

Is informal normal?



How to organise workers in the informal economy?

Unionization in the informal economy:

A handbook from the world of work of street and market vendors

StreetNet International, a proud member of the international movement of workers in the informal economy, is **speaking out to talk about why it is important to promote grassroots organising among workers in the informal economy and how traditional trade union actors can support it.** Join us to learn more about our struggle and why we must organise and forge strong bonds of international solidarity

How can we build workers' power, collectivity, unity, and joint actions among street vendors and market traders?

Although the world of work in the informal economy may seem a world away from the reality of formal sector workers in industry, services and public—who are recognized, protected by legal provisions enabling them to engage in union activity with support and backing, and who are able to strike, **the principles of organisation involve the same types of activities:**

- Recruiting: bringing workers into the organisation
- Building and maintaining democratic organisation
- Building accountable worker leaders
- Empowering members through activism, education, information
- Representing members individually and in collective negotiations
- Dealing with problems and disputes
- Supporting workers' mass actions and campaigns
- Providing services for, and with members



And follow the trade union universal three key organising principles:

- Win real, immediate concrete improvements in workers' lives
- Give workers a sense of their own
- Alter power relationships

But what are the specific characteristics of workers in the informal economy?

The struggle faced by informal economy workers reflects a broader conflict between labour and capital. Although street and market vendors in their majority are self-employed (own-account workers), they still experience exploitation and exclusion.



Public spaces are often treated as commodities, while governments resist taking responsibility for protecting informal economy workers' rights. Therefore, it is important for trade unions to broaden their understanding of work and recognize informal economy workers as an essential part of the global working class.

Main challenges of street and market vendors globally:

- Harassment and criminalization
- Forced evictions from working space and confiscation of goods
- Exclusion from social protection and labour rights
- Lack of consultation in urban planning, licensing, market infrastructure decisions, public space management



Are self-employed people part of the working class?

- Informal economy workers represent up to 60% of the global workforce, accounting for roughly 2 billion workers (ILO).
- Operating primarily without legal protections, formal contracts, or adequate social security coverage
- Remain largely excluded from traditional social dialogue spaces.
- Street and market vendors - are among the most affected by exclusion, informality, and without representation.
- The majority of street vendors are women

Individualism and Entrepreneurship: major threats



The restructuring of the world of work, the “normalization” of precarious employment, outsourcing, and the automation of production and services—along with the new technology-mediated jobs that have emerged, mass unemployment—have had a devastating impact on workers’ class identity.

Entrepreneurship presents itself in a dual and deceptive manner: on the one hand, it is the driving force of the poorest, who start and restart from nothing, work hard, create, and invent work to ensure their livelihood and move forward; on the other - an ideological propaganda disseminated that those who are self-employed are their own bosses, businesspeople, self-sufficient, and that their success depends solely on their own efforts, “overcoming” the subordinate position of having a job.

Their peers? - are Competitors. Collectivization? - A waste of time. Politics: they’re all the same and corrupt, so why get involved in politics, elections and participate in decision-making processes? The State? It doesn’t need to guarantee anything, just stop taxing and repressing us.

These workers make up to 60% of the world’s workforce. It is the task of the labour movement to provide political education and build their capacity to **UNDERSTAND THEMSELVES AS WORKERS**.
To organize, mobilize, and demand what is rightfully theirs

How do we organize informal economy workers?



When Trade Union Centers get to work and organize Informal Economy workers

There are experiences where traditional trade unions took part in contributing to the organizing of street and market vendors and were crucial to their formation. **These experiences show the importance of the traditional union movement taking on the challenge but to represent all workers.**



Learn more about the case of the Ghana Trade Union Congress (GTUC) expanding to Organise the Informal Economy

In 1996, the Ghana Trade Union Congress (GTUC) and its 17 affiliated trade unions, with half a million members, took up the challenge of organising informal economy workers.

The GTUC encouraged unions to create structures that could include informal economy workers either by recruiting them directly or by affiliating with existing informal economy worker associations. **The 17 national unions affiliated to the GTUC set up informal sector desks in order to reach out to workers in the informal economy.** In Ghana today, 80-85% of the workforce is in the informal economy. GTUC was motivated by three factors:

- **Solidarity with informal economy workers who are the most vulnerable and disadvantaged of the entire working population.**
- **The dramatic drop in the unions' own membership.**
- **The growing similarities between the conditions of work in the formal and informal economy, due to the 'informalisation' of work.**

One model did not have to be followed by all. Unions were asked to review their own constitution and structures so that they could mainstream informal economy workers into their activities. Some of this was already underway in some affiliates.

The overall approach entailed:

- encouraging and supporting affiliates;
- identifying existing informal economy organisations and developing relations with them;
- encouraging existing informal economy organisations to affiliate either to national unions or directly to the GTUC; and
- identifying specific informal economy workers and undertaking pilot organisational projects to draw lessons for further organisational work.



In 2001 the GTUC set up an informal economy desk with the organising department of the national centre with an aim - to coordinate the various organising initiatives undertaken by the GTUC and its affiliates in organising workers in the informal economy, where the union members operated on the principle - *‘stronger helps the weaker’*.

The GTUC recognized that organizing informal economy workers required flexibility and innovation. Many informal economy workers could not pay regular union dues because of unstable incomes, so unions initially focused on building trust rather than collecting fees. Some unions gained support by helping workers solve problems with local authorities. The GTUC also cooperated with labour-friendly non-governmental organizations (NGOs) that had experience providing services to informal economy workers. Through partnerships with organizations such as StreetNet and WIEGO, the GTUC strengthened research, advocacy, and organizing efforts.

One of the greatest challenges for the GTUC has been developing collective bargaining for informal economy workers. Unlike formal workers, informal economy workers often do not have an employer. Instead, unions negotiate with public authorities over issues such as taxes, rent, market fees, and access to public space. Despite these challenges, the GTUC has succeeded in increasing union membership and strengthening the labour movement.

Recommendations

There is no specific formula for organising the informal economy workers, but the following recommendations are offered to help in this task:

- Organizers should focus on existing informal economy worker associations rather than only recruiting individuals.
- Informal economy workers should be encouraged to organize themselves while also building relationships with trade unions.
- Organizing strategies must address the specific needs of different groups of workers, and training and education should be provided.
- Advocacy is also essential to secure laws and policies that guarantee minimum labour standards and protect workers' rights.
- Most importantly, informal economy workers must be included directly in social dialogue and collective bargaining processes so they can speak for themselves.



How do we organize informal economy workers?



When organising bottom up done by informal economy workers themselves

There are also plenty of experiences where workers in the informal economy organized autonomously developing innovative and bold grassroots organizing and recruitment strategies. This is the case of the majority of StreetNet affiliates.



Learn more about the case of the Self-Employed Women's Association (SEWA)

Another important example is the Self-Employed Women's Association (SEWA) in India. Founded in 1972, SEWA is a trade union representing women workers in the informal economy. Today, it has nearly 2 million members, making it one of the largest informal economy workers organizations in the world. SEWA organizes poor self-employed women who earn a living through their own labour or small businesses.

SEWA's main goals are to organise women workers and their families for full employment, where they obtain work security, income security, food security and social security. Practically this strategy is carried out through the joint action of unionization and cooperative development.

From the beginning, SEWA faced resistance. The Labour Department initially refused to register it as a trade union because its members did not have a recognized employer. SEWA argued that unions exist to unite workers regardless of employment relationships, and eventually it gained official recognition and was registered as a union in April 1972.

SEWA combines trade unionism, cooperative development, and women's empowerment. Its membership includes rural and urban workers such as agricultural labourers, construction workers, garbage collectors, artisans, home-based workers, and street vendors.

Organising in the cities developed considerably through a campaigning approach as SEWA's strategy focused on: increasing employment opportunities, building women's assets, developing leadership and providing social protection. SEWA also collaborates with government development programs.

SEWA has been described as a trade union, a women's movement and a co-operative movement. These are complementary and mutually reinforcing functions of the organisation reflecting an integrated approach to gaining work security and social security for its members.

One of SEWA's greatest strengths is its network of cooperatives and service organizations. It established the SEWA Bank in 1974 (with 4000 members) to provide micro-credit and financial services to members. In addition, SEWA offers health care, childcare, insurance, housing, and electricity support. During crises such as pandemics, communal violence, or natural disasters, SEWA has helped members survive and rebuild their livelihoods.

SEWA has also built strong international alliances. It is affiliated with several global labour organizations and helped establish Women in Informal Employment: Globalizing and Organizing (WIEGO). Over time, SEWA also became affiliated with the International Trade Union Confederation (ITUC). Its success demonstrates that informal economy workers can create powerful organizations capable of defending workers' rights and improving living conditions.



StreetNet organizing approach

- Training affiliates and trade union centers on how to organize street vendors
- Training street and market vendors' leadership in Negotiations Skills
- Development of Social and Solidarity Economy Initiatives

Inclusive social dialogue is one of StreetNet's central demands. Social dialogue refers to negotiations and discussions between workers, employers, and governments about labour policies and rights. However, prevailing majority of IE workers are excluded from these processes because they are not officially recognized as workers. This exclusion also weakens democracy and social justice. If workers in the informal economy are not represented, then the majority of the global workforce has no voice in decisions that affect their lives and livelihood.

The workers of the informal economy have to be recognised as workers and to take their rightful place: as an important part of the working class and the driving force behind the global economy.



Nothing For Us Without Us

Social dialogue has been a hard-won achievement of workers' struggles over the centuries and cannot exclude the majority of its grassroots constituency.

We are organized and identify ourselves as the working class who needs to be included and treated as a central part of the global working class.

StreetNet is a global alliance, founded in 2002, representing street and market vendors from 62 organizations in 56 countries and uniting over 800,000 members.

 media@streetnet.org.za

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 streetnet.org.za

 [@street_net_international](https://www.instagram.com/street_net_international)