# Asian Roundtable on Social Protection Southeast Asia Partners' Meeting

27-28 June 2014 Phnom Penh, Cambodia

The Asian Roundtable on Social Protection (AROSP) meeting for Southeast Asian partners happened in Phnom Penh, Cambodia on 27-28 June 2014. It intends to consolidate the AROSP partners' network in Southeast Asia towards the strengthening of the social protection advocacy in the region. It was attended by 30 participants (14 women and 16 men) representing workers' organisations in different Southeast Asian countries including Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Thailand, and Vietnam.

#### Background of the meeting

The meeting commenced with an overview from Samuel Li Shong Hong (AMRC) about the AROSP network and the objectives of the meeting.

AROSP has been in existence since 2009. As a regional network, AROSP aims to:

- Serve as a platform for mutual help and sharing that facilitate individual countries in gaining better understanding and capacity on social protection;
- Support and integrate the regional struggle for the development of social security for the poor across various sectors; and
- Conceptualise and programmatise the social protection campaign in Asia.

In the past meetings of the AROSP network, it carried the following agenda: (i) basic principles of comprehensive social security; (ii) Asian minima in practice; and (iii) social assistance and minimum wage. On October 22-23 2013, the fourth AROSP meeting was convened in Quezon City, Philippines under the theme "Sharpening labour's role in advancing social protection for all in Asia". It was participated by scholars, NGOs, and trade unions from East, South and Southeast Asia working on formal and informal labour issues.

In that meeting, the network agreed on adopting the broader concept of social protection in lieu of social security. It then led to renaming the network from Asian Roundtable on Social Security to Asian Roundtable on Social Protection.

In the Declaration of the fourth AROSP meeting, the network asserts that social protection is a right of all citizens and should go beyond safety nets for select segments of the society. It must be a tool for ensuring a dignified living for all and securing a future freed of uncertainties arising from job, income, social, economic and environmental insecurities. Social protection should also be transformative, inclusive, and non-discriminatory. It should also move away from the prevailing neoliberal policies that prioritise financial investments

over the citizens' benefits.

There is also a consensus that the network partners will work together in order to raise awareness on social protection through intensified campaign, advocacy and research. Further, the network will also embrace new forms of organising towards a cross-sectoral collaboration of the working peoples' movement in Asia.

While the Asia-wide AROSP network remains intact, AMRC recognises the difference between the contexts in Southeast Asia and in South Asia. Countries in Southeast Asia are somehow similar in terms of economic and industrial development, composition of the working population, and to some extent, cultural norms. The same is true among South Asian countries.

In this regard, AMRC deems that consolidating the networks sub-regionally (i.e., Southeast Asia and South Asia) would be strategic especially with respect to strengthening the social protection advocacy and campaigns. A key consideration is that at the sub-regional level, the bargaining and advocacy target of the networks are different institutions. In Southeast Asia, there is the Association of Southeast Asian Nations (ASEAN) and in South Asia, the South Asian Association for Regional Cooperation (SAARC).

In the case of Southeast Asia, the ASEAN already issued a declaration that outlines the principles as well as the strategies and mechanisms to ensure the provision of social protection for ASEAN people. These strategies and mechanisms include effective targeting systems to ensure social protection systems would go to those most in need, expansion of social insurance to the informal sector; and vocational trainings as part of active labour market interventions and human resource development.

There have been some initiatives in pushing for the social protection advocacy at the ASEAN from the civil society. AMRC in collaboration with Homenet Southeast Asia held a workshop on social protection during the ASEN Peoples' Forum (APF) in Yangon, Myanmar. The workshop is instrumental in the inclusion of the organisations' recommendations in the APF statement, as follows:

- Adopt measures to counter the adverse impacts of climate change and globalisation, including an increased focus on education, health, social protection for all, povertyreduction, food sovereignty and security, pro-people economic institutions, effective regulations and mechanisms to hold governments and companies to account, and to safeguard sustainable development and human rights.
- Implement the newly issued rights-based and inclusive ASEAN Declaration on Strengthening Social Protection with meaningful and substantive participation of civil society, peoples' and grassroots organisations and individuals.

At the international level, there is an ongoing discussion about the formalisation of the informal sector workers. The process in spearheaded by the International Labour Organisation that operates within the tripartite system. In the tripartite system, the workers are represented by the trade unions in the formal sector. This prompts the question,

"Where is the voice of the informal workers in an issue that directly concerns them?" This transitioning from informal to formal also poses some implications to the provision of social protection for all. With the blurry divide between the informal and the formal sectors, how can we ensure that the provision of social protection is inclusive and non-discriminatory in favour of the formal workers?

AROSP recognises that the marginalised workers should be the focus of the social protection advocacy for the reason that they are the most vulnerable and yet, they remain excluded. Relatedly, organising and bargaining have been regarded as significant tools for marginalised workers to fight for their rights and for what they deserve. Linking this together, the AROSP Southeast Asia meeting was designed with the theme, "Organising the Marginalised for Social Protection." The objectives of the meeting are:

- To understand the grassroots' perspective about the proposed formal-to-informal transition as the mainstream strategy pushed at the international level;
- To consolidate the network in Southeast Asia on labour organising and social protection;
- To analyse the bargaining models at different levels;
- To develop the investigation and research plan of AROSP on social protection; and
- Thus, to formulate the strategic intervention plan of AROSP in response to the changing social and economic context in Southeast Asia.

In order to truly gather the insights of marginalised workers, the AROSP Southeast Asia meeting was designed to be workshop-intensive. On the first day, the focus of the workshop was the marginalised workers' experiences in organising and bargaining as well as their understanding of social protection. On the second day, a brief overview of the ILO's proposal on transitioning was given and afterwards, the workshop about the grassroots' perspective on this issue followed. The last part of the programme was to develop strategies of the AROSO Southeast Asia network to strengthen its social protection advocacy.

#### **Group discussions**

In the morning, the participants of AROSP were divided into four groups and they shared among the members their experiences in organising and bargaining. For the discussions, they were guided by these questions:

#### **Organising**

- How are marginalised workers organising?
- Why do they organise?
- What triggered organising?

#### Bargaining

- What do marginalised workers bargain for?
- Whom do they bargain with?

In the afternoon, the participants discussed in small groups their understanding of social protection and their experiences in organising and forming cross-sectoral alliances around the issue of social protection.

The matrices below show the summary of the discussions of each group.

#### 1) Organising

#### a. How are the marginalised workers organising?

Group 1 In Cambodia, there have been efforts to organise sex workers and tuktuk drivers into membership-based workers' associations. These associations assist the workers in dealing with the workers' troubles, i.e., when police arrest the sex workers during the conduct of their work or the tuktuk drivers when they encounter accidents. Formal workers, especially in the garments, are difficult to

organise. However, they are usually organised in the form of trade unions.

In the Philippines, the regular workers organise the irregular workers. Organising happens inside or outside the factories. Even though the laws do not effectively allow contractual workers to form a union and be part of the collective bargaining unit, progressive unions still organise them into workers' associations or community-based organisations. Among the informal workers, the jeepney drivers are the most organised — with organisations from the terminal to the national levels. There are also cross-sectoral organisations but in a form of poor peoples' community organisations under the umbrella organisation, Kadamay.

Organised sectors in Thailand include home-based workers, taxi drivers, motorcycle drivers, farmers, and domestic workers. Informal workers cannot join trade unions and so, they form associations instead.

In Indonesia, 70 per cent of the workers are informal. Just like in the Philippines and Thailand, informal workers cannot join a trade union. Trade unions register to the Ministry of Labour while the organisations of peasants and fisherfolks register to the Ministry of Law and Human Rights. In other words, the institutions, mechanisms and laws that cover the informal and formal workers are different. In the case of the non-permanent workers, there are few organising initiatives because trade unions are focused on organising the permanent workers. The reason for this is that organising non-permanent workers themselves may pose threats of job loss to the workers themselves because they are easier to fire than the permanent ones. Employers usually bust unions by firing union members.

Group 2

In Indonesia, marginalised workers are organising into village community organisations while in the Philippines, they form workers' associations. In Vietnam and Laos, government only allows unions in the factories. It is the NGOs that try to provide information to the marginalised workers (particularly in the

#### case of Vietnam).

#### Group 3

In the Philippines, informal workers form organisations but the organised workers constitute only a small percentage of the total informal working population. They organise in the form of associations or cooperatives. There are cases when trade unions and informal workers' organisations work hand-in-hand to organise both formal and informal sector activities.

In Indonesia, the unions work with NGOs to organise informal workers and to advocate for common issues that concern the marginalised workers such as social protection. There are cases when NGOs themselves are the ones organising the informal workers.

In Cambodia, unions are not interested in organising informal sector workers. Similar to Indonesia, it is the NGOs that organise them, specifically the waste pickers.

The same is true in Vietnam. NGOs organise the informalised workers in factories. Trade unions play only a supportive role. Trade unions allow the participation of the informal workers in their activities but their participation is limited. Because of this, informal workers join workers' associations or cooperatives but only a few associations exist.

#### Group 4

In the Philippines, marginalised workers form different kinds of organisations such as cooperatives, membership-based organisations, sectoral formations (i.e., organisations of peasants, fisherfolks, women, youth, indigenous peoples, workers in the informal sector, etc.), sub-sectoral formations (i.e., home-based workers, transport workers, vendors, etc.), and even trade unions.

Marginalised workers in Cambodia organise into membership-based organisations, trade organisations (i.e., organisations based on trade like handicrafts, jewelries, etc.), and farmers'organisations.

Organising in Indonesia is somehow similar to organising in the Philippines in the sense that there are also sectoral organisations being formed including organisations of women, peasants, fisherfolks, indigenous peoples, and informal workers.

Malaysia groups are focused on grassroots organising. With or without recognition from the employers, they try to organise workers in house.

#### b. Why do marginalised workers organise?

assistance from organisations when facing problems.  Group 2 Marginalised workers form organisations in order to get protection from	Group 1	Marginalised workers organise in order to increase bargaining power and to get	
, , ,	1	assistance from organisations when facing problems.	
·	Group 2	harassment and human/normative rights violations, to demand for basic access to services, and to demand for the implementation of policies and collective	

Group 3	The goals of organising are to fight for their rights (especially the right to social protection) and the benefits entitled to marginalised workers in accordance with the laws, to demand for better implementation of policies, and to have an avenue
	to discuss pertinent issues.
Group 4	Marginalised workers organise in order to gain visibility, recognition, and representation. They also organise to increase bargaining power as they demand for better access to productive resources and to justice, security and health. Organisations also serve as the workers' protection from harassments and demolitions.

### c. What triggered organising?

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Group 1	The increasing informalisation triggered marginalised workers' organising. In the case of the sex workers in Cambodia, criminalisation of workers pushed the workers to organise.		
Group 2	Land grabbing is the main reason that triggered workers to organise. It violates the rights of the people, seize their livelihoods, and make their lives insecure. This is very glaring in the case of farmers-turned-plantation workers in Indonesia and the Philippines and the village people-turned-mining workers in Laos.		
Group 3	Organising is usually a response to the urgent and emerging issues faced by marginalised workers. Such issues include land grabbing, destructive industrialisation, and lack of access to basic resources. Organising also happens to pressure the government to implement existing good policies and change policies that are detrimental to the marginalised.		
Group 4	The economic realities that are not favourable to the marginalised workers triggered organising. These include high prices of inputs, low income, market monopolies, unemployment, and difficult access to education and healthcare. All these aggravate the marginalised workers' poverty and hunger.  The violation of rights triggered marginalised workers' organising. In Cambodia, marginalised workers organise to counter the culture of impunity that forcibly evicts grassroots from their traditional communities and destroy the natural resources that are important in the communities' sustainability. In Indonesia, organising happens also because of the discrimination that marginalised workers experience.		

## 2) Bargaining

### What do marginalised workers bargain for? Who do they bargain with?

Group	Bargaining demands	Bargaining targets
Group 1	Social protection for informal workers	Government (local and national)
	Better wages for formal workers	Employers
Group 2	Land ownership and control	Government (local and national)
	Access to basic services	Employers
	Respect for labour rights and human	
	rights (e.g., job security, wages)	

	Social protection	
Group 3	Respect for labour rights and human rights	Government (e.g., parliament, ministries, local government) Companies and buyers
	Access to basic services (e.g., housing, education)	Employers
	Low prices of commodities	Employers
Group 4	Local ordinances that would support local and creative economy, provide social protection, and protect informal sector rights  National laws that protect the informal workers and ratification of ILO Convention 177  Respect for labour rights and human rights  Social protection for informal sector Designation of proper workplaces for the informal workers (e.g., terminals for tuktuks and other vehicles, market place for vendors)  Access to basic services Inclusion of labour laws to cover informal workers  Land ownership and control  Better wages and compensation	Government (local and national) Employers

At the plenary, the participants observed that in the process of organising, there are a lot of challenges that organisers and workers face. At the policy level, there are restrictive laws that do not allow organising or make it difficult for workers to organise. In countries where laws allow for organising, the political climate is not favourable to organising. Such challenges must be explored further.

#### 3) Social protection

### a. What does social protection mean to you?

Group 1	Social protection is not an economic service but a human right. Its goal is to reduce poverty. It is a support system for people who face problems in the circle of life. The provision of social protection is the responsibility of the state.
Group 2	The group decides to discuss what the existing social protection in each of the represented country is. It will be the basis of the discussion on the kind of social protection that the grassroots want.
	In Indonesia, the existing social protection programme is the National Social Insurance (SJSN). For the farmers, there are some forms of crop insurance. In Laos, the existing social security covers only the formal sector workers who signed contract with social security companies registered under the Ministry of Labour.

Vietnam's social protection programmes include public services, pension after retirement (equivalent to the minimum cost of living), provision for unemployment (that only covers the formal workers), and safety nets for the poorest of the poor. For the Philippines, there is contributory wage-based social security managed by government-owned and controlled corporation, the Social Security System. It accepts voluntary payments in the case of the informal workers but failure to pay regular contribution makes it difficult to avail benefits. Group 3 Social protection is the government's intervention to ensure that no one falls below the poverty line. It is also a set of policies that support the safety and the development of the people. Group 4 Social protection is a set of measures, policies, and programmes that seek to reduce reduce poverty, vulnerability, and marginalisation of women, children, older persons, workers, indigenous peoples, etc. by promoting and protecting livelihood and employment, protecting against hazards and sudden loss of income due to disaster and calamities, and ensuring workers' rights.

#### b. What kind of social protection do the grassroots want?

Based on the responses of the participants, social protection should:

- Be easily accessed by the grassroots.
- Cover the informal workers.
- Include mechanisms for crisis prevention, coping and rehabilitation that cover basic needs, education, health and mobility.
- Not be wage-based in order to be more inclusive considering that those in precarious employment do not have regular income.

Also, the existing social insurance programmes should have the following components: pension, health insurance, unemployment insurance, crop insurance, and compensation for accidents at the workplace, among others. However, social protection should go beyond social insurance. Affordable and quality education, housing, and healthcare are also part of a comprehensive social protection package. Recognising the increasing risks of precarious employment and economic crisis, social protection programmes should also include the job creation and skills development, provision of living wages, job security, and better working conditions and environment.

#### c. What are the key elements of social protection?

Based on the term itself, social protection should ensure the protection of the workers. The participants asserted that social protection should give protection against unemployment, economic risks (i.e., sudden closures of factories due to economic crisis), and impacts of calamities and disasters.

For the participants of AROSP, a key element of a democratic social protection is the people's participation in formulating, implementing, and monitoring plans, programmes, and policies on social protection,

#### 4) Organising for social protection

#### a. What are challenges and successes in organising for social protection?

The successful struggles identified by the participants include:

- Indonesia protest actions that repoliticise the people; passage of the SJSN law
- Philippines struggle against urban poor demolitions; labour unions' coalition in the Philippines pressured the government to act on the issue of terminated workers from Philippine Airlines
- Thailand campaign for social protection for informal workers
- Laos extension of maternity leave period from 3 months to 3.5 months after the Women's Union and the government pushed the employers to agree
- Vietnam extension of maternity leave period from 3 months to 5 months after the people made a demand to the Ministry of Health and Ministry of Labour
- Cambodia National Social Security Fund launched by the government and National Social Security Scheme currently being drafted.
- ASEAN civil society inputs in the ASEAN Declaration on Strengthening Social Protection; solidarity and networks working on social protection issues

However, there are still a lot challenges in organising for social protection. They are the following:

- Struggle for the improvement of quality of services (health and education) and infrastructure (public schools and hospitals)
- Fight against privatisation of social services
- Educating the people on social protection
- Repression from the government
- b. Is organizing across sectors happening? Are there cross-sectoral linkages developed for bargaining for social protection? How?

In some countries, cross-sectoral alliances are being formed. AROSP is one good example at the regional level. Among home-based workers, there is HomeNet in different countries and at the regional level. In the Philippines, there are coalitions of labour unions that work together on particular issues. Alliance building is also happening in Indonesia. In Cambodia, however, it is difficult to form cross-sectoral alliances because the government is divisive. The government does not want the trade unions to help the informal sector workers.

## c. How do we strengthen organizing for social protection? What can be done more at each level?

The participants gave the following recommendations:

- Build coalitions at the local, national, and regional levels.
- Document practices and experiences of the grassroots through research and trimedia publications.

- Raise more awareness on social protection issues especially at the grassroots level in the rural and urban poor communities.
- At the community level, develop non-statutory social protection like formation of cooperatives and building community-based production and distribution lines.
- Pressure the government to drive the policy towards improving social protection services.
- Develop stronger cooperation with concerned organisations both in the government and the private sector.
- Conduct research to support social protection campaigns.
- Develop a monitoring and evaluation mechanism to monitor the implementation of policies.

#### **Plenary discussion**

All the groups presented the results of their discussions. After all the presentations, the participants engaged in a more in-depth discussion about social protection.

Several issues and questions were raised during the discussion. The following are the main points:

#### • Scope of social protection

- Property right is an integral concept in capitalism. Will the issues relating to property rights (such as land rights) be covered in social protection? What exactly are the problems that can be addressed in social protection?
- When the marginalised workers demand for social protection, it seems like they are demanding a lot of things. However, social protection can looked at in such a way that it should protect the workers from dispossession and not just from risks and vulnerabilities. For instance, what is the point of getting \$150 a month if lands owned by the people are being taken away? Should the marginalised workers demand for social protection at a certain amount of money or compensation? Or should they demand respect for their resources and dignity.
- In some countries like Thailand, the ownership and control of common resources fall under community rights and it is different from social protection. How can we define the scope of social protection considering the different peculiarities of different countries?

#### • Social protection and neoliberalism

- There is a need for the clarity of the concept of social protection. Why is social protection needed in the present state? What is social protection vis-àvis the neoliberal agenda?
- Many of the concepts related to social protection are designed within the framework of neoliberalism. The social protection systems of different countries are framed for the purpose of maintaining the existing neoliberal system. Rather than reinforcing the neoliberal system, the purpose of social protection should be protection of workers from marginalisation.

- Social protection is a very good concept. However, the operationalization of the concept becomes problematic. Social protection is being hijacked by the neoliberal institutions and governments. Social protection is watered down and becomes social insurance instead.
- At present, social protection is market-oriented and supportive of the neoliberal policies. How are we going to de-link social protection from the market? How can we transform the current neoliberal system through social protection?
- Social protection should then be about the protection of resources. It should not be wage-based as it should cover not only the workers and the employed.

#### • The role of the state

- In particular, the role of the state becomes so limited. How can the marginalised workers ensure that the state takes on the biggest role in the provision of social protection?
- Most states consider social protection as a poverty prevention scheme. When government treats social protection as poverty prevention scheme, compromises are made. For instance, in budget allocation, other projects and objectives are being prioritised over social protection.

#### • Educating and mobilising the grassroots

- There are already initiatives that are happening at the ground and they are usually community-based. For instance, indigenous peoples' communities have they own forms of social protection based on solidarity. However, such initiatives are being ruined or eaten up by the different neoliberal development projects.
- Providing information at the grassroots is important but how to make the information progressive is equally critical. This should be a challenge to the AROSP network members.
- Grassroots awareness at present is problematic. When the grassroots workers are asked to choose between social insurance contribution and food, what will they choose?
- Good concept should have good mobilisation. Progressive groups that advocate transformative social protection lost the struggle because they were not able to effectively mobilise the marginalised workers. To ensure that the kind of social protection that the grassroots want is delivered, there has to be a change in power relations. A first step will be to mobilise the people.
- In terms of mobilising the grassroots, is it the concept of social protection that is going to create the movement? Or would it be another concept?

#### AROSP's strategy

• In the Philippines, the strategy made is the localisation of social protection. How can we complement the framework of AROSP with what is happening in different countries?

#### **Evaluation**

After the discussion, the participants were asked to evaluate the process and content of the meeting. The evaluation is made to improve the future activities of the AROSP network.

In terms of content, it was raised that AROSP has been asking for the definition of social protection repetitively in several meetings. Social protection in the AROSP perspective should be defined and resolved now. Otherwise, all the previous processes will be for naught. AROSP should move to the next step already. Concentrate on identifying strategies to influence governments to adopt social protection measures.

In response to the comment, Sanjiv mentioned that aside from discussing social protection, the other purpose of the sub-regional meeting is to consolidate AMRC's two networks – the AROSP network and the network for Organising the Marginalised. Most of the participants have not been involved in the previous processes of AROSP. Hence, it is important that all network members should level off in terms of understanding of social protection.

As for the process, it was pointed out that there are too many questions for group discussions. The questions should be limited in order to give more time for sharing.

## Transitioning workers from the informal to the formal economy: The ILO recommendation

On the second day of the meeting, Joy Hernandez from AMRC made a presentation about the ILO agenda of facilitating the transition of the informal workers to the informal economy. Considering that the marginalised workers are not represented in the ILO processes at the international level, it is highly likely that their opinions of the issue that concern them primarily are not heard or taken into account in the discussions. The objective of the session is to gather the insights of the marginalised workers on the issue of formalisation.

Joy pointed out that the informalisation of work in Southeast Asia is deepening. Based on official statistics, the informal sector workers constitute more than two thirds of the working population in every country in the region. However, the actual number is certainly far more than the official estimates as most of the informal sector workers are invisible, undocumented, and in some cases, not even recognised as workers.

The earlier discussion about the characteristics of marginalised workers points out that the informal workers are the most marginalised among the employed sector. The International Labour Organisation (ILO) somehow recognises this reality. In its report, the ILO stated that the informal economy is characterised by high poverty incidence, lack of social and legal protection, insecurity in income, and vulnerability to various social and economic risks. In this regard, the ILO deems that the key approach to address these so-called 'decent work deficits' of the informal workers is the transitioning from the informal to the formal economy.

The main goal of the ILO in this transitioning process is to move the informal workers out of informality. For the ILO, there are three steps to formalisation. In the short term, informal workers are supposed to be ensured of recognition by law and coverage in legal and social protection. In the intermediate term, the ILO foresees that job seekers and potential entrepreneurs are able to enter the formal, protected, mainstream economy. And lastly, in the long term, the transitioning process will result in creating enough employment opportunities that are formal, protected, and decent for all workers.

The ILO uses an analytical framework to serve as a guide in the transitioning process. The framework highlights an integrated strategy that addresses the seven pillars of the transitioning. The seven pillars include: (i) growth strategies and quality employment generation; (ii) regulatory environment including enforcement of the international labour standards and core rights; (iii) organisation, representation, and dialogue; (iv) equality in terms of gender, ethnicity, race, caste, disability, and age; (v) entrepreneurship, skills, finance, management, and access to markets; (vi) extension of social protection, social security, and social transfers; and (vii) local (rural and urban) development strategies.

This matter of transitional informal workers into the formal economy has been included as one of the key items in the agenda of the International Labour Conference (ILC) this year. Discussions on the formulation of standards for the transitioning have started and will continue on to the ILC in 2015.

#### A critical analysis the informal-to-formal transitioning

The ILO agenda of transitioning informal workers into the formal economy sounds good. However, there are some problematic issues that need to be clarified.

#### Unclear definition of formal/formalisation

The informal economy is defined by the ILO as "all economic activities by workers and economic units that are – in law or practice – not covered or insufficiently covered by formal arrangements." However, in the lengthy documents of the ILO, formalisation is not clearly defined. In different contexts, being covered by formal arrangements may have different meanings.

In some economies, a lot of informal workers are considered as underground workers because they are not registered and, as unregistered operators of small livelihood, they do not pay income or profit taxes. Following this logic, does formalization entail registration or tax payments? On the other hand, in the formal sector, the most common formal arrangement between workers and employers is the employment contract. Will formalization necessitate employment contracts then? Or perhaps, since most of the labour and social security laws are overly focused only on the workers in the formal sector, formalization might mean their coverage in labour and social security laws.

The point is that in discussing a grand issue such as formalization of workers, there has to be

clarity first in the concepts. Arriving at a clear concept might be a too academic exercise but it is needed in defining which direction to take or what strategies to employ.

#### Decent work deficits everywhere – not only in the informal economy

While decent work deficits in the informal sector are more pronounced, there is increasing precarity in the formal sector in the recent decades. The prevailing standard employment relationship (SER) framework in which the current labour laws and social protection programs operate is becoming more and more obscure as non-standard employment increases. In particular, informalisation and flexibilisation of work in formal sector have been on the rise through the prevalence of non-standard hiring and irregular employment arrangements such as casualisation, agency hiring, temporary hiring, subcontracting, and part-time employment, among others. These types of work arrangements do not entitle workers with the rights given to permanent workers.

The analysis of the ILO is that informality is an issue of poor governance. However, in the analysis of the activists, precarity is a policy in itself.

It is also true that most informal jobs are unsafe. Unlike the formal sector, the informal economy is also not covered by labour inspection systems and safety standards. However, it does not mean that working in a formal setup makes the nature of the work safe. In fact, the most tragic workplace and industrial accidents happened in factories covered by the formal economy.

The point is that informalisation takes on many shades and forms. The informal-to-formal transitioning proposed by the ILO is likely to pose more challenges than outright and concrete solutions. First, the main objective of the transition is to ensure decent work in the informal economy. However, there is no guarantee that being formalised leads to better working conditions. To be precise, there are also a lot of decent work deficits in the formal sector such as lack of job security, limited social protection, and disregard to the right to organise and bargain collectively. Hence, the question is not only about ensuring decent work but providing decent living conditions and adequate protection, especially for the marginalised working poor population.

#### Reinforcement of dualism, exclusivism

The informal-to-formal transitioning tends to reinforce the exclusivistic nature of providing legal and social protection to workers. In the first place, the formal economy is regarded by the ILO as the mainstream economy. This is quite problematic because how can an economy composed of only 10 to 40 per cent of the total labour force be considered as the mainstream one? The reality that has to be recognised is that the informal-to-formal spectrum is so wide and it is difficult to have a clear divide right in the middle of the spectrum.

Even though access to social protection is an internationally recognised human right, social protection in most societies is enjoyed only by a limited few, which are, in most cases, the

workers in the formal sector. Perhaps, the more critical and responsive strategy than transitioning is to expand the concept of labour rights and the coverage of labour policies and social protection programmes such that they go beyond employment and formal-informal binaries.

#### What the informal sector really want

The ILO operates in a tripartite structure in which the workers' organisations consulted do not represent the majority of the grassroots informal workers. An interesting fact is that within the ILO governing body, it is the employers who proposed that the standard-setting processes in facilitating the transitions from informal to formal be included as an item in the agenda of the ILC this year. Where is the voice of the workers?

Because of this setup, there is a huge possibility that the voice of the informal workers is not heard in the standard-setting processes of facilitating the formalisation of informal workers. The informal workers are deprived of the opportunity and platform to articulate their own issues, demands and preferred mechanisms to address their concerns. And yet, once the standard-setting instrument of the ILO becomes finalised, it is the informal sector workers themselves who are going to be principally affected.

In the present economic system, is transitioning from informal to formal the best route to take in addressing the consequences of informalisation? If not, what is the best alternative? And how can the informal workers themselves participate in discussions that are relevant to pushing for the rights and welfare of the sector?

#### More questions

Aside from the above issues, there are more questions that can be posed to challenge the formalisation proposition of the ILO.

- Is formalisation the right (and only) way? Especially in tackling the issue of productivity? Of recognition? Of vulnerability?
- Does formalisation recognise the linkage between the informal and the formal economy? Does it recognise the blurry divide between the two?
- What is the implication of formalisation on the labour movement?

## Expansion of labour rights: A possible solution

Rather than narrowing the space in which the workers operate by clarifying distinctions between formal and informal, why not expand the scope of labour rights? The rights that can be enjoyed by formal sector workers should also be enjoyed by informal sector workers. And in the first place, regardless of which economy the workers conduct their work, the rights should not at all be eroded.

The strategy should not simply be formalisation. Labour rights should go beyond formal employment and beyond formal-informal binaries. In other words, labour rights should be for *all* workers.

#### **Group discussion**

After the presentation, the participants were again divided into groups to have a discussion based on the question: "If you have a chance to talk to the government that adopts and implements the ILO's proposal of formalising the informal workers, what will you tell the government?"

#### Thailand

- Formalisation is not clear. Homenet has the chance to observe in the International Labour Conference in Geneva. During such meeting, the government and workers' representatives from ASEAN countries are quiet and do not have any idea to share during the meeting. There is no concrete proposal on how to go about the formalisation process.
- ILO's concept is also not complete yet; hence, it is difficult to present a clear view on the issue. It does not mean though that the marginalised workers cannot create its own concept of formalisation. In doing so, every working people should be considered.
- In terms of demand to the government, the people of Thailand call for community land title (collective ownership) not private ownership by the investors. Formalising the informal is not the primary strategy that would solve unemployment.

#### Indonesia

- The degree of exploitation differs between the formal and informal sectors. The informal workers do not have the same right with the formal workers. They do not have minimum wage and pension. Informalisation can be seen as an aggravation in the stripping away of the rights of the workers. It can be another division of labour that increase exploitation. On the other hand, formalisation protects the right of the workers. Hence, Informalisation needs formalisation. Formalisation, however, needs a critique.
- The marginalised workers should define what formalisation they want and do not want. A formalisation that would mean protecting the right of the informal is highly acceptable. But a formalization that would mean bringing informal workers to the factory is very problematic. For instance, a traditional farmer who farms for subsistence is categorized informal in the ILO perspective. When a Chinese investment comes and takes over the land, the farmer becomes a labourer of agroindustrial plantation. Based on the ILO perspective, the farmer is formalised because they become covered by the law. In this case, formalisation is corporatisation of land.
- Formalisation in terms of legal coverage should be clarified. In what conditions are the workers covered and not covered by law?
- Because of the lack of clarity on the issue, the demand to the government would be to ask the ILO what exactly is their perspective on formalisation. Formalisation

- should lead to the protection of labour rights and not to the employers and capitalists gaining more control over the workers.
- Formalisation seems to look more at increasing working hours both of formal and informal sectors. It is also more concerned about the place and time of work. It does not question the nature of work.
- From the gender perspective, informalisation has also made women workers worker harder than ever before. There must be some measures that would address the concerns of women workers in formalisation. The same should also apply in the case of the ethnic and indigenous minorities.
- The government should look at the core relationship between workers and capitalists.

#### Cambodia

- Several questions need to be answered first. What trigger the formal workers to move to the informal economy? Why do formal workers migrate? Usually, the main reasons for these are the low income in the formal sector and the exploitation from the employees. On the other hand, the informal workers are not covered and protected by the law. There seem to be conflicting ideas. Such conflicting ideas cannot be resolved by formalisation. There is a need for better resolution on the roots of the workers' problems.
- The issue and strategies for formalisation should be consulted with the sectors.

#### **Philippines**

- Despite the high GDP growth rate of the country, unemployment remains high. The poor are still poor and do not benefit from the economic growth.
- The ILO does not solve the problem. The main problem is the exploitation of workers and resources.
- The ILO policy is just based on what is being set by the neoliberal policy but is not really being critical of the policy itself. What is the starting point of their policy? Did it consider the situation of every country? In the Philippines, for instance, the reality is different as its industrialisation is underdeveloped. Hence, the people are pushed to do informal jobs to earn a living.
- Formalisation means more labour taxing rather than social protection.
- The demands from the government are as follows:
  - Stop following the path of neoliberalisation in which the only objective is to eliminate all the barriers for the free flow of capital in order to maximise profit.
  - Create and implement an inclusive development programme for the country.
  - Oppose privatisation and monopoly of resources by local and foreign corporations.
  - Formalisation should be within the framework of: social security, justice, and protection from violence; human development services; asset reform; participation in governance; and employment in enterprise and services.

#### Laos

Currently, the government is in the process of discussing the formalisation of the
informal sector. Against the backdrop, several investments in the economy are made
to improve the GDP. But at the same time, the informal sector workers are losing the
land and resources, making them change their livelihoods.

#### Vietnam

• The ILO proposal does not seem to go in line with the current government effort to reform the economy which is diversifying small scale businesses.

#### Malaysia

• The government should ensure common basic wage and protection of products and small enterprises.

#### Consensus in the two-day meeting

In a nutshell, the following key issues emerged during the two-day meeting:

- Organising and bargaining strategies have evolved and expanded from the firm and formal workplaces to other types of workplaces/contexts. There is a recognition that organising and bargaining are critical in advancing the advocacy of social protection.
- The main challenge to organising and bargaining is gaining visibility and recognition under restrictive and divisive policies.
- Social protection is not just protection from risks and vulnerabilities, but more importantly, a protection against exploitation and dispossession of resources and rights (not taking away what the workers already have).
- It is also important to provide information to the grassroots about the existing social protection measures in place and facilitate them in articulating the type of social protection that they want.

#### Ways forward

For future actions and advocacy on social protection, the AROSP participants proposed the following recommendations for strategy building.

#### On what AROSP can do on the issue of social protection:

- Develop a collective campaign on social protection at the sub-regional level.
- Conduct a joint action research on social protection in each country.
- Build up an advocacy about the spending of the state on social protection and how corruption affects the provision of social protection. Connect the issue of social protection with taxation and corruption to make it more understandable to the people.
- Develop standards on social protection as suggested by the civil society.

- In terms of organising for social protection, AROSP can:
  - create a manual on social protection to facilitate the process of raising awareness on social protection at the ground.
  - devise strategies on how to penetrate into the grassroots working people.

#### On the transitioning of informal workers to the formal sector:

The national processes will soon be started by the states. AROSP partners can
monitor the governments' response to the ILO transitioning proposal. The
organisations should also observe the problems that will emerge and think about
how to address them.

#### On interventions in ASEAN:

- Develop more concrete strategies on how to intervene and advocate for social protection in Southeast Asia. Southeast Asian countries have similar issues and institutions such as the ASEAN. Think of what AROSP can do to influence ASEAN's framework on social protection. For instance, it can conduct a workshop on social protection during the ASEAN Peoples' Forum in Malaysia in 2015.
- Reflect on the implications of the ASEAN economic integration by 2015 on the provision of social protection.