences of our actions, as well as the (economic) possibility of acting accordingly. Both of these are virtually absent from the informal economy. Some options (such as transport, energy, refuse) cannot be realised on a small scale, but only regionally, nationally or globally.

Economic sustainability (Goal 8) encompasses many of the areas that have been mentioned. It is not possible to ignore the informal economy. You, the organisations which represent it, as well as the conditions which apply, must be involved in all approaches. This goal can only be achieved if all players from the developed nations work together. Core labour standards (of the ILO) must be implemented worldwide and in all economic fields. Codes of conduct of international enterprises and consumer conduct can help, but their effectiveness is limited without binding structures and checks and balances. Trade unions can play a vital role in the establishment and supervision of such standards. They too, like other (grass roots) organisations can support economic forms that are based on solidarity (such as cooperatives) and can take part in 'self-help' (such as microcredits). The responsibility of the developed nations for standards, structural adjustments, debt service, etc., in capitalism which causes an imbalance in opportunities and wealth both globally and in the individual countries, must extend beyond 'voluntary charity'.

3.4 India – Experience from an exposure and dialogue programme with SEWA Ingrid Sehrbrock

(Experience report on an *exposure and dialogue programme with the Indian women's trade union SEWA from 10-17 September 2005 in Ahmedabad, India, first published in "Soziale Ordnung", 2nd issue 2006, pp. 14-17.*)

I could have thought that a city which is to be found on all large-scale maps of India must be quite large. Ahmedabad has 6 million inhabitants, and it was still Delhi, Calcutta and Bombay, which I had recalled. I had never heard of Ahmedabad.

What one notices in India is the contrasts: The chaos in the overfilled streets with motorbikes, handcarts, busses, bicycles, cars and the many people in between. Modern, Western-standard high-rises, adjoining small shops in the old town, the oldest of which are from the 14th Century, restored buildings from the colonial period, more recent residential buildings which nonetheless look like ruins because once they are built, virtually no maintenance work is done. Empty window frames alternate with converted bay windows.

The area to which the SEWA driver took us is doubtless a slum. We got out in mud, and were immediately surrounded by children and adults who have probably virtually never seen a car like that. We continued through narrow alleyways, just wide enough for two people or – as I later noticed – a pregnant cow to fit through. On the street young and old people sit on their beds spanned with belts, some of them with emaciated, apathetic faces. The bleating of goats and this intensive smell come from the houses. People come towards us carrying water vessels. We greet them in a friendly fashion, are taken note of with astonishment and often receive a friendly greeting in return.

Life takes place in public here. We can watch people doing all sorts of things in and in front of the buildings. We are facing a three-day stay in this environment. Certainly conceptually prepared, but who knows what it is like to eat, sleep and live there, to speak with understanding with the slum inhabitants, and then to say a friendly goodbye and move into a clean three or four star hotel?

Our hostess' daughter-in-law – about 17 years old – must have spent all afternoon preparing food: Flat bread, rice, various unusually-spiced vegetables; there is tea and water. The small room in which we sit probably used to be the kitchen. Today it is also the bedroom of the son and daughter-in-law. There are only women here: The two German women, the Indian facilitator, the interpreter, our hostess. We eat. Where and when do the others eat? The husband, the second son, the daughter-in-law, the grand daughter and the grandson? The house is continually full of neighbours and friends who stick their heads around the door to see the foreigners.

At about 10:30 p.m. we set off through the district. It is dark, and many people have set up their beds in the open air. We stop at a house corner. Chairs and bedframes are used as seats. In a few minutes there are between 40 and 50 women – members of the trade union SEWA (Self-Employed Women's Association). If it were not a religious holiday, we are told, there would now be 500 women there.

Most of them have never heard of Germany. They have heard of Europe, but how many foreigners wander into a district like this? You have to see this. We look into the open, friendly faces of alert, interested women who have now finished their day's work – at about 10:00 p.m. At about this time, the women of SEWA meet and their political work can begin.

We are to sleep on the first floor, which is reached by a “chicken ladder”. The grandfather and the two grandchildren sleep in the back room, which also contains a stinking kerosene barrel – kerosene is used for cooking and heating.

The front room is reached through a small door, more a kind of veranda, with very low brick side walls, a corrugated tin roof through which the monsoon rain enters at various places and with sides made from woven plastic bags. A streetlight shines directly onto our beds – next to our double bed there are another three. The rain drips onto our feet....

The working day of our host, who is a construction worker, starts at about 6:00 a.m. with housework, making breakfast, fetching water, making tea, washing in a separated dark washroom, where the washing up is done and the clothes are also washed. She has to leave for her building site at about seven, and work starts at eight. Women as construction workers? Yes, because they are “cheaper” than men. Many of the husbands have been unemployed for more than twenty years, when the textile factories had to close. Many of the women are the family breadwinners. The colourful saris in which they work should not blind us to the fact that they have a hard job to do here: carrying stones, mixing and carrying mortar, filling in walls, bringing in sand – and all of this in unfavourable conditions and without industrial safety measures which are taken for granted in our countries. They have never heard of helmets, protective glasses, safety shoes. The security of the construction site consists of a prayer to heaven: Please, Lord, don't let the badly-supported ceiling collapse today!

But what happens if something does happen? Our host Jeviben had an accident at work several years ago: a serious knee fracture. There is no accident insurance, no statutory health insurance, no wage payment in the case of illness. The SEWA trade union offers this, all at a minimum level, with minimal contributions. But it's not enough. Illness throws a family into abject poverty. With no income, it is virtually impossible to pay doctor's bills, medicine and hospital stays. Those who cannot take up a cheap loan depend on family and neighbours. But even a loan only delays the problem. The wages are so low that the loan can only be re-paid in mini instalments, if at all.

90% of the gainfully-employed population in India works in the informal sector – in other words precariously: as small street vendors, as agricultural workers, as day labourers, in construction, as bidi workers, selling their agricultural produce. Money is made even from the smallest item. Empty oil canisters are collected, rinsed and re-sold; women try to make ends meet with badly-paid embroidery work.

A social welfare state system with a Western orientation exists at best for civil state employees.

Jeviben and her colleagues in construction are setting their hopes on a law intended to oblige construction companies to pay one percent of the job volume of a construction project to the State into a pool which is to be used to fund elementary security for those who have as yet been informally employed. It was adopted ten years ago by the national government, but still has to be ratified by the individual states. Only Kerala has so far done so, Gujarat, the state with the greatest economic upturn, wants to/is to follow soon. There are doubts as to whether this can really be done after ten years.

Jeviben is one of the SEWA activists who recruits members in her area. Although she is illiterate, she is obviously able to convince others of the need to become a member of a trade union. SEWA offers not only very modest social security, it also helps its members to gain vocational skills. Construction workers receive one or two months of vocational training, and learn to lay bricks, plaster walls and lay tiles. Equipped with a certificate and a group photograph, solicitation of other women starts. We may find it hard to believe, but it is possible to qualify illiterate women using pictures, and this is also done in the SEWA Academy, where all new members are invited. Using pictures which they paint themselves, women illustrate their lives, their vocational experience, their problems and their longings. SEWA uses pie charts to make the women aware what share they contribute to the economic strength of their state with their work, and how small is their share of the remuneration. Women learn to appreciate the value of their work and skills, and develop a new awareness of their work, as well as of their position in their families. Video interview training also helps them to make a realistic self-assessment.

Many men start by regarding the work of SEWA with extreme scepticism, but end up supporting their wives because they benefit from their commitment and from the insurance provided to their wives.

In Jeviben's family, when the daughter-in-law died young of typhus, the smallest child was four months old. Jeviben stopped working as a construction worker and looked after the child. Dharmishda – now five years old – has a very close relationship with her grandmother. The son has now re-married, his wife is almost a child herself. At 17, she doesn't have much of a relationship with the eight-year-old son; here too the grandparents are the most important port of call.

Nonetheless, both sons are in work; the oldest can read and write, and the grandson goes to school.

The illness and death of the daughter-in-law and the ensuing unemployment of Jeviben had torn a gaping hole in the family's finances. Here too the SEWA Bank intervened, and is helping with a loan.

Three days in a completely foreign family – what is the benefit? The experience of great hospitality, warmth, fun, and many opportunities to see the funny side despite all the problems; experiencing considerable willingness to help between families, developing emotional closeness with strangers; many depressing life stories, with fears, as well as with hope for the grandchildren; tears on departure.

Getting to know a trade union which works with all castes and religions, on the basis of Gandhi's teaching, which starts its meetings with meditative songs and religious texts and takes care of the weakest in a professional, committed manner, enabling, promoting and supporting them.

Gratitude of the Indian women that their lives, their achievements, their work were for once the centre of attention by words and gestures. Gratitude for the interest shown in them as people and for the incentives to re-think things which they previously thought could not be changed.

Not lastly, the broadened view of the growth in precarious employment worldwide, including in developed industrialised nations, including in Germany, and the insight that this is not a transitional phenomenon in economically difficult times. One more reason why trade unions must give priority to income that secures livelihoods on their agendas, now.

4. Development policy and labour market policy challenges

4.1 Sets of international rules and standards

The states involved agree on various sets of regulations and standards for the international exchange of goods, services and finance, increasing numbers of which are being drawn up and agreed on in multilateral negotiations in the course of globalisation. Organisations of the United Nations such as the ILO, UNCTAD, as well as other international facilities such as the World Bank and the International Monetary Fund, as well as and above all the World Trade Organisation, intervene directly or indirectly in international trade. Over and above this, voluntary agreements, such as with regard to corporate responsibility, are to shape trade. The two statements below illustrate by the example of the ILO's conventions, which are to enter into national law, the significance of sets of rules for the protection of workers against exploitation and arbitrariness. What is more, they provide an example of civil society's cooperation and the opening of social dialogue in order to enhance the debates between the social partners.

4.1.1 Statement on the occasion of the press conference for the publication of the **brochure entitled "11 Good Reasons to Ratify the ILO Home Work Convention" at the headquarters of the Confederation of German Trade Unions in Berlin on 13 January 2006** ²¹

Prelate Dr. Karl Jüsten

Ladies and Gentlemen,

As the Catholic Chairman of the Joint Conference Church and Development, I am glad to present to you a joint production of the Churches and of the Confederation of German Trade Unions and other partners, together with Dr. Engelen-Kefer and in the name of my Evangelical co-Chairman Prelate Dr. Stephan Reimers. The brochure "11 Good Reasons to Ratify the ILO Home Work Convention" came about because social players in different areas, on the one hand development policy and on the other labour market policy, have been tackling the challenges of globalisation together. It is specifically about improving the industrial safety and working conditions of millions of

²¹ "11 gute Gründe, das IAO-Übereinkommen über Heimarbeit zu ratifizieren", published by the Confederation of German Trade Unions (DGB), Church Development Service (EED), Friedrich Ebert Foundation, Global Labour Institute (GLI), German Commission for Justice and Peace, Bonn, 2005

people worldwide who provide a large variety of services and produce through work at home. 70% of them are women, and in some countries this figure is as high as 80%. These women are invisible; they have no lobby because they work at home for family reasons. They are unfortunately also frequently unorganised, so that they are unable to challenge unfair payment and exploitation in insecure employment.

Both the German Commission for Justice and Peace and the Church Development Service, which are the promoting organisations of the Joint Conference Church and Development, have dealt in the past with the topic of decent work and international standards, above all from a development policy point of view, related inter alia to the goals of the fight against poverty and for participation. We would like to bring the concerns of those people who by their work live from hand to mouth, and fight every day to feed their families and themselves, to the attention of policy-makers, and to create a forum in which they can be heard.

It is a fundamental principle of church development cooperation to formulate positions in cooperation between partners from the North and the South and to take up topics. And it is matters related to the treatment of the work and the rights of the poor and marginalised which are becoming more and more pressing for both sides in the context of globalisation. Thus, guests give an impressive witness in an international exchange of the increasing informalisation of the world of work in the countries of the South and East. They present clearly the difficulties encountered in exerting political influence and enforcing social security. They however also describe the possibilities and successes of organisations of the informal economy which are fighting to be recognised as trade unions, and of traditional trade unions which are taking on the interests of informal workers.

In the search for allies at national level, debate and cooperation with the trade unions have proven to be valuable for the development policy discussion. The development policy and labour market policy dimensions come together in the topical area of the informalisation of the world of work, the right to decent work and the organisation of workers in a continually-changing labour market situation. Furthermore, it becomes clear that the concerns of workers in the countries of the South and North are interconnected.

This cooperation takes on particular significance against the background of the Millennium Development Goals, in other words of the voluntary undertaking on the part of the members of the United Nations amongst other things to reduce poverty in

the world by half by 2015 and to develop a sustainable partnership for development between rich and poor countries.

In this sense, trade unions and churches in Germany have covered quite considerable ground in the past two years, for instance with conferences, workshops and an exposure and dialogue programme. A further ally is to be specially mentioned here, namely the Global Labour Institute, a foundation which is headquartered in Geneva, which has devoted itself to international solidarity work between the trade unions, and to which we owe the research and authorship of this brochure.

Organisation and social security are central topics for people who work in the unregulated, informal part of the economy – and this is the majority of the poor and frequently of the populations in the countries of the South. Workers in the informal economy are not per se poor, weak and uneducated; they are creative, they organise themselves and they are willing to work. However, they frequently need support at national and international level in order to be able to apply and develop their potential, and above all to be allowed to do so.

The discussion with those concerned from the South intensifies the realisation that by setting and recognising international standards it is possible to help disadvantaged groups to protect their rights. Above all the conventions which have been adopted by the international community of states in its oldest organisation, the International Labour Organisation (ILO), should set the standard for national laws. What is more, in the tripartite nature of the ILO, constituting as it does a meeting place of governments, employers and workers in a kind of round table, compromises are developed which are – or at least should be – supported by all in a democratic awareness.

However, it has also been shown in Germany that there is a need for civil society to exert pressure and to observe, so that governments implement international statutes nationally and that these are indeed adhered to in practice. For example, at one of its last Cabinet meetings the last government unfortunately decided not to ratify the Home Work Convention.

Many of the ILO's Conventions are regarded as irrelevant by industrialised nations which have highly-developed rule-of-law structures in their national contexts. Germany too frequently rejects the ratification of conventions with the justification that there are further-reaching laws in Germany, that the target groups do not live here, and that purely solidarity-based ratification would have no effect. For instance, agreements are

only seen in their development policy relevance in order to be able to push forward their ratification exclusively in the poor countries. This relevance is also undisputed.

However, do not the ILO's core labour standards, such as the prohibition of slavery, exploitation and discrimination and the protection of the right to organise, particularly show that situations change and that unacceptable living conditions also need to be remedied in the industrialised nations? International standards and their incorporation into legislation are hence so to speak safety nets which reduce social policy turbulence, and thus limit the latitude for radical social change by protecting people and the environment against arbitrariness. It is therefore worth defending these protective mechanisms.

The Home Work Convention is a particular example of a reaction to a changing reality, to a constantly informalising world of work. And informalisation does not stop at Europe's front door; it is advancing on our labour markets. From a development policy point of view, the ratification of the core labour standards and of other minimum standards – also the Home Work Convention – is not only an act of solidarity with workers of the South, it is the only way to break out of the spiral of worsening living and working conditions, and hence also to defend higher standards in industrialised nations.

We hope that this brochure will create a broader awareness of this realisation among government, in the political arena, in the private sector and in society, and we will be open for more detailed discussions.

4.1.2 Statement on the occasion of the joint press conference of the Confederation of German Trade Unions and of the Joint Conference Church and Development on 13 January 2006 on unprotected work and home work
Dr. Ursula Engelen-Kefer

Ladies and Gentlemen,

Decent work is and remains one of the central global challenges.

In particular employees in atypical employment and contractual arrangements too frequently fall into gaps in labour and social law.

This applies not only to us, but much more to the developing nations.

- The number of the “working poor” is on the increase in many countries, that is those who despite being in gainful employment are unable to protect their families against poverty.
- Billions of people live in a no man’s land in the so-called informal economy, where they have no social rights; they must fight for their bare survival on the margins of the world’s economy.
- Between ten and twenty million people worldwide are victims of forced labour, and roughly 250 million children are in work.
- Two-thirds are working under dangerous and exploitative conditions.
- There are major breaches of trade union rights in two out of five countries.

Under the pressure of global competition, many industries are shifting their contracts to low-wage countries and commissioning local firms who in turn pass the jobs on to intermediaries and have the work carried out by disguised wage workers, as well as by homeworkers.

Because of its high labour intensity, the clothing industry is probably the most widespread example of a global goods chain. For instance, homeworkers in the Philippines manufacture baby clothing for luxury boutiques in New York.

However, also other branches of industry exploit home work for instance for the production of cigarettes and joss sticks and in assembling electrical and electronic goods. Even peeling prawns is typical home work in many Asian countries.

In India, for instance, more than one-half of the national income and one-third of national exports are made by the so-called informal economy, i.e. the sector which is socially unorganised.

The greatest problems for homeworkers and other unprotected groups of workers are the very poor payment in many parts of the world, as well as an almost complete lack of social protection. Homeworkers’ wages are based almost everywhere on a piecework system with usually excessively long working hours and the employment of a hidden army of unpaid “assistants” and child labour.

The health risks for homeworkers themselves and their families are frequently neglected and overseen. In the shoe industry, for instance, the poisons released when skin and

leather is processed in people's homes can cause disease. Poisonous lead gasses can be released in jewellery manufacture.

The majority of people in the world who live and work in the shadow of the world economy still cannot participate directly in globalisation fairly and justly. The trade unions consider corrections of the current path of globalisation to be necessary. Like the churches, we are convinced that the benefits of globalisation should benefit more people and can and should be better distributed between and within the countries. There is an urgent need to supplement fair rules for trade and capital flows with just social rules.

The core labour standards established by the ILO – the international organisation responsible for labour standards – constitute a minimum of global rules for work in the world economy.

There is now an international consensus that this package of core labour standards lends concrete form to the fundamental human rights in the world of work. The members of both the WTO and of the ILO confirmed their undertaking to adhere to the core labour standards most recently at the end of the nineties. These norms are not to be used for protectionist trade measures. As the World Bank rightly stated, "adherence to the core labour standards requires effective labour market institutions which can enhance economic growth and reduce the job-related risks of the poor"^{*}. Poverty and unprotected labour are no excuse for breaches of these fundamental human rights. In reality, however, practice frequently contradicts the obligations entered into at the highest political level.

There is no doubt that stronger measures would be desirable in order to be able to guarantee these core labour standards in global production systems. This applies in particular to the central international organisations such as the WTO and the IMF. They are to ensure that their policies and programmes do not prevent the realisation of these labour rights.

The international Home Work Convention is also particularly significant for workers in the shadow of the world economy. Back in the eighties, the Confederation of German Trade Unions, together with the international trade union movement, campaigned for a universal labour standard that would apply to millions of homeworkers. This international standard, which was adopted ten years ago, has so far only been ratified by four states (Finland, Ireland, Albania and the Netherlands). The German Federal

^{*} Translator's note: re-translation from the German

Government did not submit this agreement to the Federal Parliament until last year, but no signature is planned. Rejection is largely justified on the basis of the legal particularities of teleworking. Whilst teleworkers in our country work as normal employees or are self-employed, and hence do not fall under the national Home Work Act, the ILO Convention also covers this group of individuals. They are hence better off legally in most cases than homeworkers in our country.

We cannot see a reason why Germany does not wish to ratify this convention. Favourable national regulations are quite compatible with the ILO's conventions. Our national Home Work Act goes beyond the regulations of the convention in many elements.

Recognition of this standard could certainly send out a signal for other states, as well as assuming greater significance for the value-added chains of German enterprises.

The Indian trade union SEWA nonetheless stresses: "It would be extremely helpful for us if other countries were to ratify the agreement because then we could make it clear to the governments in South Asia that other governments are taking this agreement seriously. (...) If Germany ratifies the Convention, we can submit the laws which Germany already has to our governments as a model." *

SEWA is one of the most successful examples of a trade union consisting of homeworkers. It was formed out of an association of textile workers, the oldest and largest trade union of textile workers in India, which was founded in 1920. SEWA now has more than 700,000 members. Homeworkers in India are frequently so tied up with the everyday struggle to survive and with fear of losing their jobs that they are difficult for trade unions to reach and mobilise.

One of the first successful goals of this women's trade union consisted of the demand to expand the Minimum Wage Act to cover homeworkers. Unprotected employment sectors also bear witness to successful attempts to expand social protection. A brochure, which we have put together with the collaboration of Friedrich-Ebert-Stiftung, the Church Development Service and the German Commission for Justice and Peace, lists eleven core reasons by the ILO Home Work Convention is important. It can improve protection for those who are at the lower end of the production chain. We would like to use this brochure to show that people who are fighting for their very survival can be gradually led to more decent work.

* Translator's note: re-translation from the German

By way of example, however, it can be recognised that poverty is not a problem which is faced solely by a large number of homeworkers, but rather a challenge for all who strive for social justice and sustainable growth. At the same time, this sector bears witness to the networking of our global economy. It shows the importance attached to a public debate on trade and social standards, both in industrialised and in developed countries.

4.1.3 The opinion of a trade unionist from the South

Renana Jhabvala, National Co-ordinator of SEWA, India

(Excerpt from the Brochure "11 Good Reasons to Ratify the ILO Home Work Convention", published by the Confederation of German Trade Unions, Church Development Service, Friedrich-Ebert-Stiftung, Global Labour Institute and German Commission for Justice and Peace, 2005, pp. 27/28)

"There are around 5 million homebased workers, most of whom are women, in the South Asia region, which includes India, Bangladesh, Pakistan, Sri Lanka and Nepal. These workers remain invisible and hidden from view as there are no laws or policies for them. SEWA²² has been organising the homebased workers in India since the last 25 years and trying to get laws to protect them and give them some security. In the last five years SEWA has been instrumental in forming a network of organisations across South Asia called HomeNet, which has been asking the Governments of the region to form National policies for homebased workers and ratify the Convention 177²³. It would be extremely useful for us if other countries ratify the Convention because then we could point out to the Governments of South Asia that other countries are taking this Convention seriously. It would also be a sign that the European Governments are concerned about homebased workers. Further many European companies are now giving work, through Indian exporters, to homebased workers in South Asia. If Germany ratifies the Convention, we could point out that the Convention has been ratified in European countries, the home countries of the companies, and so workers should also get the same protection here. Our Governments are worried that European countries will not ratify the Convention and so we will end up having more stringent laws for homebased workers, which is one reason why they do not want to ratify.

²² SEWA: Self-Employed Women's Association (www.sewa.org); SEWA organises women in India's informal economy and is worldwide the largest trade union of this kind with approx. 700,000 members.

²³ C 177: ILO Convention 177 on Home Work (International Labour Organisation)

SEWA was very active in the ILO²⁴ campaign for the Convention. At that time we got the support of our Government, which did support the Convention and in fact lobbied for it. However, after the Convention was passed, very few countries ratified it, even countries like Germany, which has a good law for homebased workers, did not ratify and so we are unable to use these laws as models. If Germany ratifies the Convention we can show the laws Germany already has as a model to our Governments.”

4.2 Dialogue across the Trade Unions

In the same way as the civil society dialogue and the resulting joint action can enrich the discussion on employment policy in general, it is useful for the social partners, and above all for the trade unions as representatives of the working population, to recognise and take up new challenges and tasks. The contributions in this chapter hence serve to take stock and analyse the situation, and to propose a dialogue across the trade unions, to which the German Commission for Justice and Peace also considers itself bound to support.

4.2.1 Informal Economy and Trade Unions in Germany ²⁵

Karin Pape

(Survey for the German Commission for Justice and Peace, 'Informal economy and freedom to organise' working party, among specialist trade unions in preparation for the exposure and dialogue programme with SEWA in India, 10-19 September 2005)

In the international context, employments which are paid below subsistence level and do not guarantee adequate social protection are considered to be „informal“, while “informal economy” is not a common term in Germany. If at all, its usage is limited to “household economy” [Haushaltswirtschaft], “self-subsistence economy” [Selbstversorgungswirtschaft] and “self-help economy” [Selbsthilfeökonomie] (cf. Volker Teichert, Wissenschaftszentrum Berlin), in contrast to “shadow economy” [Schattenwirtschaft] which is more or less equal to “undeclared work” [Schwarzarbeit].

²⁴ ILO: International Labour Organisation

²⁵ Due to the narrow time frame, the following report, especially the information directly sourced from the various trade unions, gives an incomplete picture. Unfortunately, research work had to be carried out during the holiday period, when many valuable contacts were not available.

The International Conference of Labour Statisticians 2003 set up guidelines for the collection of data on informal employment. They refer to the following forms of employment:

- own-account workers employed in their own informal sector enterprises;
- employers employed in their own informal sector enterprises;
- contributing family workers, irrespective of whether they work in formal or informal sector enterprises;
- members of informal producers' cooperatives;
- employees holding informal jobs (i.e. if their employment relationship is, in law or in practice, not subject to national labour legislation, income taxation, social protection or entitlement to certain employment benefits, like advance notice of dismissal, severance pay, paid annual or sick leave, etc.), whether employed by formal sector enterprises, informal sector enterprises, or as domestic workers employed by households;
- own account workers engaged in the production of goods exclusively for own final use by their households.

"The reasons for being considered informal may be the following: non-declaration of the jobs or the employees; casual jobs or jobs of a limited short duration; jobs with hours of work or wages below a specified threshold (e.g. for social security contributions); employment by unincorporated enterprises or by persons in households; jobs where the employee's place of work is outside the premises of the employer's enterprise (e.g. outworkers without employment contract); or jobs for which labour regulations are not applied, not enforced, or not complied with for any other reason."
(Daza, José Luis: Undeclared Work and Labour Administration, ILO, June 2005, pp. 9)

As far as the informal economies in developed countries are concerned, the International Labour Organisation (ILO) has found out that the percentage of non-standard employment arrangements has increased. Here, the informal sector is considered to include employments, which are disadvantaged compared to standard employments, as far as labour rights and employment-based social protection are concerned:

"Measuring Employment in the Informal Economy in Developed Countries:

Employment in the informal economy in developed countries is linked to employment arrangements that have tenuous connections between the worker and formal structures and little if any access to fundamental labour rights and protection and employment-

based social protection. The following specific categories of non-standard employment arrangements are relevant:

- part-time employment in formal firms;
- temporary employment in formal firms;
- self-employment, in particular own-account workers with no employees;
- inter-firm subcontracted work;
- industrial outwork, including homework;
- sweatshop work;
- day labour.

(...)

To arrive at a more precise estimate of employment in the informal economy in developed countries, two types of additional information are needed: data on all categories of non-standard work; and data on access to worker benefits and social protection across all categories of non-standard work.”

(Women and men in the informal economy.
A statistical picture. ILO 2002, p. 26)

In other words: not all types of part-time employment arrangements can be classified as informal (in Germany, the percentage is very small, as part-time related disadvantages are legally prohibited, although there are disadvantages with regard to social insurance as soon as part-time jobs are turned into so-called mini jobs); similarly, not all types of self-employed persons or fictitiously self-employed persons can be classified as informal workers. The crucial point is whether or not a person in non-standard employment is provided with the same labour rights and social protection or otherwise earns enough to be able to acquire these benefits on a private basis.

Any criminal economic activities providing illegal goods and services are excluded from the considerations and evaluations of ILO. This also applies to illegal trafficking of arms, drugs and slaves (according to the definition of ILO, production and employment arrangements in the informal economy can be partly or completely illegal, while the provided goods and services are legal). Also excluded from the definition are unpaid housework and upbringing of children²⁶.

Common German descriptions are “atypische Beschäftigung” [atypical employment], “prekäre Beschäftigung” [precarious employment], but also “Schwarzarbeit” [undeclared work] and “illegale Schattenwirtschaft” [illegal shadow economy]. In line with the

²⁶ (cf. Women and men in the informal economy. A statistical picture. ILO 2002, p. 12)

approach followed by the international labour statisticians, “precarious employment” seems to be the most appropriate term to describe the general situation in Germany. It includes all possible types of employment arrangements, which cannot be subsumed under the term “standard employment”. However, a clear classification is not possible: A self-employed consultant who is exposed to high risks, because he depends on his clients, is considered to be in precarious employment, although a high income may enable him to take out private health and unemployment insurance and to pay into private pension schemes, while an unskilled agricultural labourer earning a tariff wage of Euro 4.68 per hour (= Euro 814 per month; source: WSI-Tarifarchiv, as of 31-12-2003) is not considered to be in precarious employment because his job is subject to social insurance providing him with a basic social protection. Yet, he is unable to make a living with this low income.

Facts and figures

According to (seasonally adjusted) figures provided by Statistisches Bundesamt (Federal Bureau of Statistics), approx. 39 million persons have a gainful occupation²⁷, which is about the same number as in the early 1990ies. However, the structure of gainful occupation has changed dramatically: from 1991 to 2004, the number of regular full-time employments has decreased by 20%. Approx. 6 million people have left this group and the total of full-time employments decreased from 29.5 million to 23.75 million.²⁸ More than 25% of all gainfully employed persons are categorized as part-time employees (since the early 1990ies, their number has almost doubled from 5.5 million to nearly 11 million). This group also includes minor employments (e.g. mini jobs: 6.6 million on 31 March 2005). Self-employment and fictitious self-employment have increased to 11% (= 4.25 million). In the early 1990ies, their percentage was at 9%.²⁹

This trend goes along with an increase in subcontracted work (at present approx. 350,000 persons³⁰) and other forms of temporary employment. And these developments are in accordance with existing legislation and sometimes even with collective agreements. Despite extra legal provisions, most subcontracted work arrangements do not mean long-term employment but a high degree of uncertainty and payment approx. 30-40%³¹ below regular employees of the hiring companies also resulting in poorer social protection.

²⁷ cf. Deutsche Bundesbank, Monatsbericht Juli 2005, p. 16

²⁸ *ibid.*

²⁹ *ibid.*

³⁰ e-mail from ver.di (Uwe Woetzel, 18-07-2005)

³¹ *ibid.*

Undeclared and illicit employment

Undeclared employment is defined as any gainful work (except for help among neighbours and friends etc.) which is not declared to the tax or social insurance authorities. Undeclared employment violates existing legislation and is therefore illegal. This type of work is illegal in two aspects, when the concerned person is an undocumented migrant worker.

The German Trade Union Confederation, DGB, believes that the scope of undeclared employment is generally overestimated. Rather 4-6% than 17% of the gross domestic product are considered to be realistic.³² This would be equivalent to 4.1% of the total working hours.

The general situation

In the recent years, the German Trade Unions are increasingly under pressure. Vested rights and achievements of the 1970ies, such as holiday pay and an additional month's pay at the end of the year, have now been cut in many cases. Employees even had to accept real wage cuts. In addition, employers' associations and some politicians demand a relaxation of the Dismissals Protection Act and the abolishment of continued pay during sickness. Unlike earlier times, employers are no longer ready to agree to the universal validity (for a region or industry) of collective bargaining agreements. In the past it was the other way round. The trade unions were reluctant to agree to the universal validity of collective bargaining agreements because this helped non-trade union members to get the same benefit from the negotiated agreements and made it difficult for trade unions to recruit new members. Today, employers take advantage of the situation of 5 million unemployed persons and manage to push through payments below standard rates. More and more employers leave their employers' associations or just accept a type of membership with no commitment to collective agreements. Consequently, the region-wide type of collective agreement, which commits all employers of the concerned industry in the same region to pay equal wages for comparable work, is going to lose significance. The regional collective agreement used to guarantee that competition was not based on wages but on innovation. Employers had to invest in new technologies in order to survive at the given standard wage costs. Today, however, more and more companies attempt to compete on the basis of wage

³² DGB comment on the Federal Government's report: Bekämpfung der Schwarzarbeit und illegalen Beschäftigung of 28 January 2005; at: www.dgb.de; Prof. Schneider (University of Linz) concludes that 17% of the gross domestic product fall on the shadow economy. Statistisches Bundesamt and the Danish Rockwool Foundation Research Unit believe that the percentage is at 6% and 4% respectively.

costs. Regional collective agreements are limited to regional and national boundaries. As wage levels in the neighbouring countries are well below the wage levels in Germany and due to lower transportation charges, regional collective agreements have hardly any chance. But even the lowest wages in Germany cannot compete with those paid in Poland, Romania or China. As a consequence, many companies move their production plants to these low-wage countries. However, jobs in the retail trade, the hotel trade, private households, the health sector and the construction industry cannot be moved. Consequently, the percentage of migrants from low-wage countries is very high in these industries. Within the sphere of influence of the NGG trade union (Food, Beverages, Catering), there are no generally binding agreements on standard payments. Only the sector of the baker's craft has a generally binding collective agreement on working conditions (working hours, holiday etc.).

In Germany, calls for a low-wage sector become ever louder, although regular full-time employments have gradually been replaced by low-wage jobs long since. "The trade union-friendly Wirtschafts- und Sozialwissenschaftliche Institut (WSI) found out that in 2003, approximately 3.4 million people in Germany earned less than Euro 8.75 per hour. These people are considered to be poor, although they are in employment. For, this payment is exactly half of the average income of full-time employees liable to social insurance and it defines the so-called wage poverty line. Even if the German legal minimum wage had been fixed at Euro 7.50, 2.4 million employees would have been below the poverty line in 2003."³³ Despite this development, the number of unemployed is not decreasing but increasing. Some think that this is just not the end of the path: "Getting the German 'working poor' out of unemployment means to increase the gap between the poor and the rich. This would be a radical u-turn, the anything but unsocial end of forty years of social policy. For, only unemployment is unsocial: not only with regard to the five million unemployed, but also with regard to everyone else, who has to bear the costs."³⁴ Calls for the introduction of a low-wage sector aim at splitting up the existing jobs in various forms of, usually, more poorly paid jobs with less social protection. This means that the objectives of creating jobs which enable people to earn their living and to pay for adequate social insurance through economic growth promotion and adequate redistribution would be given up in favour of another model of society, in which the poor render services for the rich.

³³ "Gleiche Arbeit, gleiches Geld?" in: Die Zeit, 16/2005

³⁴ "Working Poor und Wohlstandslüge" in: Die Welt, 09-07-2005

Some remarks on two special cases: the reunification of Germany and persons of German origin emigrating from Eastern Europe after 1980 (Spätaussiedler)

The consequences of the German reunification and the influx of persons of German origin emigrating from Eastern Europe and entering the German labour market and the options available to the trade unions have not yet been sufficiently explored. The following aspects should be examined in more detail:

In the former GDR, trade unions were perceived in a neutral or negative way. The reunification process brought new trade union members from East Germany, whose hopes for secure jobs were bitterly disappointed. It is hard to expect that these employees can be won as steadfast union members. High unemployment rates in East Germany have caused a shift of employer-employee relationships from trade union level to company level. Works councils are now forced to negotiate internal solutions with their company managements, because there are no collective agreements at industry level. Existing agreements are often ignored.

The increased total workforce has forced the West to give up the status quo. At the same time, these developments exert pressure on the social insurance systems, which, in the final end, have to bear the costs of the reunification, although they are not designed to cope with this.

The pressure on the labour market further intensified, as more and more people of German origin (Spätaussiedler) emigrated from Eastern Europe to Germany. Although these Spätaussiedler feel themselves as Germans and in fact are Germans, their integration problems are similar to those of other migrant groups.

Approaches and strategies pursued by Trade Unions

How do the German Trade Unions respond to these fundamental changes on the labour market? To get a clear picture, various trade unions were asked the following questions:

- 1) Does precarious employment exist in your trade? If yes, what kind of precarious employment? At what scale? What is your experience?
- 2) Are employees in precarious employment unionized? What types of jobs are concerned? How many?
- 3) Is the problem of increasing informal employments discussed in your trade union? If yes, what are the objectives, consequences and strategies? What are the results? What is your experience?
- 4) Do you cooperate with nongovernmental organisations and/or self-help organisations in this respect (e.g. foreign labour and migrant associations, Church groups)? If yes, please describe this cooperation.

Some trade unions have provided written answers, whereas others answered the questions in interviews.

Neither DGB nor the individual trade unions have dedicated cross-departmental offices dealing with the problem of “precarious employment”. This made it difficult for me to identify the right contacts in the trade unions. However, all trade unions face the problem of precarious employment in one sector or the other. For some trade unions such as NGG (Food, Beverages, Catering) and IG Bauen-Agrar-Umwelt (Construction, Agriculture, Environment), the problem is highly relevant. Others such as IG Chemie (Chemicals) are less affected. Dedicated cross-departmental offices for woman and migrant policies, for example, also deal with precarious employment because the rate of precarious employment is very high in these groups of employees. Full-time union officials are competent and well informed on this issue and pursue differentiated approaches involving various solutions. However it looks as if this working field is not necessarily integrated in the trade unions’ master strategies. Also, there seems to be no systematic exchange on this issue among the different trade unions. Many press releases reflect reactions to the latest legislative amendments, but there are hardly any strategy papers published by trade unions in this respect. IG Metall published a statement on “Aspekte der Schwarzarbeit” (“Aspects of undeclared work”) and DGB a comment on the report of the German Federal Government with the title “Bekämpfung der Schwarzarbeit und illegalen Beschäftigung” (“Fighting undeclared and illicit work”) of 28-01-2005. IG Bauen-Agrar-Umwelt (Construction, Agriculture, Environment) is pursuing the strategy of finding political solutions to the problem of undocumented migrant workers and wage dumping. As a consequence, the Posted Workers Act (Arbeitnehmer-Entsendegesetz) was passed in Germany (see below).

Because of the difficulties mentioned above and based on the assumption that certain structural problems affect all industries where precarious employment is found (where there is a high percentage of personnel costs or production plants are tightly bound to their locations and cannot be moved to other countries), I decided to focus on two trade unions: IG Bauen-Agrar-Umwelt (Construction, Agriculture, Environment) including the European Migrant Workers Union and NGG (Food, Beverages, Catering). Furthermore, these trades have recently been in the focus of public interest. However, it will be important in a next step to explore the differences between the various trades (laundry trade, retail, freelancers in the media, scientific assistants at universities and in further education etc.).

The NGG trade union (Food, Beverages, Catering)

Unlike many other trade unions, NGG has not been subject to major merger processes, and is therefore a relatively small trade union with approx. 225,000 members³⁵ (3.2% of all unionized employees). NGG covers the food production industry and food craft (e.g. sector of baker's craft), the beverages industry (beer, coffee, spirits etc.) and the hotel, restaurant and catering trades. These are traditionally small and medium-sized companies, although large global food production groups are of increasing significance. For historical reasons, NGG also covers domestic workers, for whom regionally applicable collective agreements are signed with the German Housewives' Association (Deutscher Hausfrauenbund).

Meat industry

Intolerable conditions in connection with illegal employment, exploitation, wage dumping and inhuman accommodation of mostly East European workers, especially in the butchery and meat processing trade, have recently become public. These workers come to Germany either as service contractors³⁶ or they use their right as EU citizens to provide services in other EU member states³⁷. These legal ways of forcing low wages in these trades have caused systematic cutbacks in permanent workforce and replacement with service contractors. Foreign sub-contractors often turn out to be letterbox companies which are actually run by the hiring companies themselves. These cases violate the Personnel Leasing Act, because no social insurance contributions and taxes are paid. Moreover, these foreign worker often have to accept excessive deductions for accommodation in Germany etc. Controls in the countries of origin are prescribed by law, but cross-border cooperation of authorities is hard to put into practice. In addition, subcontracting companies often smuggle East European employees with forged documents into the slaughterhouses. "We know from experience that slaughterhouses use illegal East European workers to cut their costs by approx. 50%. This is unfair competition and puts other companies in this industry under enormous pressure and prompts them to do the same. We have encountered people who worked under

³⁵ Figures as of 31-12-2004, available at: www.dgb.de

³⁶ Since the 1980ies, the Federal Republic of Germany has concluded so-called service contractor agreements with almost all Central and East European countries. These allow companies from the signatory countries to act as contractors and send their own skilled workers to carry out services within annually fixed quotas, depending on the situation of the labour market. Payments must comply with local standard net wages, social insurance contributions are payable in the countries of origin. Today, these quotas are very limited for non-EU members, e.g. for countries such as Romania (after the scandal, the butchery and meat processing trades have been excluded).

³⁷ This principle allows service providers of all EU member states to offer services on the terms applicable in their own countries. As a consequence, East European workers can act as self-employed service providers and offer their services at prices below standard rates, and this without breaching the rules.

inhuman conditions for hourly rates of Euro 1.50 to Euro 2.27. No-one can compete with this, especially not the German employees." (Mr. Südbeck, speaker of Staatsanwaltschaft Oldenburg)³⁸

On 4 March 2005, the trade unions organising the butchery trades in Denmark, Netherlands, Great Britain, Poland, Hungary and Germany published a joint statement announcing a closer cross-border cooperation "in order to oppose the companies' strategies to bypass national regulations and standards in the labour markets and social systems."³⁹ This document comprises a wide range of measures: creating a European network of works council members, shop stewards and trade unionists; putting more effort into organizing workers; offering a Europe-wide protection of trade union members; negotiating and signing local agreements only with prior consultation at transnational level. Furthermore, the signatory trade unions committed themselves to "blocking any strike-related movements of productions and/or deliveries to strikebound companies or sectors, if workers in the meat processing industry or in the meat industry in general are on strike or take industrial action."⁴⁰

Hotel and restaurant trade

The hotel and restaurant trade is traditionally characterised by low wages, precarious employment, seasonal work and a high percentage of undeclared work. The hourly rate paid to hotel servants is at Euro 5.95⁴¹ in the Saarland and at Euro 5.12 in Mecklenburg-Western Pomerania⁴². On the basis of a 40-hour-week, this is equal to a basic payment of Euro 1,030 and Euro 887 respectively. But not everyone in this industry is paid tariff rates, because in 17 regions, the German Hotel and Restaurant Association refuses to sign collective wage agreements⁴³.

Recent authority controls have revealed a high percentage of undeclared employments in the hotel and restaurant trade. This has given rise to public anger, while the widespread practice of tax evasion in beverages and food sales remained widely unnoticed. Controls carried out by the supervisory tax authority in Cologne revealed that 25% of the workers in this trade were illicit employees⁴⁴. The HAZ newspaper

³⁸ Cf.: „Harter Kampf gegen Lohndumping-Mafia“ in Nordsee-Zeitung 18-06-2005

³⁹ EFFAT (European Federation of Food, Agriculture and Tourism Trade Unions; Regional Organisation with the IUF-Member of the ETUC): „Vereinbarung der Gewerkschaften EDOSZ/FNV-BG/NGG/NNF/NSZZ/T&G für den Fleischsektor“, Hamburg 04-03-2005

⁴⁰ *ibid.*

⁴¹ WSI-Archiv, as of 31-12-2003

⁴² *ibid.*

⁴³ NGG info-dienst 4/2005, p. 3

⁴⁴ Press release of July 2004, according to DGB comment on the report of the Federal Republic of Germany: Bekämpfung der Schwarzarbeit und illegalen Beschäftigung, 28-01-2005, www.dgb.de

reported on 29-08-2003 that the North Rhine-Westphalian labour office estimated the rate of illicit employees in the hotel and restaurant trade at 50%.

The NGG trade union has tried to adapt their collective agreements to this situation. In the regions of Bremen and Hesse, employers were forced to provide their employees with monthly pay slips showing gross and net payments. In addition, employers are solely held responsible for possible additional tax and social insurance payments. Elsewhere, the NGG trade union obliged employees and employers to fight undeclared employment, whenever they get notice of it⁴⁵.

In interviews I was told that these agreements are hardly ever applied. On the one hand, this is because there is almost no "honest" employer left who could have an interest in fighting undeclared employments. On the other hand, the percentage of unionized workers in this industry is very small. Due to high fluctuation rates, the small size of companies and the resulting higher degree of personal dependence, representation structures (works councils) are rare. Recruitment of new members from the outside, i.e. carried out by full-time officials, only works in cases when employees need legal support, for example when they want to enforce wage claims against the employer. A classical formula ironically used by trade unionists says: "Three new memberships in the hotel and restaurant trade means five new court-cases of legal protection." It is clear that NGG's capacities are limited in this respect.

Domestic workers

In the context of the public discussion on the reduction of unemployment, the sector of private households with its increasing demand for providers of domestic, childcare and nursing services became the focus of public attention. The number of employments in private households is between 1.4 and 3.8 million; the figures vary from source to source. Approx. 90,000 are registered with the mini job office⁴⁶, which means that the majority of domestic workers does not pay any social insurance contributions. The act to combat undeclared employment still considers the illicit employment of domestic workers to be a regulatory offence. Previously, the governmental plans to stiffen the punishment of illegal employment in private households had caused great annoyance in the public. "This indicates that undeclared employment in private households is widely accepted today and that it is regarded as a rule, both on the demand side and on the supply side."⁴⁷ There are hardly any controls. But it is expected that there is an extremely high number of illegal foreign women working in private households. This is

⁴⁵ cf. DGB comment of 28-01-2005

⁴⁶ *ibid.*

⁴⁷ *ibid.*

confirmed by nongovernmental organisations (e.g. the European Respect Network) which provide legal advice for undocumented migrants living in Germany (e.g. in case they receive no payment for their work).

A less known fact is that the NGG trade union signs collective agreements especially for this sector which determine wages (at regional level) as well as working conditions such as working hours, holiday and periods of notice (at national level). These collective agreements also apply to apprenticeships, casual employments and mini jobs. However, they are not generally binding, but do only apply to the members of the signatories. This means that only trade union members and households which are members of the German housewives' association (Deutscher Hausfrauenbund) are obliged to comply with the agreements. Thus, they only have limited effectiveness. But they also have a regulatory character, as they are often used as a reference for local standard wages in lawsuits on wage dumping.

There are hardly any unionized employees in this sector. Most of the employees even do not know about the existence of a collective agreement and about their rights resulting from it.

What NGG calls for

Initially, the NGG trade union's demand for legal minimum wages has met with stiff opposition from other trade unions such as IG Metall, as they believe that they are able to push through better conditions for their members by way of collective bargaining agreements. In the meantime, however, some groups within IG Metall, such as the women, have changed their minds and now also call for legal minimum wages⁴⁸. NGG appreciates the German government's decision of May 2005 to extend the Posted Workers Act (Entsendegesetz), which until then had only applied to the construction industry, to all industries. This would in fact mean that minimum wages would be applied to the whole industry, provided that the relevant collective bargaining agreement is effective nation-wide and industry-wide. This is not the case in the hotel and restaurant sector and the meat industry, for example, so that NGG continues to demand legal minimum wages. Moreover, there are around 100 regions with low tariff rates of less than Euro 1,000 in West Germany and Euro 670 in East Germany. In the absence of a legal minimum wage, these low tariff rates would be taken for granted. NGG is proposing to set the legal minimum wage at Euro 1,500, which is approx. 50% of the national average wage.⁴⁹

⁴⁸ cf.: „Wir haben die Wahl!“ Frauenpolitisches Positionspapier zur Bundestagswahl 2005, June 2005, p. 4

⁴⁹ cf.: NGG info-dienst 4/2005

IG Bauen-Agrar-Umwelt (Construction, Agriculture, Environment)

In 1996, IG BSE (Construction) and IG GGLF (Horticulture, Agriculture, Forestry) merged to form IG Bauen-Agrar-Umwelt (Construction, Agriculture, Environment). With 424,808 members (as of 31-12-2004), it is among the smaller trade unions (6.1% of all trade union members). The majority of its members are employed in the construction trade. The temporarily continuous decline in membership was partly compensated by the admission of members from the cleaning trade. The construction sector is characterised by small and medium-sized companies. Due to the specific characteristics of the construction industry (e.g. seasonal fluctuations in employment, changing workplaces etc.), IG Bau has fought for industry tariff rates and successfully called for statutory regulations, such as the Posted Workers Act.

As the percentage of unionized workers used to be relatively high in the construction industry (approx. 40% until the 1990ies⁵⁰), IG Bau was able to moderate the social implications of frequently precarious employment arrangements at social partner level, e.g. by negotiating acceptable minimum wages or setting up social security benefits offices.

The construction sector is more than any other affected by undeclared employment. IG Bau expects that one third of all construction workers are illegal workers. Illegality may take various shapes, ranging from German and foreign employees (with residence and work permits), which are paid below tariff rates and/or do undeclared work on a full-time or part-time basis through to foreign workers staying illegally in Germany and having no other option than to do undeclared work, so wages are accordingly low. This development went along with the appearance of sub-contracting structures resulting from crises and restructuring processes from the early 1980ies onwards. Frequently, sub-contractors are not bound to collective agreements and can push through low wages and temporary employment arrangements. Rules and agreements which apply to regular employees do not apply to these fictitiously self-employed persons. Liberalisation of the German Handicrafts Code has caused self-employed individuals to team up and offer their services to construction companies. IG Bau is assuming that there are tens of thousands of these "self-employed" individuals working in Germany. This development has also caused cutbacks in the permanent workforce and an increase in marginal workers in precarious employment.

⁵⁰ Nickel, S. (2004), Gewerkschaften und Migration. Aktuelle Entwicklungen und Strategien am Beispiel der Industriegewerkschaft Bauen-Agrar-Umwelt., p. 22

What are the activities of IG Bauen-Agrar-Umwelt?

IG Bau responds to these developments in various ways, e.g. by informing the employees (including the illegal employees) of their labour rights. Information is published in various languages.

A new office was set up in Warsaw to ensure proper information of posted Polish workers. But this office turned out to be a failure and was closed again. Hopes for a better cooperation with the Polish trade unions were also disappointed.

Furthermore, IG Bau spoke up for a governmentally funded network of advice centres run by trade unions and other organisations. Calls for the introduction of a certification procedure for posting foreign companies remained unheard.⁵¹

Foreign workers were successfully brought to participate in the national strike in the construction industry in 2002, while most of the illegal employees refrained from acting as strike-breakers.

With the creation of the European Migrant Workers' Union (EMWU) in 2004, IG Bau tried a completely new approach. For the first time, there was a transnational trade union especially for long-term posted workers who switch countries frequently and therefore do not have the chance to enter a single national trade union. EMWU is the first member-based trade union at European level. One of the two full-time union officials is bilingual: Polish-German. Recently, a Polish construction worker has started in the position as a full-time trade union official who makes efforts to unionize the Polish construction workers (who make up the largest group). Other national groups are to follow.

The problem of fictitious self-employment is considered to be the "topic of the future". For quite a long time, fictitiously self-employed persons in the construction industry have had the chance to become members of IG Bau. In addition, the trade union is developing a new organisational and supportive concept which complies with the needs of this special group. The experience of the Dutch construction trade union may be helpful in this respect, as they have set up a dedicated organisation for fictitiously self-employed persons.

In cooperation with governmental authorities, IG Bau is making efforts to inspect building sites and to uncover illegal practices in order to protect collective bargaining

⁵¹ Nickel S. (2004), *Gewerkschaften und Migration*, pp. 60

agreements and enforce governmental legislation (Posted Workers Directive, Act to Combat Undeclared Work etc.). This dual strategy is also a dual dilemma: it is a trade union's job to look after the interests of their members, the majority of which are legally employed Germans and migrants. In the eyes of illegally employed persons they may be regarded as enforcement agencies of the government rather than representatives of their interests. It is hard to build up solidarity between different groups of employees who actually compete with each other and who actually have different interests.

Contract cleaners

The new trade of contract cleaning has developed as more and more industrial and business companies outsourced their cleaning services. In the cleaning trade, the percentage of personnel costs is approx. at 74% of the total cost. The statistics on service providers 2000 prepared by Statistisches Bundesamt shows that more than 200,000 cleaners (around one third) are employed with large-scale companies of more than 1,000 employees, another 250,000 cleaners are employed with medium-sized companies of more than 100 employees and only 130,000 are employed with small companies.⁵² Rationalisation potential (e.g. by way of machine use and re-organisation of work) is very limited, so that competition is primarily based on wages. In order to ease the pressure on wages, collective bargaining agreements are generally binding in this trade. When the legislation on minor employments was amended in 2003, this did not contribute to the creation of new jobs, but existing jobs which previously had been liable to social insurance were turned into mini jobs. Since the liberalisation of the German Handicrafts Code, the cleaning trade has lost its traditional craft status and is no longer subject to strict training guidelines, i.e. any person can carry out the business as soon as he gets himself registered. In the course of wage negotiations, the traditional shop-like companies threatened to leave the employers' association of the trade guild and to form a new trade association. As there is no employers' association with collective bargaining capacity, the existing tariff system and the universally binding nature of collective agreements are at risk.⁵³

Although IG Bau has tried hard to unionize employees in this trade and even organised warning strikes to get through an agreement on general working conditions, the percentage of unionized employees is relatively low (roughly 7%)⁵⁴. Sadly one has come to realize that additional recruiting efforts will be necessary, but will have to be co-financed by other union members as the union dues in the cleaning trade are very

⁵² Nickel, S. (2004), *Gewerkschaften und Migration.*, o. 72

⁵³ *ibid.* pp. 76

⁵⁴ *ibid.* p. 82

low. Latest figures provided by IG Bau have shown that the numbers of new admissions are about the same in the cleaning and construction trades.

A description of the situation in the agricultural sector, which is characterised by a high percentage of East European seasonal workers, had to be left out for lack of time.

Conclusion

For various reasons, the German Trade Unions have become under massive pressure in the recent years. They have lost members because of the high unemployment rate. At the same time, they were forced to make concessions in collective bargaining negotiations and to give up some vested rights and achievements from the past. When more flexibility was demanded on the employers' side, trade unions tried to find collective agreement solutions which, in terms of flexibility, were also of benefit to the employees, while minimum social standards were guaranteed. In the public, however, the impression is conveyed that the trade unions are the "last dinosaurs" and oppose any modern reforming efforts, especially as far as a flexible wage policy is concerned. Employers and certain political movements favour arrangements at company level. But they forget that internal representatives are more susceptible to blackmail, when they are threatened with factory closure or relocation.

The structure of employment arrangements has fundamentally changed: the number of secure full-time employments is decreasing while there is an increasing number of more flexible forms of employment which offer less social protection. Furthermore, German employers exert additional pressure on existing wage and social standards by recruiting, legally or illegally, employees from neighbouring EU states and other countries where wage levels are much lower than in Germany. But illegal employment is only possible when employers are prepared to offer work on illegal terms. Precarious employment is spreading out and is increasingly undermining traditional standard employment arrangements. Undeclared work is not just limited to undocumented migrants. More and more German employees are prepared to give up tariff rates and/or they are prepared to earn undeclared money in addition to public benefits. If precarious employment arrangements are on the public agenda, it is only in connection with the illegal employment of migrants. This conveys the impression that problems on the labour market can be solved through restrictive policies towards immigrants and a closed-border policy.

From the interviews with full-time union officials, I got the impression that these new developments and potential strategies for action have not yet been sufficiently and coordinatedly discussed within the trade unions. There is no systematic exchange of experiences and successful strategies. The tried and tested strategy of recruiting young union members in large companies with the help of volunteers, is no longer as efficient as it used to be. If the trade unions do not manage to develop adequate concepts to unionize persons in precarious employment, they will lose ever more members and, even worse, their political strength.

4.2.2 Notes on a 'Dialogue across the trade unions, including other social groups'

Arne Klöpper

(Contribution to the preparations for a dialogue across the trade unions of the German Commission for Justice and Peace with the Confederation of German Trade Unions and member trade unions on 13 June 2006)

The starting situation:

Precarious and informal employment has expanded considerably in recent years. No turn in the tide can be recognised at present. Precarious employment can be found in various manifestations in all sectors and areas of the economy.

The growth in temporary employment, disguised wage work, insignificant employment and completely unregulated forms of gainful employment is a challenge for trade unions and other social players obliged to improving living and working conditions, since

- precarious employment means insecurity, low income and a lack of security for social risks for those who do not have any other way of making a living;
- workers in secure employment are subject to increased pressure and can hardly more protect their standards, which they frequently had to fight for, – the existence of precarious employees acts in a disciplinary manner; it is virtually impossible to enforce social and labour policy demands against this background;
- established social arrangements in the area of labour relations (as well as the social security systems) risk being non-binding – the fall in the number of trade union members adds to this, as does a transitory working population with virtually no institutional representation.

Problems / challenges in dealing with precarious employment:

A pragmatic, future-orientated solution to precarious employment is contingent on those who are in such employment being recognised as full employees. The 'fault' for the increase in insecure employment does not lie with those who do not have access to other forms of gainful employment.

In order to achieve this goal, it is necessary to form an awareness both among those in precarious employment, and among trade unions, etc. Integrating the multiplicity of the processes leading to growing precariousness and their effects on everyday political activity (of trade unions), and in doing so taking a look at both insecure employment and precarious existence (in contradistinction to 'normal employment' arrangements) is contingent on a process of re-thinking only the beginnings of which are evident so far.

In order to be able to represent those in precarious employment and improve their situation, direct and also abstract needs need to be ascertained and discussed. This is contingent on (self-)organisation which – in the respective areas of precarity – can be used to identify problem areas and to develop approaches to solutions. A corresponding policy must be developed not only for, but also with those who are in precarious employment, and must also aim to make those concerned able to take autonomous action.

In order to achieve this, the political culture of self-organisation and the articulation of needs must be questioned. Target group-orientated advice and service offers make sense and are necessary, even if as yet there are hardly any to be found.

Labour market and social policy positions and demands must become more inclusive of the interests of those in precarious employment – the developments of recent years have exacerbated the situation.

Strategic options / proposals

1. **A new picture of 'good work':** Short working hours, low (physical and mental) burdens, an income which at least serves to ensure a livelihood, social protection, opportunities for further training, work suited to people's ages – these are major elements of qualitative labour policy which once more must be brought more strongly into the public awareness, regardless of the nature of the employment.

2. Analysis: The change in working situations and the current situation on the labour market, as well as the forecast trends, are the starting point. In addition to the objective data, it is necessary to take into account the subjective manners in which they are processed. In order to develop approaches, it would be necessary to record in greater detail which forms of precarious employment are dominant in which areas.
3. Bundling / networking / coordination: There is a large number of (self-) organisation attempts in the areas of precarious employment. These should be examined as to their successes. Exchange and coordination are needed between those concerned, and should reach beyond organisational boundaries. The trade unions are offering the first fora of this kind, which – in my view – are however restricted to the field of labour law and to the trade unions' traditional policy sphere. The 'life situation' of those concerned frequently remains out of view. It may be possible to ascertain corresponding skills and forms of organisation in churches, social associations, self-help groups, etc. Structured exchange and cooperation may prove worthwhile.
4. Access / contact / organisation: The existing organisational structures are not attractive for those in precarious employment, and in some cases not accessible (if for instance they are entrenched in companies). For this reason, new forms of organisation need to be developed which directly meet the needs (for instance by means of advice) and which articulate the interests in the longer term. In critical situations and life situations, other players such as churches may be a better 'port of call'. Joint 'points of call' could combine the respective skills. 'Sectoral division' of the trade unions appears to make little sense. It can also be helpful to look for ideas in other countries (such as Italy, the USA).
5. **Joint 'public relations work'** (cf. Home Work Convention): for instance campaigns in favour of 'decent work'; more active measures against poverty and against incomes which do not provide a livelihood, etc.
6. Awareness-creation and skill-building among officials and members (multipliers, such as works councils, social workers in the local authorities).
7. Opening up the respective structures for the 'clientele' of others (cf. for instance Fairwork – right to legal advice for members of associations, corresponding models need to be developed).

4.3 Development policy problems

Development policy players have the job of offering support in material, financial and personnel terms to states and people who wish to free themselves from economic poverty and marginalisation. The orientation of corresponding measures depends to a certain degree on global political requirements and on developments in the world economy. For instance, development cooperation has undergone changes in sectoral and conceptual foci in the last 50 years.

Also with regard to employment, development policy needs a new orientation since developments in the global economy and on the labour market affect poor countries and their populations. This is becoming ever clearer against the background of the international Millennium Agenda.

The information contained in the following contribution tackles efforts by church development cooperation carried out by associations, societies, local churches, and in the text boxes discusses individual examples of project work that are supported by financial support from the Misereor Episcopal Aid Agency.

4.3.1 Promote and Challenge –

Methods applied in church development cooperation

Thomas Gerhards and Dr. Hildegard Hagemann

We are on a mission station in the Democratic Republic of Congo, in the bush, roughly a day's journey from the next town. Extreme poverty, miserable roads, an insecure future. The priest needs labourers to maintain the roads, to maintain the access paths within the large parish. The valid labour law (Code du Travail) provides that a day labourer has the right after 30 days to indefinite employment, including accommodation, health costs for the family, journeys to work, child bonuses, leave, special leave for family reasons, continuation of pay in the case of illness, advance wages. The employment contract must be concluded in writing and registered with the Inspecteur du Travail. Taxes are levied for further training, pensions insurance and the job centre, but there is no indication of receiving anything in return. Employment may only be terminated by stating reasons and after a lengthy procedure. Furthermore, relatively high compensation payments are payable (up to 36 salaries). The labour law dates back to 1967 and has been relatively unchanged since then.

What decision will the priest take under these conditions? This example shows that the Church as an employer is also torn between the possibility of giving people an income by means of informal work and facilitating development, or by adhering to the law overwhelming its entrepreneurial potential, and even misapplying it in the long term, since building roads is a matter for the State. This chapter analyses the reasons for this dilemma, but is unable to offer any solutions.

Informal work is the norm in poor countries, whilst formal work is the exception. According to information from the International Labour Organisation, nine out of ten new jobs in Africa are to be found in the informal economy, six out of ten in Latin America and four out of ten in Asia.

If one takes a closer look at the informal economy, one finds massive capital for potential investment, which however cannot flow into the economy because of a lack of rights. What is more, self-employment can be more interesting and more lucrative than badly-paid formal work. Labour law and company law are no longer up to date in many developing nations, and frequently pose a real obstacle to development.⁵⁵ As a response to this shortcoming, and in view of this situation, the threshold to the formal economy must be massively reduced. Integration from the informal economy to the formal economy is necessary and is a task for the State. Closer interlinking also leads to growth impetus for a country's entire economy.⁵⁶

The overregulation of the labour market in many developing countries poses an obstacle to the creation of formal jobs. The lack of legal security in the informal economy, in turn, promotes arbitrariness, corruption and exploitation. The injustice which this entails in the treatment of working people in the national context is frequently exacerbated by the external impact of international trade and economic agreements. Neglecting measures to shore up a domestic market, for instance in favour of a stronger orientation towards exports, also entails broadening the informal economy by informalising jobs, as well as inadequate efforts against criminal commercial activities and internationally-manipulated economies entailing coercion. Simply adhering to legal provisions is frequently not sufficient to create just working conditions. There is a need, firstly, to organise informal workers and, secondly, for negotiations to take place with the aim in mind of improving the framework conditions at national and international level.

⁵⁵ M. Ekwa bis Isal SJ (ed.), *Les Entreprises face aux problèmes posés par le Code du Travail: CADICEC Information 81/82* (October 2000). (CADICEC = Centre d'Action pour Dirigeants et Cadres d'Entreprise Chrétiens au Congo)

⁵⁶ Hernando de Soto, *Freiheit für das Kapital* (Berlin 2002)

In the ILO understanding, both social partners, in other words trade unions and employers' associations, are responsible for the representation of workers, as well as entrepreneurs. These play differing roles in the developing countries since they do not easily open up to workers or the self-employed in the informal economy. Informal social networks and self-help groups, by contrast, make a notable contribution to people's social security. This includes the many church associations, charitable facilities, as well as women's and youth organisations, which defend the interests of their members at parish, diocese or national level and enhance their self-help potential.

As an employer, the Church is bound to follow the respectively valid labour law in developing countries, and is subject to sanctions if it fails to comply. Thus, the Church frequently supports the development cooperation of informal small business activities of women and men, but still lends too little support to their self-organisation and towards improving the framework conditions of the economic activity of the poor. Since advancing globalisation means that national policies, including employment policy, must react increasingly closely to international circumstances, whilst at the same time the economic interests of enterprises and states are interwoven at international level, it is becoming increasingly urgent for the Church to use its own international structures for political work.

The goal here is to represent the interests of those who work at the grassroots and who are affected by the decisions taken further up. This applies to office-holders, as well as to the 'laity' in the Church at parish and community level, just as at national level where above all however the official Church is perceived as a political player. As a global player, in turn, the Church is characterised as a whole by being at the grassroots, as a local church frequently is recognised in the national context as a load-bearing pillar of civil society and a voice for the poor, and over and above this carrying out international political networking which has a major impact in terms of publicity. Its ability to work at three levels therefore poses to the Church a variety of challenges for development cooperation, not only as an advocate for the poor, but also as an employer.

Promotion of organised self-help

The right of freedom to organise and carry on negotiations is a principle of the ILO that is binding on all its members. The implementation of this right for workers in the informal economy is a major challenge because of the extremely heterogeneous nature and the fluid, transitional forms of the classical social partner structures. Since large

sections of the population are affected by the expansion of informalisation, grassroots organisations can face this challenge.

The freedom to organise for informal workers can be promoted by a large number of measures. Starting with providing opportunities for encounter and approaching those concerned via support in setting up a secretariat, identifying needs and formulating demands, the range of possibilities extends to taking up negotiations with relevant state and economic players and networking with other groups to impart knowledge and experience. In addition to providing support for self-organisation, Church development cooperation can also provide assistance for microentrepreneurs and workers in the informal economy to become legal in the shape of training, legal advice, etc., as well as by giving assistance in integration and in cooperating with the formal economy. Local church structures offer opportunities to successfully promote and guide the measures, and to make them viable.

BOX 1:

Examples from the Misereor project work in Brazil:

Promotion of self-help groups and employees in the informal sector

Brazil is undergoing profound structural change both in urban and in rural areas. The waves of economic growth which have taken place over the last two decades have not been accompanied by a significant increase in employment. Classical industrial manufacturing is becoming less significant in the cities and their neighbouring regions, labour is being replaced by capital, leading to a process of *worker impoverishment*. *Misereor's development cooperation projects support the many years of pastoral work among workers, and target the group of the unemployed in the urban areas of Belo Horizonte and in the State of Rio Grande do Sul. The projects provide funding for specific training for the unemployed, especially women and the young, who work in income-creating measures, such as for marketing strategies and self-administration. Another focus in Rio Grande do Sul lies in supporting the establishment of new groups of unemployed individuals, advising unemployed and underemployed workers and in organising these groups to claim public services, networking the initiatives and cooperating with other social pastoral work organisations and national commissions for workers' issues.*

(Misereor projects No. 233-921-1016 and No. 233-921-1017, 2006)

Enhancing the structures

Democratic organisations form the core of social structures. The more numerous these are, or the more members they have, the better is the foundation for civil society, and hence the more sound is the fundamental structure of the democratic state. International

networking between organisations helps to safeguard and strengthen democratic structures.

The Church can use its working structures and resources at regional and national level to enhance the rights of formal and informal workers by means of education and advice, so that young organisations are strengthened in turn. Over and above this, it is able through its public presentation to create an awareness for the problems, and to underline the need for statutes and legal frameworks, including by means of international public relations work. As an employer, it assumes responsibility within its own personnel policy, and can send out signals in the respective national contexts by virtue of this policy.

BOX 2:

Examples of Misereor project work in India and Palestine:

Enhancing the rights of quarry workers and promoting the rule of law in the field of labour and social law

Modern India bears witness to examples of extreme social contrasts. Booming high-tech centres offer a wide variety of possibilities for consumption and leisure to an up-and-coming middle class, whilst slum residents remain at the mercy of old mechanisms of the caste system, exploitation and suppression. A large number of Dalit and Adivasi families live in the quarries of Hebbae, Krishnarajapuram and Ossur, where they provide cheap labour, some in debt bondage, in exploitative and health-damaging conditions. As a result of illiteracy and sexual inequality, women in particular are unaware of their rights.

In Palestine, there is a deficit of health and industrial safety for workers, for instance in quarries. Despite the improved legal situation in the field of labour law and industrial safety, there is especially a lack of awareness of the existing protective regulations and on ways to approach the competent institutions, *particularly when it comes to specific women's rights.*

Church development cooperation offers awareness creation and legal advice to release those who are affected by debt bondage, as well as further training for the those who are freed, and undertakes campaign and educational work in an attempt to improve labour laws and to ensure compliance.

(Misereor projects No. 321-017-1066, 2006 and No. 305-900-1016, 2005)

Enhancing political and social dialogue

Political and social dialogue are tools without which societies cannot manage, which enable society to come into being at all. Since its establishment, the Church has encapsulated many social forms and has gained considerable collective experience in dealing with and using these tools. It is aware of its calling to apply this experience from a development policy point of view.

In many countries, the Church has traditionally exerted a specific influence on its members, and frequently also on decision-makers within society, above all through its educational facilities. It is able to exert this influence to make a difference by promoting and moderating constructive dialogues. With the aid of its international structures, the church is able to impart information on progress in and problems related to social development. This enables it to not only lend practical support, through its networks, to similar political and social processes, such as the introduction of social standards or the creation of legal certainty in the informal economy, but also to act as an advocate in international organisations such as the WTO, the ILO and UNCTAD.

BOX 3:

Examples from the Misereor project work in the Philippines and in India:
Educational, advocacy and organisational work for work migrants and domestic staff

Roughly 2,400 poor people per day emigrate from the Philippines to find work abroad out of the necessity to send a modest livelihood to the family left behind. Most migrants are women who undertake to work as domestics, cleaners, nurses and construction workers, and who are separated from their families for years. The phenomenon of migration affects millions of people.

Also in India men, women and children seek work in other regions of the country, and are hence work migrants out of economic need. Church project work aims, first and foremost, to gain legal recognition of domestics and to protect migrants as specified in the *ILO's international conventions*. The governments which have recognised these international conventions are called upon to implement them. Diocesan working parties and regional groups serve to network the advocacy work at national level. The second goal is to broadly publicise the lack of legal awareness and the deficits, also at international level. This is being achieved in the Philippines with leaflets and information material, as well as with the personal commitment of bishops and church members. Furthermore, migrants and their families are to be informed about rights, risks, and protection and possibilities to organise. To achieve this end, advisors are given special skills such as when it comes to advice for returnees.

(Misereor projects No. 410-900-1136, 2006 and No. 321-900-1053, 2003)

Conclusions

The various players in church development cooperation have different tasks which can be described in line with their respective areas of social and political activity. The tasks to be carried out have in common a striving to realise the right to decent work against the background of Catholic social doctrine. Because of its structures, the Church can play an active role in the political dialogue, for instance in reform of labour and company law. At national level, in addition to bishops' conferences and national

commissions for justice and peace, the many church associations and societies are also called upon. Regional associations of the bishops' conferences and commissions can also heighten the impact on the international debate, as can the international structures of the church associations and facilities. The workers themselves can only organise if they associate, and the Church can support this process at the grassroots. Church associations take on a major role in achieving this goal. Strategies and concepts of church development cooperation should increasingly address employment policy concerns, given that it is predictable that their relevance in the years to come, not least against the background of the UN Millennium Goals, will be more likely to increase than to decrease.

5. Perspectives

Hubert Tintelott

“Those in informal work represent the largest concentration of needs without voice, the silent majority of the world economy”, according to the report submitted by the ILO’s Director-General to the 89th International Labour Conference in 2001. For roughly 30 years now, the ILO has been trying to tackle the problems and concerns of this “silent” majority. The ILO recognised 30 years ago that there are people who work very hard, but whose work is neither recognised, registered, protected nor regulated by public agencies. Whilst at the beginning there was still a conviction that these people working in the informal sector were rather a transitional problem related to globalisation, it is becoming ever clearer today that the informal sector is expanding, and that precarious jobs will therefore increase worldwide, and hence also in the traditional industrialised nations.

It quickly became clear in the debates held at ILO level that a fundamental prerequisite for improving the situation of working people in the informal sector is that they should be given legitimate representation and the right to organise themselves. “Those in the informal economy need representation and voice as a fundamental right and an enabling right to enhance their access to a range of other rights at work”⁵⁷, reads a paper of the ILO on the relationship between decent work and the informal economy. The right to freedom of association was therefore also consistently defined for people in the informal sector as a core labour standard.

The right to freedom of association can hence be advanced against states which prohibit the establishment of independent workers’ organisations, but it only indirectly shows workers a way to organise themselves, at least in those countries in which the statutory and administrative framework permits.

Obstacles on the way to independent representation of interests

Most people who work in the informal sector find it very difficult to use their right to associate. Firstly, it is difficult to define their common interests; frequently they do not have a direct point of contact as exists at works level between employers and workers. Secondly, however, the circumstances of those concerned are also characterised to such

⁵⁷ Quoted from “Decent work and the informal economy”, International Labour Conference, 90th Session 2002, Report VI, International Labour Office Geneva, p. 9

a degree by the day-to-day struggle to survive that neither strength nor time is left to do anything other than ensure their daily requirements.

Another reason why organisation processes are limited and often only local in their scope lies in the lack of clarity of the status of working people. Are they to be attributed more towards the self-employed because they frequently work on an independent basis, or must they not nonetheless be regarded as dependent employees, despite the fact that they are self-employed, because of their considerable degree of dependence? The ILO reaches the following insight in its evaluation of the employee organisations in the informal sector: "The existing informal sector associations tend, in fact, to have a limited geographical coverage, and their effectiveness and sustainability are undermined by the irregularity and instability of their members' employment and incomes. Their daily struggle for survival, their lack of managerial and technical skills, and their limited ability to mobilize assets from external sources limit the coverage of these organizations and their range of services and activities."⁵⁸

Possible approaches for the German Commission for Justice and Peace

Despite the problems emerging in view of the organisability of working people in the informal sector, the realisation remains that the organisation of their interests, their representation and co-determination are indispensable. It is only with the aid of those concerned themselves that it will be possible to find ways to improve their position as frequently marginalised by society, where they have no rights, and frequently exist in abject poverty.

1. Guidance of organisational processes for informal-sector employees

The "Informal economy and freedom to organise" working party of the German Commission for Justice and Peace has already established contacts in the past few months with organisations which have successfully organised working people in the informal sector (SEWA/India, self-help groups in Chile and Uruguay). The criteria of success for working with these lobbies must be even more clearly defined in collaboration with these groups, in order to be able to assist other groups in their organisational processes. This must continue the processes which have been initiated in Chile and Uruguay concerned with establishing contact between existing self-help

⁵⁸ Quoted from "Decent work and the informal economy", International Labour Conference, 90th Session 2002, Report VI, International Labour Office Geneva, p. 103

groups of informal employees and government agencies and trade unions, and, over and above this, with also supporting them by means of contacts with Universities which can provide expert knowledge and know-how. The goal in both of the countries which have been selected should be to define the common interests of trade unions and self-help movements, and to also attempt, in unison with governmental agencies and with the possible support of the regional structures of the ILO, to achieve actionable rights for informal employees, such as in the field of social security, as well as to secure property rights, rights to vocational further training, etc.

2. Involvement of German development cooperation organisations

All statistical surveys on the labour market situation in the countries of the South make it clear that people in the lion's share of countries earn their livelihood in the informal sector of the economy. For many people, earning an income in the informal economy also represents major progress as against a situation in which they had no regular income. Nonetheless, the lack of rights and the irregularity of employment constitutes a long-term poverty risk for people in this area. With regard to the goal of sustainably combating poverty, therefore, the German development cooperation organisations are also called upon to consider how the economic and social situation of informal-sector employees can be improved by organising them. The working party "Informal economy and freedom to organise" must continue to pass on the experience which it has gained in its exchanges with self-help groups and trade unions of employees of the informal sector to German development cooperation organisations.

3. Cooperation with the national and international trade union movement

The trade unions are frequently accused of not seeing the interests of informal-sector employees, or of not considering employees in this sector as their clientele because the question of dependent employment has not been fully clarified. This is the reason why informal employees frequently organise, and have to organise, in the shape of church-initiated and church-guided self-help groups, since they do not have access to trade unions. Increasingly, however, a realisation is dawning among the trade unions in the countries of the South, which has already been demonstrated in an ILO paper on the topic of "trade unions and the informal sector": "Organizing does not mean just recruiting new members in the workplace and providing them with services. It is equally about connecting with current members, potential members and other groups in

society who share less and less a commonality of interests in order to build a strong social movement. Organizing therefore means that unions need to refocus on workers, regardless of their employment status or link to a particular workplace.”⁵⁹

However, even as this realisation grows among the trade unions of the South, such a stance is failing to gain ground among German Trade Unions, although the number of precarious jobs is also constantly rising in Germany. The working party “Informal economy and freedom to organise” of the German Commission for Justice and Peace hence considers its task to lie in using the contacts that they have made with representatives of the German trade union movement to sensibillise the latter for the increasing significance of the informal sector and of precarious employment, and to propose setting in motion organisation processes for these employees in Germany as well. The working party will contribute its knowledge of successful organisation processes in countries of the South to such a dialogue with the trade unions. This may make it possible to reach an alliance between the trade unions and church associations and organisations, as well as with other community organisations. These alliances, which already exist in other countries, could then campaign together for the interests of informal-sector employees and take up the concerns of people in precarious employment. Over and above this, Justice and Peace is concerned to take on board the German trade union movement with its rich experience as a defender of the interests of working people, as a partner and a player for organisation processes of informal employees in the countries of the South.

⁵⁹ Quoted from “Decent work and the informal economy”, International Labour Conference, 90th Session 2002, Report VI, International Labour Office Geneva, p. 45

ANNEX

The authors

Maria CARTAGENA

Maria Cartagena (born in 1948) was employed for sixteen years as a seasonal worker in the grape harvest of Unifrut in Copiapó, Chile, until her sacking in 2001. For more than 30 years she has been working for the rights of seasonal workers and their families. To this end, she works in various Chilean human rights organisations, including the UDEMA (Union de Mujeres de Atacama). She has been a member of the Kolping society in Chile since 1995, and has been campaigning for the promotion of women. As a delegate for the Northern Chile region, she represents the Kolping family at national level. She is a director of the “TRABAJO POR UN HERMANO” (Work for a brother) foundation, appointed by Mons. Aristia, Bishop of Copiapó †, and elected citizens’ representative of two districts of her home city of Copiapó.

Dr. Ursula ENGELEN-KEFER

Born in Prague in 1943, she completed her studies of economics in 1967 with a dissertation on labour market problems in the USA. In 1970, Ursula Engelen-Kefer became a member of the Handel-Banken-Versicherung trade union (commerce, banking and insurance – HBV, today part of ver.di). After she had worked for several years in the economic and social science institute of the Confederation of German Trade Unions, she transferred to the Confederation’s national headquarters in 1974 as head of section for international social policy. Since 1978, she has represented the Confederation on the board of the Federal Employment Service. In 1984, during the industrial action campaign organised by the IG Metall trade union for the 35-hour week, and in spite of being a card-carrying SPD member, she was nominated by the CDU/CSU/F.D.P. government as vice president of the Federal Employment Service. She held this top civil service post for six years. She was deputy chairwoman of the Confederation of German Trade Unions until 2006. She is a member of the Governing Body of the International Labour Organisation (ILO).

Thomas GERHARDS

Thomas Gerhards (born in 1959) has been a member of the central department of the Misereor Episcopal Aid Agency responsible for international cooperation since 1998, where his work focuses on small business and vocational training. After training as a qualified carpenter, working as teacher in a vocational school and becoming a qualified theologian (studies of social science and theology in Bonn and Würzburg), he worked from 1992-1996 as AGEH expert in the Democratic Republic of Congo, Kikwit diocese. In a project funded by MISEREOR e.V., he established a rural training centre for village carpenters and drew up a further training programme for informal artisans in the Kingandu Mission led by Claretian missionaries. On his return, he worked at Gerolstein vocational college from 1996-98. He is a co-founder of Südwind e.V.

Renana JHABVALA

Renana Jhabvala (born in 1952) studied mathematics and economy at Delhi, Harvard and Yale and has been working with Self-Employed Women’s Association (SEWA), India, since 1972. Joined SEWA as an organiser first when SEWA was just five years old, worked with women workers stitching quilts in the Muslim area of Ahmedabad, and formed the first Co-operative in SEWA. In 1981, she was elected the Secretary of SEWA under Elaben Bhatt and organised bidi workers, tobacco and agriculture workers, garment workers and many others. She was also active in starting SEWA Bharat and was looking after SEWA in Madhya Pradesh for some time.

In 1995, she became the National co-ordinator for SEWA and started the office in Delhi. She was responsible for much of the International work, especially the International WIEGO network (Women in Informal Employment Globalising and Organising) and working with ILO for Homeworkers Convention in 1996 and Informal workers Resolution in 2002.

Prelate Dr. Karl JÜSTEN

Born in Bad Honnef/Rhineland in 1961, he studied Catholic theology in Freiburg, Innsbruck and Bonn (1999 doctoral thesis on "Ethics and Ethos in a Democracy"). He was ordained into the priesthood in 1987. He worked as a curate in two Cologne parishes until 1990, from 1994 as a prefect at the archiepiscopal seminary in Cologne, and from 1996-2000 as deputy head of the department for pastoral care staff in the Archbishopric of Cologne. Since then he has been head of the Commissariat of German Bishops (liaison office of the German Bishops' Conference with the Organs of the Federation and of the European Union). Over and above this, he carries out a variety of functions in church development cooperation, is a member of the German Commission for Justice and Peace and the Catholic chairman of the Joint Conference Church and Development (GKKE).

Arne KLÖPPER

Born in 1978, he took his doctorate at the institute of labour and economics of the University of Bremen, after studying sociology (Free University of Berlin, diploma) and European labour sciences (Bremen/Toulouse, M.A.). In cooperation with the 'Hattingen group', he works at the Hans-Böckler-Stiftung on member recruitment strategies and organisational learning processes in German Trade Unions in the context of change in the working society. He previously coordinated a cross-border network to promote mobility in vocational training in the Ems-Dollart Region, borrowing from research projects to Europeanise employment relationships. Arne Klöpper has been an active volunteer for several years in the IG Metall trade union and in the Confederation of German Trade Unions in the area of political education, as well as in international labour market policy. Since his participation in an exposure and dialogue programme at SEWA in India in 2005, he has turned his attention to causes and effects of precarisation, as well as strategies to deal with it.

Cardinal Renato Raffaele MARTINO

Born in Salerno/Italy in 1932, Cardinal Martino studied Catholic theology and philosophy at the Pontifical University Gregoriana and at the Lateran University. He was ordained priest in 1957. He took his doctorate in Canonical law, specialising in diplomatic issues, and entered the diplomatic service of the Holy See in 1962. Cardinal Martino was ordained bishop in 1980, after which he worked in the diplomatic service of the Holy See as Pro-Nuncio to Thailand and Singapore, as Apostolic Delegate to Laos and Malaysia, as Apostolic Delegate to Brunei / Daressalam, and as the Holy See's permanent observer at the United Nations in New York until 2002. Since then he has been the President of the Pontifical Council for Justice and Peace and Cardinal-Deacon of S. Francesco di Paola ai Monti.

Bishop Dr. Reinhard MARX

Reinhard Marx was born in Geseke in 1953. There he took his school-leaving exam in 1972 and subsequently embarked on his studies of theology and philosophy in Paderborn and Paris. Archbishop Dr. Johannes Joachim Degenhardt ordained him priest in Paderborn in 1979. Marx studied in Münster and Bochum from 1981 to 1989, and completed his studies with a doctorate in theology. Since 1999, Bishop Marx has been president of the German Commission for Justice and Peace, a board jointly supported by the German Bishops' Conference and the Central Committee of German Catholics. Bishop Marx is vice-president of the Commission for

International Church Affairs of the German Bishops' Conference, and is president of Commission VI for Society and Social Affairs. Reinhard Marx has been Bishop of Trier since 2001.

Karin PAPE

Born in 1958, after taking her school-leaving exam, she trained as commercial employee at Jacobs Kaffee in Bremen, where she worked until 1988 in the customs department, and was at the same time (from 1980 onwards) a member of the works council. Because of her trade union commitment, she received a grant from the Hans-Böckler-Stiftung to study economics in Bremen from 1988. She concluded her studies with a diploma in 1995. She lived in Moscow for a total of seven years in the period between 1992 and 2001, the last two years of which she worked in a EU (TACIS) project as an expert for improving industrial relations. She has worked for the Global Labour Institute in Geneva since 2001. She has specialised in questions of the problems and organisation of people in the informal economy worldwide, most recently concentrating on homeworkers. Since 2004, she has represented the Confederation of German Trade Unions in various committees during the annual ILO Conferences.

P. Dr. Dominique PECCOUD, SJ

Dominique Peccoud is Special Adviser to the Director-General of the International Labour Organization for External Relations and Partnerships. He is also responsible for Socio-Religious Affairs. In this position he oversees relations between the ILO and Non Governmental Organizations (NGOs), and works on the philosophical, spiritual and religious foundations of international organizations' strategies and jurisdictional instruments. A member of both the French Academy of Agriculture and the French National Academy of Engineering, Mr. Peccoud advises organizations (governmental and non governmental) on the ethical dimensions of social and economic issues and on problems regarding the application of new technologies. Prior to joining the ILO, he was President of the Purpan Group, a graduate university for technology civil engineering and agriculture in Toulouse (France). Mr. Peccoud holds a doctorate in theoretical computer science from the Sorbonne in Paris and master's degrees in philosophy and theology from the Society of Jesus University in Paris.

Ingrid SEHRBROCK

Born in Offenbach am Main in 1948, she trained as a chemist and as a secondary school teacher, and has been a trade union member since 1976. As a member of the Federal Executive of the Christian Democratic Employees' Association (CDA), and its deputy national chairperson since 1987, Ingrid Sehrbrock is highly familiar with the topics at the hearts and minds of workers. From 1989, she was also national secretary of the Frauen-Union (women's organisation within the CDU) and head of the department on women and family policy in the CDU. Most recently she served in the diplomatic service, for which she worked as a social affairs specialist in Prague and Bratislava. Ingrid Sehrbrock has been a member of the Federal Executive Board of the Confederation of German Trade Unions since 1999, and has been its Vice President since the Confederation's 2006 Federal Congress.

Michael SOMMER

Michael Sommer (born in 1952) studied political science at the Free University (FU) of Berlin. During his studies, he held various voluntary trade union posts, until he became a teacher at the training centre of the German Postal Workers' Union (DPG) in Gladenbach in 1980, and took up his full-time career in the DPG, and at ver.di. since 2001. In 2002, he was elected President of the Confederation of German Trade Unions, which was confirmed at the Confederation's

2006 Federal Congress. He has been Deputy President of the International Trade Union Confederation (ICFTU) since 2004 and chair of the ICFTU Steering Committee.

Hubert TINTELOTT

Hubert Tintelott (born in 1947) studied business studies in Nuremberg and Münster and worked as a programmer at Nixdorf-Computer AG. Since 1973, he has been Secretary General of the International Kolping Society, headquartered in Cologne. In the Central Committee of German Catholics, he is a member of the main committee and spokesman for European policy. He holds several development policy functions, including that of advisor to the Episcopal Adveniat campaign. He is a member of the Renovabis action committee, of the working party on European development policy at the Association of German Non-Governmental Development Organisations (VENRO) and of the German Commission for Justice and Peace. He has chaired the 'Core labour standards and the informal economy' working party for the Commission since 2002.

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Abbreviations

BMWA	Federal Ministry of Economics and Labour
BMZ	Federal Ministry for Economic Cooperation and Development
DGB	Confederation of German Trade Unions
EDP	Exposure- und Dialogprogramme e.V.
EED	Evangelischer Entwicklungsdienst (Church Development Service)
EMWU	European Migrant Workers Union
EU	European Union
FES	Friedrich-Ebert-Stiftung
GGLF	Gewerkschaft Gartenbau, Land- und Forstwirtschaft (trade union for horticulture, agriculture and forestry)
GLI	Global Labour Institute
GUFs	Global Union Federations
ILO	International Labour Organisation
ICFTU	International Confederation of Free Trade Unions
IGBAU	Industriegewerkschaft Bauen-Agrar-Umwelt (trade union for construction, agriculture and environment)
IG BCE	Industriegewerkschaft Bergbau-Chemie-Energie (trade union for mining, chemicals and energy)
IG Metall	Industriegewerkschaft Metall (trade union for metallurgy)
IMF	International Monetary Fund
KAB	German Catholic Workers' Movement
MDG	Millennium Development Goals
NGG	Gewerkschaft Nahrung Genuss-Gaststätten (trade union for food, beverages and catering)
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Cooperation and Development
PPP	Public-Private Partnership
SEWA	Self-Employed Women's Association
SJ	Societas Jesu
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
WIEGO	Women in Informal Employment: Globalizing and Organizing
WTO	World Trade Organisation

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Edited by Dominique Peccoud
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www.ilo.org/publns
Publications Bureau, International Labour Office, CH - 1211 Genève 22, Switzerland
Fax: +41 22 799 6938; E-Mail: pubvente@ilo.org

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ISBN 88-209-7380-4
Libreria Editrice Vaticana Vatican City 2002, 00120 Città del Vaticano
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ISBN 3-8322-4360-7
Shaker Verlag GmbH, Postfach 10 18 18, D-52018 Aachen,
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ISBN 1-932827-26-9

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