

## Global Networks of Workers in the informal economy demand policies to reverse inequality in the world of work

### *Statement on the outcomes of the 2021 International Labour Conference discussion*

Three global networks of workers in the informal economy – HomeNet International (HNI), the International Domestic Workers Federation (IDWF) and StreetNet International (SNI) – participated in the second part of the International Labour Conference (ILC) from 25 November to 10 December 2021, along with WIEGO and the Self-Employed Women’s Association (SEWA).

### Our Engagement

The item on the ILC agenda in which workers in the informal economy actively participated was “Inequalities and the World of Work”. Our aim was to influence the tripartite committee to explicitly state that **inequality causes informality** and that actions to address the global challenge of inequalities must take into account the needs of workers in the informal economy, who comprise 61% of the global workforce<sup>1</sup>.

### Our Demands

We issued a joint position paper before the second part of the ILC, describing the impact of the lack of access to labour rights, social protection and other benefits for workers in the informal economy. This unequal access, in turn, creates informality and income inequality. The position paper also outlines ten principles and practices that would facilitate reducing inequalities for workers in the informal economy.

### Our Gains

The global networks of workers in the informal economy that participated in the ILC have reflected on whether we achieved our objectives, in particular whether the Resolution and Conclusions reflect the ten demands of workers in the informal economy outlined in our joint position paper. The adopted Conclusions on “Inequalities and the World of Work ” state that informality, together with other conditions, contribute to inequalities (para 18). We note that most of the principles and demands from our position paper were included either explicitly or implicitly in the final document. The following are our observations:

Part I. and II. refer to several negative developments affecting workers in the informal economy, including the negative impact of the COVID-19 pandemic on the income and protection of workers

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<sup>1</sup> ILO/WIEGO (2018). Women and men in the informal economy: A statistical picture. Third edition. Summary: [https://www.ilo.org/global/publications/books/WCMS\\_626831/lang-en/index.htm](https://www.ilo.org/global/publications/books/WCMS_626831/lang-en/index.htm)

in the informal economy (para 9). Low incomes, low saving rates, “obstacles to freedom of association and the effective recognition of the right to collective bargaining” (ibid) contribute to increasing inequality within countries. Failures within global supply chains (para 14) result in unstable employment, lower incomes and little to no access to labour and social protection for about 49 million homeworkers<sup>2</sup> at the end of global supply chains.

## Our Concerns

The conclusions include concerns and issues of workers in the informal economy. However, root causes of informality and regional specific inequalities do not get enough attention in the text.

In addition, certain significant international ILO standards, such as Convention 177 and Recommendation 202, are not mentioned. The specific situation of informal self-employed workers, including home-based workers, is not given sufficient attention.

The insufficient and inadequate representation and inclusion of organizations in the informal economy in decision-making processes is a major reason for the sidelining of problems of inequalities (discrimination) faced by more than 61% of the workforce.

## What ILO Constituents Committed To Do

The ILO’s Action Plan of Implementation of the Conclusions needs to include support to governments in order to “achieve a fair share of productivity gains and contributing to a more equitable distribution of income and wealth” (para 23a) through legal and macroeconomic frameworks.

“Ensuring adequate protection for all workers and fostering a fair share of the fruits of progress” (23c) must be at the core of government action. The lack of adequate coverage of social protection systems is mentioned several times in the conclusions. “Realizing universal protection” (23g) by strengthening and extending existing social protection systems to those who have not yet been adequately covered has become an even more urgent need during the COVID-19 pandemic and must be part of any action plan to reduce inequality.

“Fundamental principles and rights at work must be guaranteed to all workers regardless of their employment relationship, including workers in insecure forms of work in the formal and informal economy” (para 23c). This corresponds with the principles of workers in the informal economy and their organizations, among others: “Nothing for us without us” – see [delegation’s official intervention](#). “...Inclusive collective bargaining systems at all appropriate levels, as well as other forms of social dialogue...” (24b) has already proved to be a tool that helps increase workers’ working and living conditions in the informal economy.

Para 23d highlights the importance of ILO Recommendation 204 (Transition from the Informal to the Formal Economy), which provides an integrated framework to address and overcome the decent work deficits for workers in the informal economy.

Para 24 concentrates on actions by the ILO beyond the direct assistance of member States.

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<sup>2</sup> ILO (2021). *Working from home: From invisibility to decent work*. P. 411  
[https://www.ilo.org/global/publications/books/WCMS\\_765806/lang-en/index.htm](https://www.ilo.org/global/publications/books/WCMS_765806/lang-en/index.htm)

The relevance of international labour standards is highlighted – particularly those relevant to the four pillars of decent work, among others the “formalization of the informal economy” (24b).

## What Needs To Be Done

We have jointly reflected on what is now needed as follow up to the tripartite conclusions and have concluded that we need:

- 1 A strong commitment by the ILO Governing Body to give effect to the conclusions when it adopts an action plan in March 2022.
- 2 The political will of the ILO constituents (governments, employers and workers) to actively support the implementation of the action plan.
- 3 The ILO to be proactive in becoming the leading international organization tackling inequality in the world of work.
- 4 The inclusion of the majority of the global workforce, namely workers in the informal economy, as represented by their organizations, into the follow up of the adopted conclusions.

## What We Are Committed To Do

We commit to continuing to campaign for policies on the following, which include issues that were not incorporated into the conclusions, namely:

- 1 The advancement of the social and solidarity economy (SSE): we will actively participate in the general discussion on SSEs at the ILC 2022.
- 2 The promotion and implementation of the ILO Recommendation 204.
- 3 The public procurement of products made by workers in the informal economy within the framework of transitioning to the formal economy.
- 4 The provision of enabling infrastructure and services for own-account workers in particular.
- 5 The involvement and/or inclusion of workers in the informal economy in social dialogue bodies and/or the establishment of social dialogue mechanisms at all levels.

Organized workers in the informal economy across the world are committed to making decent work a reality for ALL workers.