

Working Paper N° 10

July 2010



International  
Labour  
Office



**GLU**

# Strategies for Closing the Representation Gap in Micro and Small Enterprises

Melisa Serrano and Edlira Xhafa  
Edward Webster and Christine Bischoff

GLOBAL  
LABOUR  
UNIVERSITY

The **Global Labour University** (GLU) [www.global-labour-university.org](http://www.global-labour-university.org) is a international network of universities, trade unions, research institutes, think tanks and the International Labour Organisation that

- ❖ develops and implements university post graduate programmes on labour and globalization for trade unionists and other labour experts;
- ❖ undertakes joint research and organizes international discussion fora on global labour issues;
- ❖ publishes textbooks, research and discussion papers on labour and globalization issues.

#### **Editorial Board**

Sharit K. Bhowmik (Tata Institute of Social Sciences, India)

Hansjörg Herr (Berlin School of Economics and Law, Germany)

Frank Hoffer (International Labour Organisation)

Mariano Laplane (University of Campinas, Brazil)

Seeraj Mohamed (University of the Witwatersrand, South Africa)

Helen Schwenken (University of Kassel, Germany)

#### **Contact Address**

Hochschule für Wirtschaft und Recht Berlin

IMB - Prof. Hansjörg Herr

Badensche Str. 50-51

D-10825 Berlin

E-mail: [glu.workingpapers@global-labour-university.org](mailto:glu.workingpapers@global-labour-university.org)

[www.global-labour-university.org](http://www.global-labour-university.org)

**Layout:** Harald Kröck

# Strategies for Closing the Representation Gap in Micro and Small Enterprises

Melisa Serrano and Edlira Xhafa  
Edward Webster and Christine Bischoff

Copyright © International Labour Organization 2010  
First published 2010

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to ILO Publications (Rights and Permissions), International Labour Office, CH-1211 Geneva 22, Switzerland, or by email: [pubdroit@ilo.org](mailto:pubdroit@ilo.org). The International Labour Office welcomes such applications.

Libraries, institutions and other users registered in the United Kingdom with the Copyright Licensing Agency, 90 Tottenham Court Road, London W1T 4LP [Fax: (+44) (0)20 7631 5500; email: [cla@cla.co.uk](mailto:cla@cla.co.uk)], in the United States with the Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923 [Fax: (+1) (978) 750 4470; email: [info@copyright.com](mailto:info@copyright.com)] or in other countries with associated Reproduction Rights Organizations, may make photocopies in accordance with the licences issued to them for this purpose.

---

## ILO Cataloguing in Publication Data

Serrano, Melisa; Xhafa, Edlira; Webster, Edward; Bischoff, Christine

Strategies for closing the representation gap in micro and small enterprises /  
Melisa Serrano and Edlira Xhafa, Edward Webster and Christine Bischoff ;  
International Labour Office, Global Labour University (GLU). - Geneva: ILO,  
2010

65 p. (Global Labour University working papers ; No.10)

ISBN: 9789221238157;  
ISDN 9789221238164 (web pdf)  
ISSN : 18660541

International Labour Office

workers representation / trade union / trade unionization / small enterprise /  
microenterprise / developed countries / developing countries

13.06.7

---

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

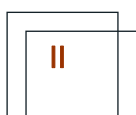
Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

ILO publications can be obtained through major booksellers or ILO local offices in many countries, or direct from ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. Catalogues or lists of new publications are available free of charge from the above address, or by email: [pubvente@ilo.org](mailto:pubvente@ilo.org)

Visit our website: [www.ilo.org/publns](http://www.ilo.org/publns)

---

Printed in Switzerland



## ABSTRACT

The process of increasing informalisation of the labour market is creating a gap between trade unions and a growing number of workers who have no forms of collective representation at their places of work. This has been labelled the Representational Gap. In part this gap is the result of a trend towards the decentralization of production and the accompanying outsourcing of workers to a third party. In other cases it has arisen from the trend towards casualisation, part-time and temporary employment relationships. It is sometimes a result of retrenchment of workers in the face of international competition and the drive to cut labour costs. The result of these processes is a growing number of workers engaging in survival type activities in micro and small enterprises (MSEs). In particular workers in these workplaces have no form of collective representation. This project was designed to identify obstacles and opportunities for closing this representational gap. The study was comprised of three phases.

The first phase of the study involved an examination of the interdependent relationship in MSEs between labour and social protection legislation and organizational and representational strength (Xhafa, 2007). In this phase of the study, Xhafa looked at the obstacles and positive experiences in achieving better protection and representation for workers in MSEs. It did so by analyzing cases where, on the one hand, new legal regulations opened up better possibilities for organizing MSEs and where, on the other hand, organizing activities/strategies led to changes in legislation or law enforcement.

This framework provided the background for the second phase of the project. The second phase of the study consisted of eleven country case studies and it aimed at elaborating further the dynamics between labour and social protection, and the ability of unions to organize and represent workers in MSEs. The report was divided into two parts. The first part covered the major trends in the MSE's in the eleven countries, the regulatory framework identified in these countries and the responses of the state, employers and trade unions to compliance with that regulatory framework. The data for this component of the report was derived from in-depth interviews by the researchers with the key actors in government, employers associations and trade unions in the eleven countries.

The second part of the report was a presentation of the findings of the implementation of a semi-structured questionnaire amongst workers in a purposive sample of MSEs in the eleven countries. In all the questionnaire was implemented to 191 respondents and their responses were used to construct a common data base of information on the demographic characteristics of those interviewed and indicators of a decent work deficit were constructed to measure the level of workplace security.

This phase of the project clearly revealed that organising workers in MSEs requires a very different strategy by trade unions. The study suggested that a starting point to closing the representational gap could be the use of mapping as an organisational tool. There are two ways of conducting mapping: horizontal



(HM) and vertical (VM). HM refers to the method used to document and identify the characteristics of the worker, their location and industry sector, by contacting individuals in their homes or communities. Vertical mapping (VM) refers to a process that identifies the chain of production linking workers, subcontractors, intermediaries, buyers and brand owners (Burchielli et al, 2008).

This working paper is a combination of two reports. The first section is a report by Serrano and Xhafa and it complements the study on the second phase of the Closing the representation gap (Webster et al, 2008). The purpose of this report is to identify critical factors and variables that may affect or influence collective representation of MSE workers. Thus the findings pertaining to non-unionised respondents are highlighted. The report attempts to address the question: *What organizing themes and strategies would encourage MSE workers to organize?* The report highlights some critical representation factors that could serve as entry points or spaces for collective representation and for enhancing MSE workers willingness to organize and/or join a union.

The last section of this working paper is a report on the results of the third and final phase of the Closing the representation gap amongst MSE workers by Webster and Bischoff. The aim of this study was to find ways of strengthening trade union organization amongst workers in micro and small enterprises (MSEs) through conducting a mapping exercise (horizontal and vertical mapping) in nine countries. The report draws on the work of Regalia and identifies two dimensions to union responses to non-standard workers. The first dimension is determined by the degree of awareness of the specific nature of the interests of non-standard workers. The second is the willingness of trade unions to innovate with representation models. The report identifies two crucial conditions for the success of the trade unions which were found in two of the country case studies. Firstly, the mapping process works best where MSE workers are already organized into some form of pre-existing association, either a labour supporting NGO or a worker association that has a firm presence amongst MSE workers. Without this form of *embedded solidarity* the mapping process fails to find a point of entry and an informal network to engage with. Secondly, both successful country case studies benefited by links with trade union programmes run by university based intellectuals. Secondly the study suggests that new institutional actors are emerging to fill the growing representational gap amongst the traditional industrial relations actors, the state and national trade unions.

## TABLE OF CONTENTS

### SECTION ONE: CLOSING THE REPRESENTATION GAP IN MICRO AND SMALL ENTERPRISES: SOME CRITICAL FACTORS

(BY MELISA SERRANO AND EDLIRA XHAFA) .....	1
1. Introduction.....	1
1.1 Purpose of the paper .....	1
1.2 Scope and limitations of the paper.....	2
2. Data/Indicators .....	2
3. Method of Data Analyses .....	3
4. Presentation and Analyses of Survey Results .....	3
4.1 Factors Affecting Unionisation–Focus on the unionised and non- unionised sample.....	3
4.2 Opportunity for collective representation and action .....	14
4.3 Willingness to join a union .....	14
4.4 Factors Critical to Addressing the Representation Gap – Focus on the Non-unionised.....	14
4.5 Opportunity for collective representation and action .....	15
4.6 Willingness to join a union .....	17
5. Critical Factors in Workers’ Representation in MSEs - Summary of Findings.....	21
6. Overall Analyses and Points for Action.....	22
Bibliography .....	26
Appendix: Tables of Statistical Test Results.....	27

### SECTION TWO: NEW ACTORS IN EMPLOYMENT RELATIONS IN THE PERIPHERY: CLOSING THE REPRESENTATION GAP AMONGST MICRO AND SMALL ENTERPRISES

(BY EDWARD WEBSTER AND CHRISTINE BISCHOFF) .....	29
Abstract.....	29
1. Background.....	30
2. Theoretical framework.....	33
3. Results of the mapping process.....	34
4. Evaluation of the mapping method as an organizational tool: benefits and limitations .....	42
5. Conclusion.....	46
References .....	47
Appendix A .....	49



# SECTION ONE: CLOSING THE REPRESENTATION GAP IN MICRO AND SMALL ENTERPRISES: SOME CRITICAL FACTORS<sup>1</sup>

## (BY MELISA SERRANO AND EDLIRA XHAFA)

### 1. Introduction

In 2007, the International Labour Organisation (ILO) initiated the project *Closing the Representation Gap in Micro and Small Enterprises (MSEs)*. The findings of the literature review, the first phase of the project, pointed to a complexity of factors which influence the representation of workers in MSEs in various countries. These factors were clustered in the categories of: i) legal framework; ii) issues of implementation; iii) employers' approach to unionization; iv) trade union strategies; and v) workers' willingness to join the union (Xhafa, 2007).

As a follow up to the first phase of the project, ILO and the Global Labour University undertook 11 country case studies complemented with survey among MSE workers in 2008. This second phase covered major trends in the regulatory framework for MSEs and employers and trade unions' compliance with the same. Also, it highlighted that organising MSE workers is particularly challenging for trade unions.

The survey, which targeted both organized and unorganized workers, aimed at surfacing issues of concern for the MSE workers and corollary potential areas for organizing. Results revealed that unionization has a direct impact on the level of security in the workplace in the MSE sector with the exception of safety at work. One possible reason provided by Webster et al (2008) is the large number of exemptions on health and safety regulations granted to MSEs. The study recommended among others the conduct of vertical and horizontal mapping as an organizational tool which was implemented in the third phase of the project.

#### 1.1 Purpose of the paper

This report complements the study by Webster et al (2008) which discusses the major trends in the MSE sector in 11 countries and the direct impact of unionization on employment conditions. The purpose of this report is to identify critical factors and variables that may affect or influence collective representation of MSE workers. Thus the findings pertaining to non-unionised respondents are highlighted. This report attempts to address the question: *What organizing themes and strategies would encourage MSE workers to organize?*

---

<sup>1</sup> The authors acknowledge Professor Silvia Salini of the Department of Economics, Business and Statistics, University of Milan, for her valuable advice and comments on the statistical methods and analyses adopted in the paper.



Corollary, as this paper highlights some critical representation factors that could serve as entry points or spaces for collective representation and for enhancing MSE workers willingness to organize and/or join a union, it attempts to address the problematic of the fourth union attitude in the representation scheme presented by Regalia (2008). She identifies four different attitudes by unions towards workers different from a union's traditional base, which are: (1) indifference, (2) opposition or resistance, (3) a commitment to extending the protections of other workers to these ones by imitation; and (4) a willingness to explore new forms of representation, or to imagine a more general reconfiguration of labour representation. The fourth attitude, according to Regalia, is the most challenging and difficult, and still largely at its experimental stage in almost all the European labour unions.

## 1.2 Scope and limitations of the paper

As statistical measures were mainly used to analyze survey results, we caution the readers that the results presented here are not conclusive. To the extent that the 191 respondents come from 11 countries, the sample is rather limited. Moreover, country-specific nuances due to historical, economic, political and social contexts have not been considered. Instead, as an initial exploratory paper, what are presented here are trends, tendencies and insights which require further study and exploration through additional literature review, a bigger sample per country, case studies (country-specific), and other methods. Nevertheless, the drawing of sample from various countries and industries adds up to the 'representativeness' of the sample. Also, country of origin of respondent was not a variable considered in the analysis. Where possible, analyses of results are complemented by literature review done in the first phase of the *MSE Representation Gap* project (Xhafa, 2007) as well as other literature.

## 2. Data/Indicators

A semi-structured questionnaire targeted for MSE workers was prepared in the second phase of the project having in consideration the findings and gaps in the literature review. There were 191 workers interviewed in 11 countries: Albania, Barbados, Brazil, Colombia, India, Japan, Korea, Nigeria, Philippines, Turkey and the Ukraine. Respondents were purposively sampled from select sectors (unionized and non-unionised). Although the number of respondents per country was small, the survey proved very informative given random sampling and a relatively large number of variables studies. The respondents were also drawn from specific sectors per country. It can be argued that the sample is representative of the MSE workers' issues and concerns at the workplace, so we feel confident about the sample.

The dataset yielded 73 variables. The data gathered from the survey were in general complete and only in few cases there were missing values.

In this report, we explore and analyze 25 variables for the whole sample, 20 of which are treated as independent variables and five dependent variables which

were also treated as independent variables in certain cases. The independent variables are grouped into demographic and employment-related variables. The demographic-related variables include gender, educational level and age, whereas the employment-related variables include job length categories, existence of employment contract, formal job training, applicability of skills in other jobs, opportunity to increase skills, safety at work, existence of OHS regulations, negative health effects of work, night work, earn the same amount of money monthly, existence of minimum wage, existence of benefits, worker contributing to social security, employer shouldering the social security contribution, job satisfaction, and problems encountered at work. The dependent variables, which may be grouped as representation variables include: willingness to join a union, heard of a union in the sector, unionized or not, previous attempts to organize, and opportunity for collective action.

As the object of this report is to identify critical factors that may affect collective representation of MSE workers, findings pertaining to non-unionised respondents are highlighted. The report by Webster et al (2008) shows in general the positive impact of unionization on employment conditions of MSE workers.

### **3. Method of Data Analyses**

In processing and analyzing data, we used the software Statistical Package for the Social Sciences (SPSS). Bivariate analyses were undertaken to explore the relationship between variables studied. Independent T-test was used to test differences in means to determine the statistical relationship between a nominal/categorical variable and a continuous variable. Cross-tabulations were used to explore the significance of relationship between categorical variables. As a standard statistical measure of significance of relationship between variables, a probability value (or p-value) of 0.05 or less in Chi-square Test is adopted as a cut-off point indicating the existence of association or relationship between the variables. The statistical interpretation of such value is the existence of an association among two variables in at least 95% of the cases. As the p-value becomes smaller than the cut-off point the interval of cases for which we can be confident increases.

### **4. Presentation and Analyses of Survey Results**

This section discusses and analyses the nature of relationship or association between three dependent variables and select independent variables that are critical to collective representation issues in the MSE sector.

#### **4.1 Factors Affecting Unionisation–Focus on the unionised and non-unionised sample**

Unionised or not, also referred to as state of unionisation, was not a direct question made to the interviewees. The interviewers were asked to have in their national sample unionised and non-unionised workers. The unionised sample was a little more than a third of the interviewees. When tested, state of

unionisation showed no association with some of the independent variables of the study such as gender, applicability of skills in other jobs, existence of OHS regulations, negative health effects at work, night work, earn the same amount of money monthly, existence of minimum wage and job satisfaction.

Meanwhile, unionisation is associated with independent variables such as educational level, age, job length categories, job security, existence of employment contract, formal job training, opportunity to increase skills, safety at work, existence of benefits, worker contributing to social security, employer shouldering social security contributions, problems encountered at work, heard of a union in sector, previous attempts to organize and opportunity for collective action (Table 1, Appendix).

Although there were more variables associated with the variable state of unionisation (unionised or not), what follows are the analyses of association between the former variable and select independent variables which are deemed relevant in addressing the objective of this paper.

Taking into consideration primary through vocational education level, it appears that the level of education does not determine unionisation of MSE workers. However, Figure 1 shows a tendency of higher unionization among workers with tertiary education.

Figure 1

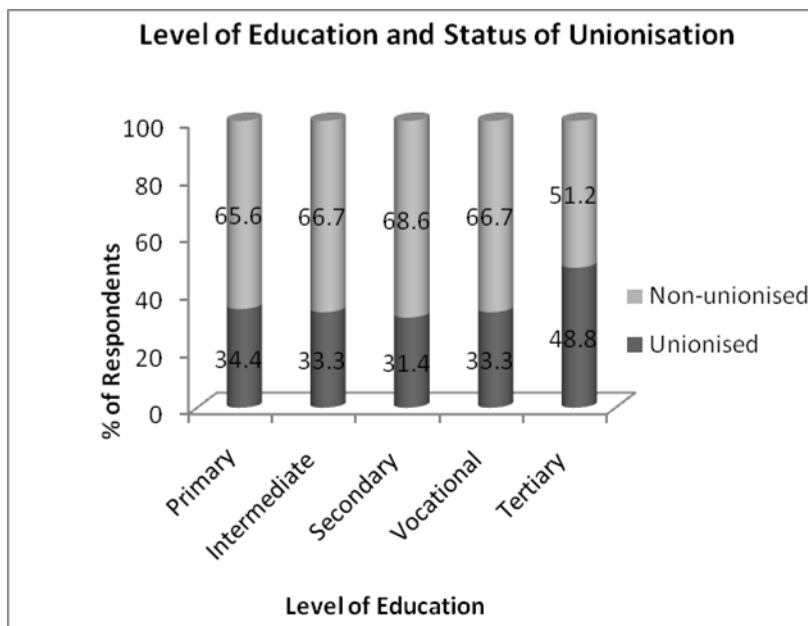


Figure 2 shows an interesting pattern. With exception of the age cohort younger than 19 (only four respondents), unionisation increases as workers age. It should be noted that the cohort 19-29 years old comprised the majority of respondents (80 respondents).

Figure 2

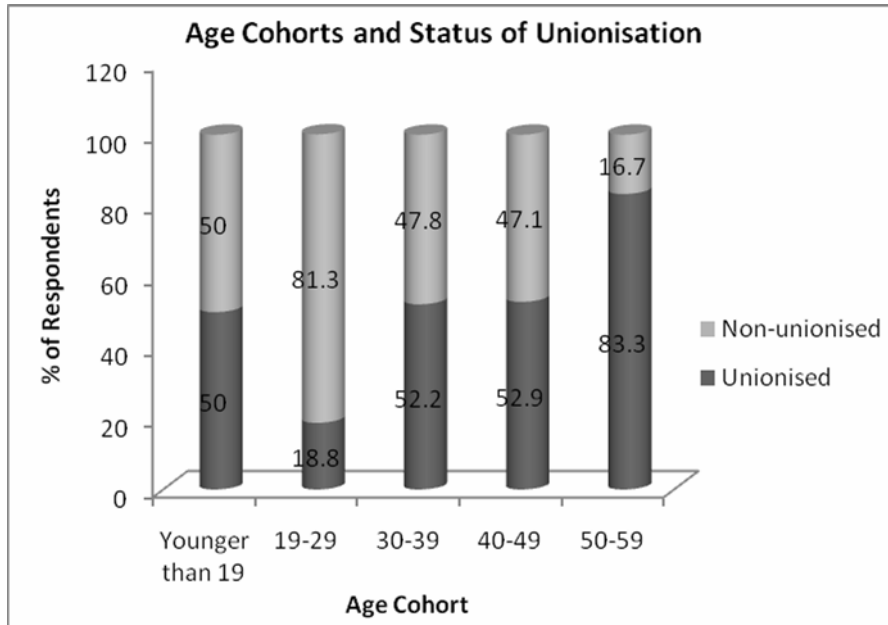
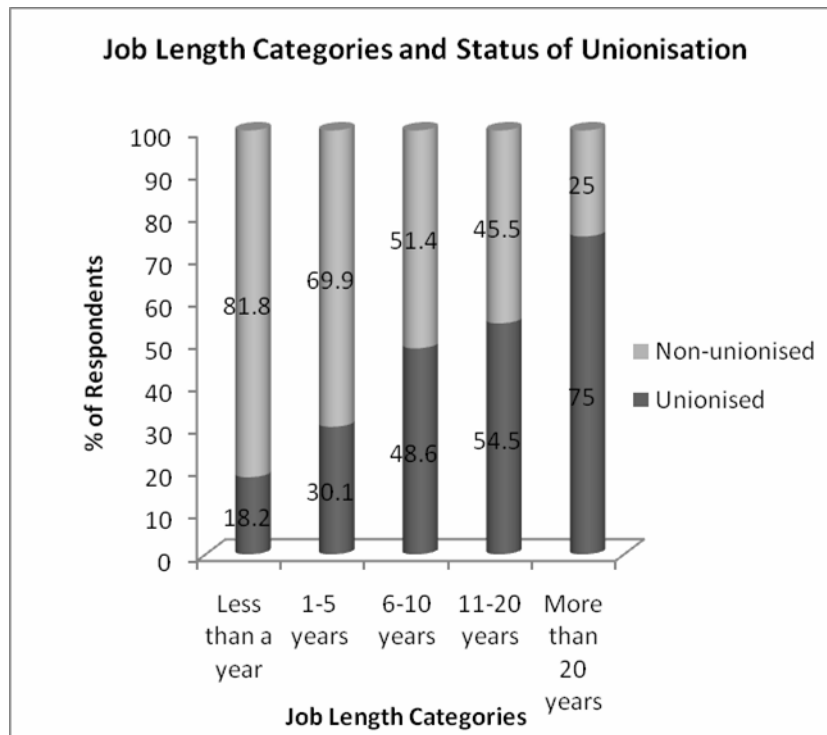


Figure 3 indicates a clear pattern of increasing unionisation as workers' length of employment goes up. The unionization rate increases from 18.2% for less than a year to 75% for those working for more than 20 years. It can be implied that as a worker stays longer in the job, the chances for unionisation among MSE workers increases.

Figure 3



Similarly, Figure 4 shows a higher unionisation rate among those who claim that it is not easy to lose their job. As job security implies staying longer in the job, this finding complements the findings in Figure 3.

Figure 4

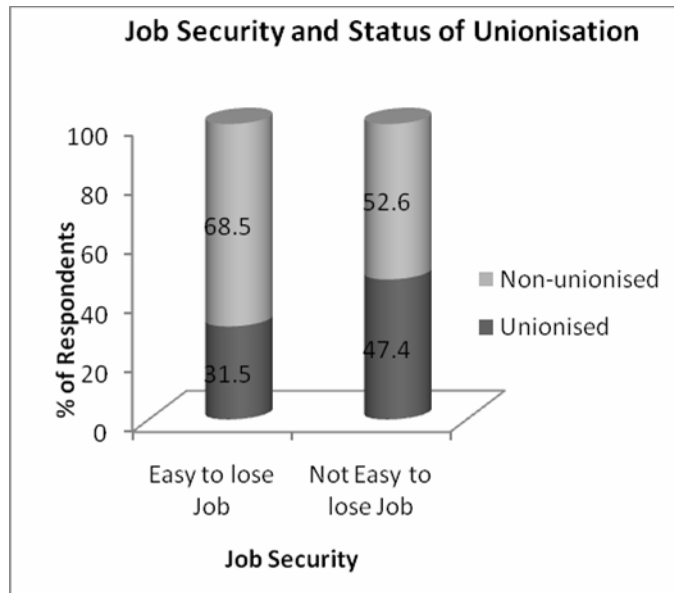
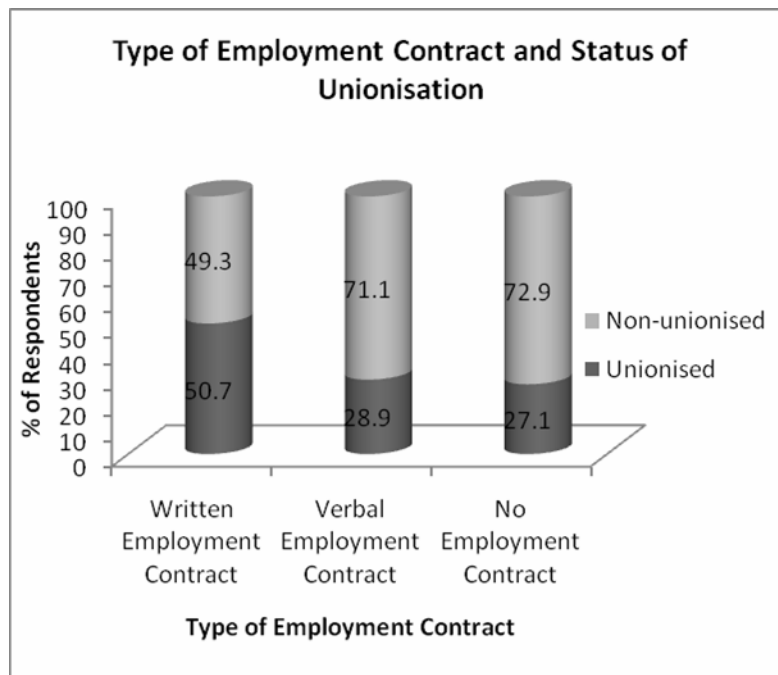


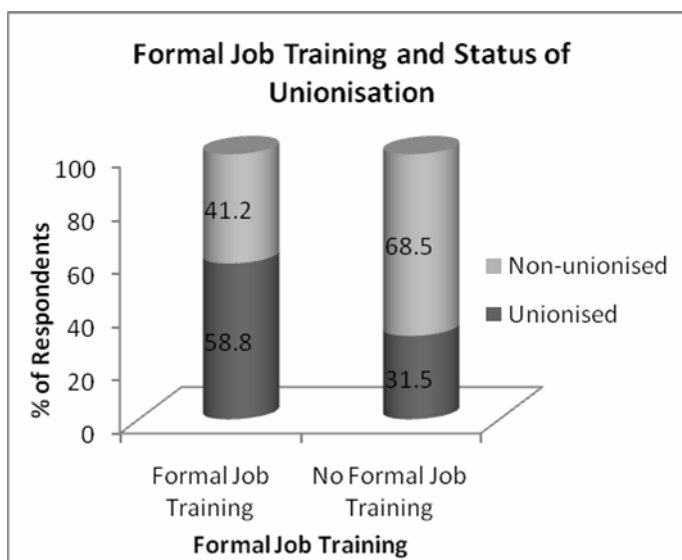
Figure 5 confirms what the literature says about the positive association between the existence of a written contract and unionisation. The data indicate higher unionisation rate among those who report the existence of a written employment contract. Nonetheless, we cannot conclude from this finding that unionisation causes the existence of written employment contract and vice versa. For one thing the legal framework covering employment relationship varies across countries. For example, a written employment contract is compulsory after 30 days of employment in Albania, whereas in the Philippines, flexible employment contracting (written, verbal or none at all) is widely practiced in the MSE sector.

Figure 5



As Figure 6 indicates, having formal job training tends to be positively associated with unionisation. Survey results show that among those who had formal job training nearly 60% were unionised as opposed to about 32% among those who reported no formal job training. As there have been cases of unions in several countries offering formal job training as part of their services and organising strategy (particularly in the construction industry), formal job training can be an entry point for unionisation.

Figure 6



Again, Figure 7 reinforces further the previous finding of a positive association between the existence of opportunities to increase skills and unionisation. Among those who claimed the existence of opportunities to increase skills nearly 65% were unionised as compared to nearly 27% among those who had no opportunity to increase skills. We could infer from this finding that increasing one's skills may increase the chances for unionisation as the more skilled workers tend to be less fearful of losing their job if they organize. In this regard, offering formal job training and skills upgrading may be a good strategy for organising and representation in the MSE sector.

Figure 7

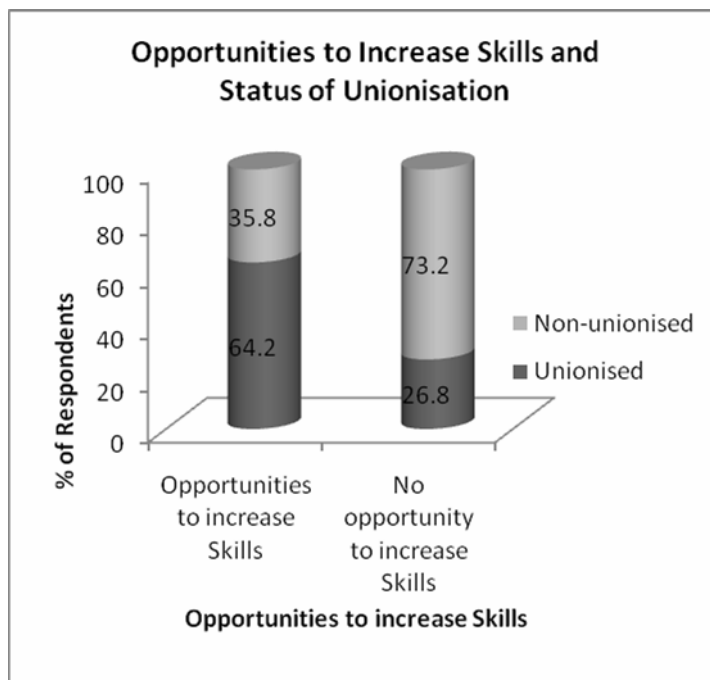


Figure 8 reveals higher unionisation rate among those who claim lack of safety at work (49.3%) compared to those who said otherwise (29.7%). Offhand, one would tend to hastily conclude that leaving the workplace unsafe may increase unionisation potential. However, what seems to be a negative association between safety at work and unionisation status may be an indicator of a more complex picture. Considering the literature review (Xhafa, 2007), we can argue that the level of awareness on health and safety hazards at work is higher among unionised workers. In contrast, there is a generally low level of concern on health and safety among the MSE workers, particularly in the developing and transition countries. Nonetheless, to the extent that health and safety is a less controversial (less political) cost to both employers and employees also in the MSE sector, a health and safety agenda could constitute a good entry point for organizing and representation of MSE workers.

Figure 8

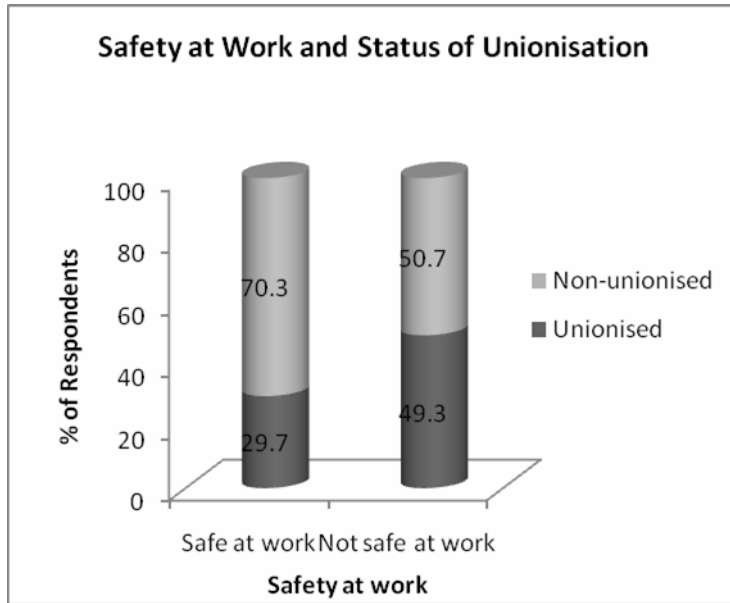
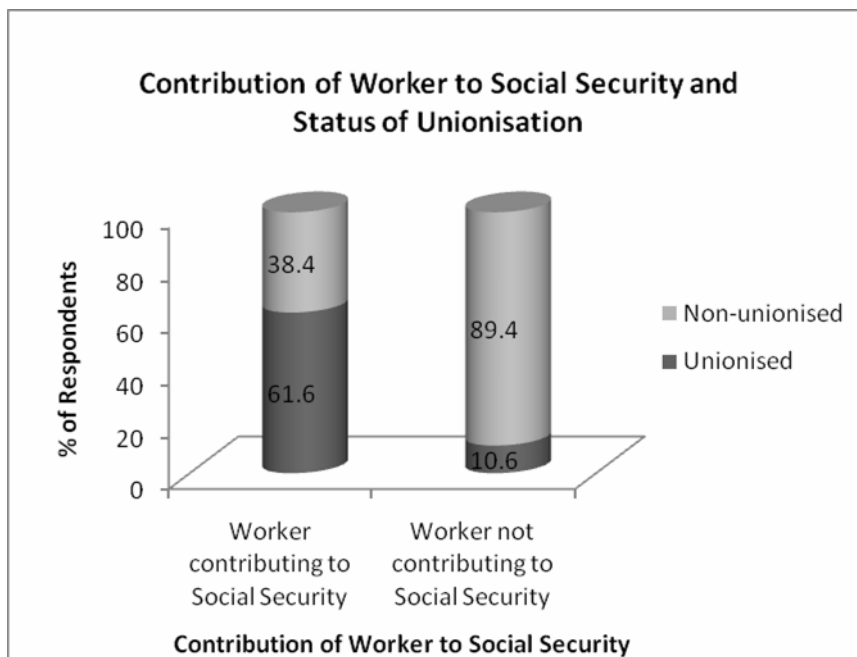


Figure 9 shows a clear positive association between workers contributing to social security and unionisation. Majority (nearly 62%) of respondents that contributed to social security were unionised as against merely 11% among those that were not contributing to social security. To the extent that higher unionization rate is observed among those who contribute to social security, we could infer that campaigning for social security contribution for MSE workers is likewise an entry point for organizing in the sector.

Figure 9





Corollary, pushing for national legislation for a subsidized or more affordable social security scheme for MSE workers would be a better alternative than compelling individual employees and employers to contribute to social security. Unions and peoples and non-government organizations in several countries have also initiated their own social security scheme as part of their organizing strategy. Xhafa (2007) cites several studies and reports on these initiatives:

1. In India, the Bidi Workers Welfare tax Act empower the Government – both at the national and state level – to constitute special funds to provide social security benefits to workers by imposing a tax (or cess) in the aggregate output of the selected industries (ILO, 2002, Chen et al). The Bidi Workers Welfare fund is one such national fund that is constituted from a tax on bidis (hand-rolled cigarettes). There are similar welfare funds at the state level, such as the head-loaders funds in Gujarat and Maharashtra states, to which employers pay a levy. The social assistance benefits and services under these welfare funds, provided by government but monitored by tripartite boards, include housing allowances, school scholarships, health benefits, and more.
2. Daza (2005) cites the example of India where the State of Tamil Nadu, was one of the pioneers in the extension of social security. The Law of 1994 passed by the Ministry of Labour created a Social Welfare Board, which runs on tripartite bases, for construction workers. The Board administers a social welfare scheme which includes work-related accident insurance, education subsidies and marriage, birth and death grants. The fund is financed by payment of 0.3 percent of the budget estimate for each construction work. The Ministry of Labour provides the administration staff which has reduced the costs of the scheme. The fund covers over half a million workers in the sector and had kept the level of disbursement relatively low, providing benefits to some 39,000 beneficiaries and allowing a considerable level of reserves to be accumulated. The State of Tamil is also applying a national social security project for workers in the non-organised sector (workers not covered by the Industrial Employment Act, 1946 and the Factories Act, 1948, and those in commercial establishments not covered by the social security laws) which will benefit 37 million workers (Daza, 2005). The new legislation establishes fixed contribution payable by small productive units (ibid).
3. In Thailand, the Social Security Act of 1990 established a general social security system introduced progressively (Daza, 2005). Initially, it only covered workers in enterprises with 20 or more workers, with the intention of covering workers in enterprises of 10 or more workers over a period of three years. Progressive contributions and benefits were also envisaged, leading to the introduction of the retirement pension in 1998. Contributions are set at 9 percent of wages, paid in equal shares by employers and workers. The State provides a further 2.5 percent subsidy.

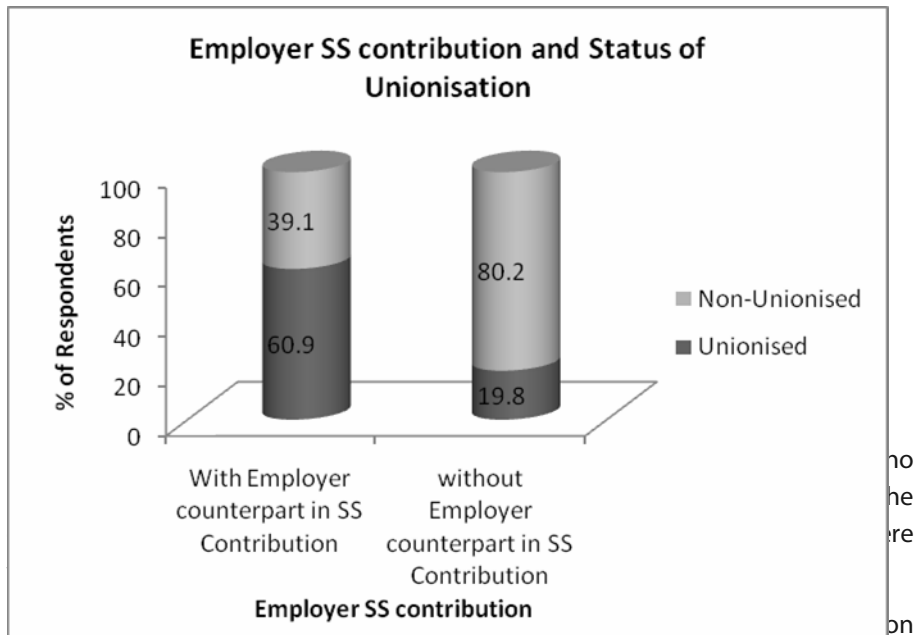
The system would thus cover 9.5 million workers in 1.3 million enterprises. Finally, the Royal Decree of 2002 provided that all employers, starting from one worker, come within the scope of the Social Security Act. This extension to micro-enterprises meant coverage to a further 3.5 million workers in 1.2 million enterprises.

4. Albeit to a limited extent, the Cooperative Code of the Philippines provides the legal framework for workers in MSEs to organize into cooperatives and/or join existing cooperatives in their communities for their economic and social protection needs. In fact, there are some labour organizations in the country that organize workers of MSEs living in a particular community into cooperatives and/or community associations that dialogue and “negotiate” with their local government units and their congressmen and congresswoman on livelihood, welfare, social protection and other community needs, i.e. schools, day care centers, health centers, leisure parks, etc. Community-based small scale social protection initiatives, i.e. mutual benefit funds, micro-insurance schemes, social funds of local governments, cooperatives, urban poor community associations, apart from their livelihood, welfare and employment-generating (albeit temporary) functions, are seen as venues for representation of workers in MSEs (Serrano Interview, 2007).
5. Since the mid-1800s, the Island of Madeira in Portugal has been known for handiwork of its home-based women embroiders. Until the mid-1970s, however the embroiders did not receive any legal protection as workers. In 1974, due to negotiations by the Sindacato des Trabalhadores de Industria Bordados Tapeceiras (the Union of Madeira Embroiders), the regional government passed a law that guaranteed basic social security benefits (for old age and disability) to the embroiders. In 1979, another law was passed that integrated the embroiderers into the statutory social security system of Portugal and, thereby, awarded additional benefits – for sick days and maternity leave – to them. Since then, the Union has successfully negotiated two additional laws: the first guarantees unemployment insurance to embroiderers; and the second lowers their retirement age (from 65 to 60) (ILO, 2002).
6. The General Federation of Nepalese Trade Unions (GEFONT) started a health cooperative clinic in 2000 as a result of the un-affordability of health care for most of the workers members in conjunction with an NGO called the Public Health Concerned Trust (PHET – Nepal). The clinic offers cheaper medical attention, and while it is available to all vulnerable people, cooperative members receive assistance for even lower costs.

7. The Self-Employed Women's Association (SEWA), a trade union with 700,000 members – all poor working women in the informal economy in six Indian states, seeks to unite urban and rural women informal workers around the issue of 'full employment', which it defines as work, income, food and social security. SEWA has set up specialized institutions that provide services of various kinds to members, including health care, childcare and insurance; research, training and communication; marketing; and housing and infrastructure. Today SEWA Bank has 200,000 depositors and a working capital of 900 million rupees (US\$20.6 million); SEWA Insurance provides coverage to 130,000 members; SEWA Marketing reaches 400,000 producers; and SEWA Academy trains 300,000 women per year. SEWA advocates at the national and international levels for policies that benefit informal workers. The SEWA initiative shows that participation of the government is important, not only because of the financial share but also because it gives legitimacy to the scheme. Moreover, the intersection of different initiatives may constitute a very dynamic area with many interesting developments with respect to issues of representation, organizing and extending legal protection (labour and social protection legislation).

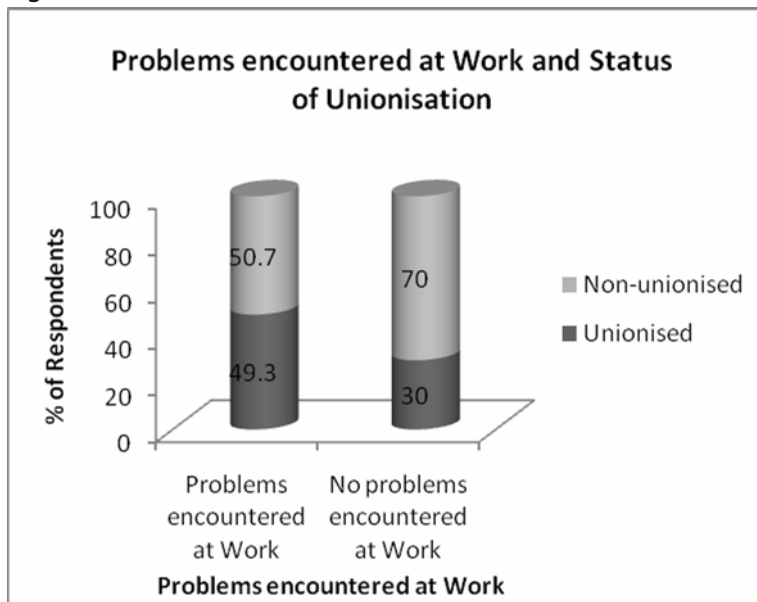
Figure 10 shows the same pattern of association between employer shouldering social security contribution and the unionisation rate, although we see a higher proportion of unionised respondents who claimed that the employer does not shoulder their social security contribution counterpart. Unionisation rate is three times higher (60.9%) among respondents whose employers pay their counterpart social security contribution than those whose employers who did not pay their counterpart (19.8%). If we were to infer from this finding that unionisation increases the probability of employers paying their social security counterpart contribution, then we could surmise that social security is likewise a good organizing theme in the MSE sector. The country examples discussed above provide support to this argument.

Figure 10



is in fact not exclusive in the MSE sector. Even in formal and larger enterprises unionised or not, workers are still faced with work-related problems. It can also be argued that being a union member makes the worker more aware of problems and contradictions at the workplace. Likewise, employer hostility to unionisation may pose more problems to unionised workers.

Figure 11



#### 4.2 Opportunity for collective representation and action

The variable “opportunity for collective representation” corresponds to the question “Do you see any opportunity for collective representation and action in your enterprise?” It is an important variable to the extent that it surfaces employment-related factors that could be used by unions for organizing MSE workers.

When total sample is taken, the cross tabulation shows no association with gender, educational level, age, job length categories, job security, existence of employment contract, formal job training, safety at work, existence of OHS regulations, negative health effects of work, night work, earn the same amount monthly, existence of minimum wage and existence of benefits.

Association is observed with other independent variables such as applicability of skills in other jobs, opportunity to increase skills, worker contributing to social security, employer shouldering social security contribution, job satisfaction, problems encountered at work, heard of a union in sector, unionized or not and attempts to organize (Table 2, Appendix).

#### 4.3 Willingness to join a union

The dependent variable “willingness to join a union” corresponds to the question 9.4 of the questionnaire “Would you welcome a union in your enterprise?” When total sample is considered, the cross tabulation finds no association with the independent variables of gender, educational level, age, job length categories, existence of employment contract, opportunity to increase the skills, negative health effect of work, night work performance, existence of minimum age, existence of benefits, worker contributing to social security, employer shouldering social security contribution, job satisfaction and problems encountered at work. It could be surmised from this finding that these variables do not significantly influence the willingness of MSE workers to unionize.

On the other hand, association of different degrees is found between willingness to join a union variable and job security, formal job training, applicability of skills in other jobs, safety at work, existence of OHS regulation, earn the same amount of money monthly, heard of a union in sector, previous attempts to organize and opportunity for collective representation (Table 3, Appendix).

#### 4.4 Factors Critical to Addressing the Representation Gap – Focus on the Non-unionised

This section pertains to findings involving non-unionised workers. As the object of this paper is to identify critical factors to close the representation gap in MSEs, the responses of the non-unionised workers are naturally deemed more important. Also, the non-unionised perspective provides more relevant and useful insights into addressing the main purpose of this paper.

Although there were more independent variables associated with the next two dependent variables - opportunities for collective representation and action and willingness to join a union – the figures and discussions that follow present and analyse the nature of relationship between the two dependent variables and selected independent variables deemed more relevant in addressing the objective of this paper.

#### 4.5 Opportunity for collective representation and action

The notion of collective representation and action is quite ambiguous when considered in the MSE sector. Firstly, the very term collective connotes a relatively big group of people. Secondly, collectivity and representation implies some level of power and influence. These are clearly not the situation of workers in MSEs whose number in an enterprise is generally low (less than 20 on the average) and who moreover are mostly unorganized.

It is hence expected that a larger proportion of non-unionised respondents in the survey saw no opportunity for collective representation and action. Nevertheless, results pertaining to those who saw opportunity for collective representation may provide useful insights critical to organizing in the MSE sector.

Among non-unionised respondents, opportunity for collective representation is highest (35.3%) among those who had no employment contract at all (Figure 12). Those that claimed having written contracts saw the lowest opportunity for collective representation (11.4%). This finding implies that as the employment contract becomes more informal or none at all, the opportunity for collective representation increases. To the extent that verbal employment contracting and absence of employment contract is pervasive in the MSE sector, there are opportunities for collective representation in the sector.

Figure 12

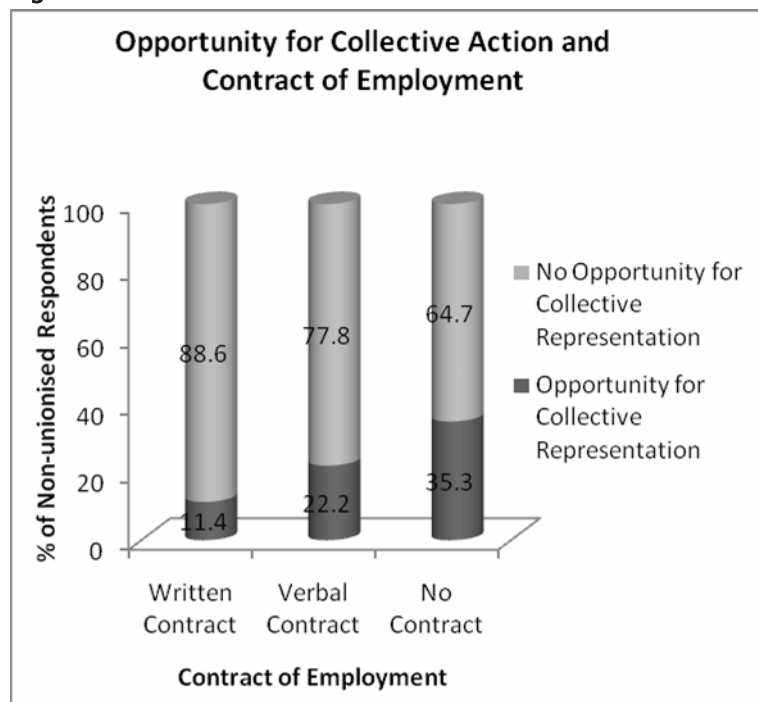


Figure 13 shows a negative association between existence of opportunities for representation and job satisfaction as one would expect that those who are dissatisfied with their job see more opportunities for collective representation. Here, there were more respondents satisfied with their job (33.3%) that saw opportunities for collective representation than those who were dissatisfied with their job (13%). As many MSE workers are disgruntled of their miserable employment conditions and as employment in MSE is seen as a last resort, a sense of hopelessness prevails. Hence, collective representation becomes the least concern among MSE workers.

On the other hand, those that are satisfied with their job and thus would want to continue working may find opportunities for collective representation to improve their working conditions.

These findings imply that unions may need to play a more visible and stronger role in improving working conditions of MSE workers to increase opportunities for collective representation.

Figure 13

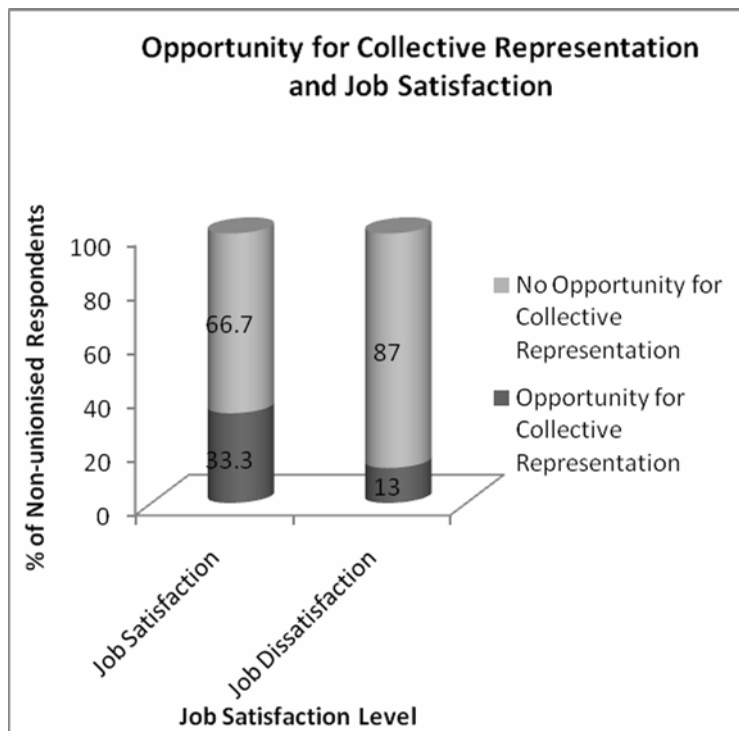
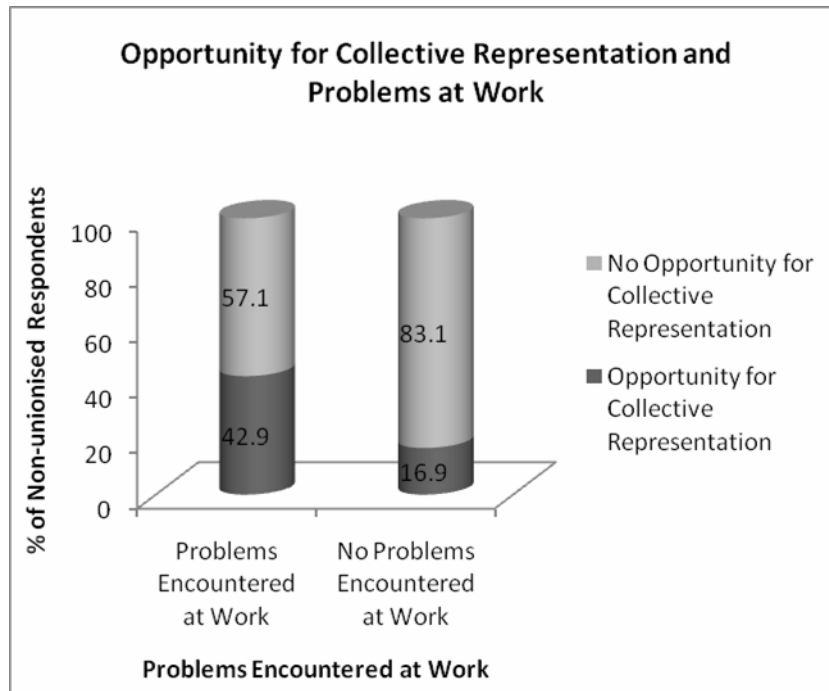


Figure 14 clearly puts forward the argument for organizing around grievances and problems at work experienced by MSE workers. Survey results indicate that there were more respondents who encountered problems at work (42.9%) who saw opportunities for collective representation than those who did not encounter any problem (16.9%) and saw opportunities for collective action.

As the proportion of respondents that saw no opportunity for collective representation is high regardless of whether workers encounter work problems (57.1%) or not (83.1%), again this finding points to the need for unions to increase their visibility and role in addressing problems and interests of MSE workers and to all categories of workers in general.

Figure 14



#### 4.6 Willingness to join a union

The variable *welcoming a union* is considered in this report as an indicator of a worker’s willingness or preparedness to join a union. It is the most important variable in addressing the representation issue among MSE workers. This variable points a more specific form of organization – the union - in contrast to the more ambiguous variable collective representation and action.

It is interesting to note a high proportion of respondents who expressed that they welcome a union in their enterprise. This finding is telling that contrary to what is widely perceived there is no hostility towards unions among MSE workers.

Figure 15 shows that who claimed to have job security, there are more that welcome a union (84.2%) as compared to those who reported job insecurity (62.7%). This reinforces previous findings (as well as the literature review) that job security enhances a worker’s willingness to welcome a union. This means that initiatives that strengthen job security through legislation and union action may prove critical to organizing in the MSE sector.



Figure 15

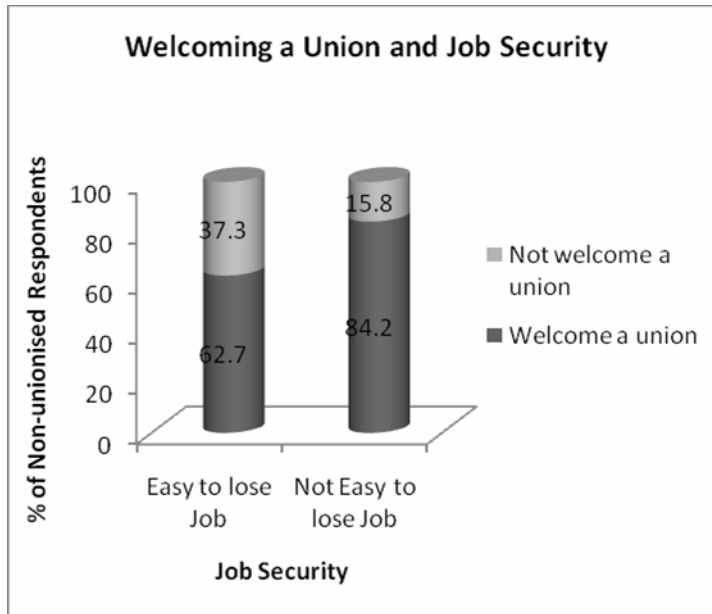


Figure 16 shows that the number of workers who expressed they welcome a union in their enterprise is particularly higher among those who have worked for less than a year (88.9%) and 1-5 years (76.8%). However as the job length increases, workers' inclination to welcome a union decreases to 50% for those who have been working for 6-10 years and 40% for those working 11-20 years. It may be argued that working in an MSE for a period longer than six years without being organised may decrease the hope for organisation and rather reinforce individual solutions to any problem encountered at work. Although this finding may seem to contradict the need to strengthen job security, we would argue for the need to combine both strategies to organise MSE workers.

On the other hand the figure suggests that if unions are to organise MSE workers they should target workers working in an MSE for less than five years. This would give unions higher probability of organising among MSE workers.

Figure 16

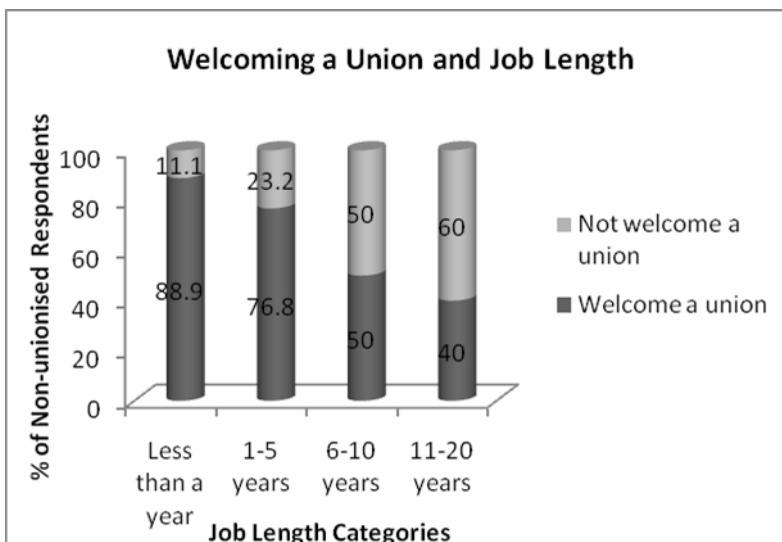


Figure 17 demonstrates a substantially higher number of workers who welcome a union among those who could apply their skills in another job (68.4%) as compared to those who welcome a union in the group of workers who could not apply their skills to another job (33.3%). This finding only goes to reinforce the argument about strengthening job security, where skills upgrading could be one of the ways. Hence unions may want to consider skills upgrading among their services and at the same time as organising strategy.

Figure 17

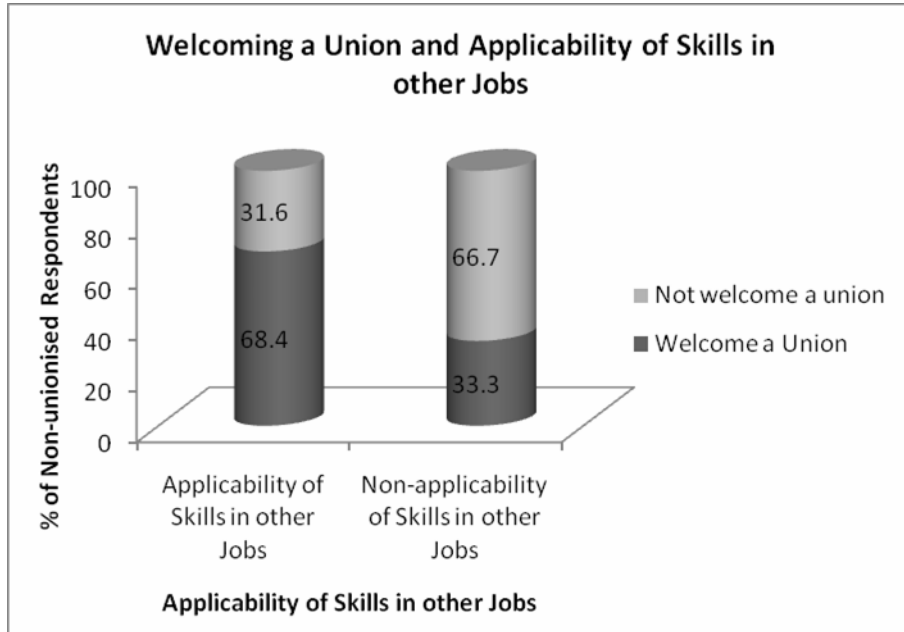


Figure 18 shows the relation between income security and workers’ willingness to welcome a union. Income stability tends to increase the number of those who welcome a union (77.9%) as compared to workers whose monthly earnings vary (56.8%). Although not a substantial difference, it can be argued that having a more stable income raises the chances of unionisation among MSE workers. Hence increasing income security of MSE workers may be another important strategy for unions to organise. Strategies such as campaigning for minimum wage or regular pay could be used by union to achieve higher income security for MSE workers. Clearly, such strategies would contribute directly to increasing the role and visibility of unions among the MSE workers.

Figure 18

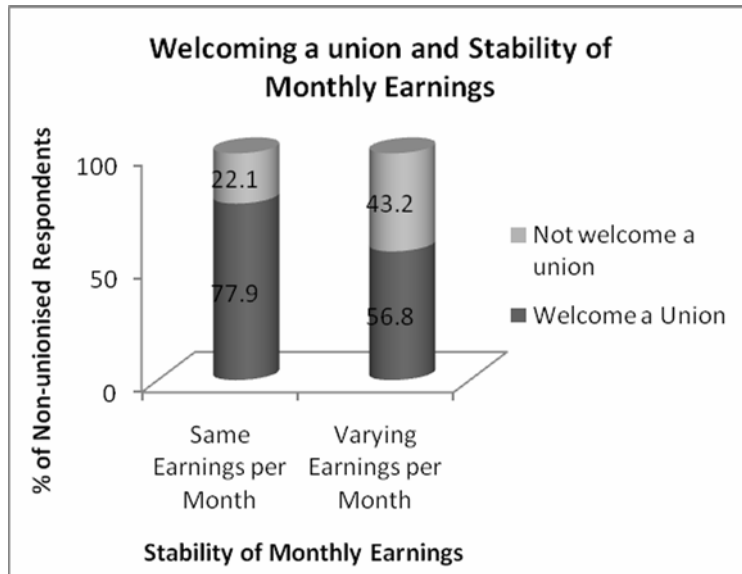


Figure 19 underscores what was mentioned earlier in this section on the lack of hostility towards unions among MSE workers. Almost all (96.2%) of those who saw opportunity for collective representation welcome a union. Even more interesting is the finding that among those who saw no opportunity for collective representation the majority still welcome a union (61.5%).

Figure 19



## 5. Critical Factors in Workers' Representation in MSEs - Summary of Findings

What organizing themes and strategies would encourage MSE workers to organise? Which factors are critical to addressing representation and organisation among workers in the MSE sector? The major findings of this study suggest clues to answers to these questions.

### Responses from total sample (unionised and non-unionised workers)

- Unionisation rate among MSE workers tends to increase as age, job length, and job security increases.
- Among those with written employment contract, unionisation is more likely.
- Among those that had formal job training and opportunities for skills upgrading, the rate of unionisation is higher.
- Unionisation rate tends to be higher among those who claimed the absence of safety at work.
- Unionisation rate among MSE workers who contribute to social security and whose employers pay employer counterpart contribution is substantially higher.

### Responses from non-unionised sample

- Willingness to join a union tends to be higher among MSE workers who have been working for less than five years.
- Job security tends to enhance an MSE worker's willingness to join a union.
- As the employment contract becomes more informal or none at all, the opportunity for collective representation among MSE workers increases.
- Willingness to join a union tends to be higher among MSE workers who can apply or use their skills in another job.
- Income security or stability tends to increase the number of MSE workers who welcome a union.
- Workers who encountered problems at work tend to see more opportunities for collective representation than those who have not experienced problems at work.
- Workers who are satisfied with their job tend to see more opportunities for collective representation.

## 6. Overall Analyses and Points for Action

The findings of this report provide empirical bases to the literature review on MSE representation by Xhafa (2007). She highlights two main approaches in addressing the twin issues of representation and protection of MSE workers: (i) state-led approach with the State enacting the laws and regulatory framework and enforcing it, sometimes with the involvement of trade unions; and (ii) a bottom-up approach, which basically comprises actions from the unions and NGOs or other community groups.

According to the same author, “protection, organization and representation to workers in MSEs may be attributed to four core variables, namely: the legal framework, enforcement mechanisms, employers’ attitude towards unions and other workers’ organizations, and the union’s organizing drive as shaped by its structure, processes and political action. Of these four variables however, the legal framework has a particular impact as an instrumental mechanism for setting and enforcing behavioural norms, enacted to protect workers’ rights and the working environment” (ibid).

Survey results indeed highlight the importance of national legislation to establish, implement and enforce the critical factors addressing representation and organisation of MSE workers identified in this report. These critical factors that require legislative intervention include the following: (1) establishment and/or implementation of formal employment contracts; (2) enhancing job security and protection of union rights especially the right to organise; (3) subsidized and/or affordable social security for MSE workers and provision of support and incentives to MSEs to encourage employee and employer participation in social security programs; and (4) establishment of facilities for skills training and upgrading for MSE workers.

Xhafa (2007) argues that limitations on representation-protection of MSE workers in labour laws may be attributed to the limited trade union action or initiative or engagement with the state. Accordingly, “unions’ purposive action on extending the coverage of labor law where successful expands the sphere of coverage of labor law potentially to include workers in the MSE sector ... unions’ organizing initiatives in the sector may likewise influence the extension of the protective mantle of labour and social protection legislations to workers in MSEs.”

Xhafa (2007) further elaborates:

...addressing issues of representation and extending protection necessitates first of all a clear political will on the part of the unions and strategic interventions in different fronts. In other words, fighting for a proper legal framework should be complemented with appropriate and effective enforcement mechanisms where unions have an important role to play. At the same time, in the fight for better laws unions have become aware of the need for changes which go beyond labour laws, such as social security policies and schemes and other extra legal procedures.

The need to harmonize labour law with other laws (the constitutional law and contractual law, etc as argued earlier), points to the need for critical engagement of the unions with the state.

Why the reluctance of many unions to organise in the MSE sector? Regalia (2008) offers insights on the issue. She argues that:

...as the social weight and the visibility of irregular, or migrant, or nonstandard workers increase, the problem of representing their interests increasingly influences the debate and the organizational choices of trade unions. But the positions taken up and the solutions sought are by no means homogeneous. They vary according to the interest and willingness of the unions to revise and innovate their representation strategies, which is perhaps obvious; but they also vary according to the attention that unions are prepared to pay to the specific interests of workers different from their constituency, which is perhaps less obvious.

According to Regalia, there are two dimensions influencing unions' attitude towards representation of workers different from their traditional membership. These are: (1) awareness of the specific nature of diverse workers' interests, and (2) willingness of unions to innovate representation models. She further identifies four situations corresponding to an equal number of attitudes by unions towards these different workers (Figure 20). These attitudes are defined as: (1) indifference, (2) opposition or resistance, (3) a commitment to extending the protections of other workers to these ones by imitation; and (4) a willingness to explore new forms of representation, or to imagine a more general reconfiguration of labour representation.

**Figure 20. Union attitudes to and representation of workers different from their traditional membership**

		Willingness to innovate representation models	
		Low	High
Awareness of the specific nature of diverse workers' interests	Low	Indifference	Imitative extension of protection
	High	Resistance/ opposition	- Specialization of protection - Reconfiguration of representation

Source: Adaptation of Regalia, I. (ed). 2006. *Regulating New Forms of Employment. Local experiments and social innovation in Europe*, London: Routledge, 248.

The first attitude – indifference - tends to ignore or to underestimate the difference between the interests of many workers and those of traditional core workers. The union’s awareness of the specific nature of diverse workers’ interests and its willingness to innovate representation models are both low. Regalia (2008) argues that this attitude was long dominant in the past but it is still widespread in the choices actually implemented by large part of the unions.

The second attitude – opposition and resistance – is exhibited by unions which are well aware of the different interests of numerous workers but do not intend to represent them. This may be due to the unions’ fear that these informal and atypical workers constitute a threat because they may compete unfairly against their traditional members. Thus they are reluctant to represent these workers but instead seek to persuade the government to intervene with new laws and measures in favor of such workers. This attitude exhibits high awareness of the specific nature of diverse workers’ interests but low willingness to innovate representation models.

The third attitude – imitative extension of protection – prevails where the union intends that these workers be covered as much as possible by the standards and protections enjoyed by core workers. In this case, the labour unions endeavor to expand their capacity for representation though underestimating the diversity of the interests at stake. Here, the union’s awareness of the specific nature of diverse workers’ interests is low and its willingness to innovate representation models is high.

The fourth attitude –specialization of protection, reconfiguration of representation – which to Regalia (2008) is the most interesting, seeks new solutions to the problems of representation through experimentation. However, she stresses that it is also the most difficult, and still largely at its beginnings in almost all the European labour unions. In this category, both a union’s awareness of the specific nature of diverse workers’ interests and its willingness to innovate representation models are high.

The above scheme or typology offered by Regalia (2008) effectively captures prevailing attitudes of unions towards organisation and representation of MSE workers. We would like to add that a union’s acceptance (or otherwise) of non-regular forms of employment is likewise an important dimension. Whilst not specifically mentioned, we surmise that this dimension is implied in the willingness of unions to innovate representation models.

The evidence from the country case studies in Webster et al (2008:36) “suggests that a growing number of trade unions are beginning to see MSEs as a priority although majority still do not.” Three main obstacles facing trade union organizers in MSEs were identified, namely: (1) trade union reluctance because organising in the sector is time consuming with low returns; (2) the growing informalisation of work; and (3) societal and employer hostility leading to low awareness of rights and reluctance amongst workers to join trade unions in MSEs

(ibid: 38-39). These obstacles may explain why many trade unions seem to take either a resistance/opposition approach or imitative extension of protection.

In this report, we highlighted some critical representation factors that could serve as entry points or spaces for collective representation and for enhancing MSE workers willingness to organize and/or join a union. These factors are: (1) union action (political, campaigns, legislative initiative, etc.) for the critical factors requiring legislative intervention identified above; (2) inclusion of skills training and upgrading among union services; (3) using safety at work, grievances or problems at work and income security or stability (e.g. minimum wage campaigns) as organizing themes; and (4) establishment and/or strengthening of other forms or structures of organisation to represent MSE workers (territorial structures, community-based organising, workers' associations, cooperatives, etc). These factors will indeed require creative and innovative imagination, increased union visibility in the MSE sector and stronger role of unions in addressing issues and concerns of MSE workers in particular and the working class and the poor in general.

Finally, by highlighting some critical representation factors that could serve as entry points or spaces for collective representation and for enhancing MSE workers willingness to organize and/or join a union, we also attempted to address the problematique of the fourth union attitude in the representation scheme presented by Regalia (2008). These critical factors offer possible strategies for unions to reconfigure representation and specialise some level of protection for MSE workers.



## Bibliography

### Published and unpublished papers and internet sources

Daza, José Luis 2005, 'Informal Economy, Undeclared Work and Labour Administration', [Accessed 11 August 2009], Available from World Wide Web: <<http://www.ilo.org/public/english/dialogue/ifpdial/downloads/informal.pdf>>.

ILO (International Labour Organisation) 2002, 'Enhancing rights in the informal economy: The rights deficit in the informal economy', [Accessed on 10 August 2009], Available from World Wide Web: ([http://www.wiego.org/papers/2005/unifem/11\\_ILO\\_WP\\_Chen\\_Jhabvala\\_Lund.pdf](http://www.wiego.org/papers/2005/unifem/11_ILO_WP_Chen_Jhabvala_Lund.pdf)).

Regalia, I (ed) 2006, *Regulating New Forms of Employment. Local experiments and social innovation in Europe*, London: Routledge, p. 248.

Regalia, I 2008, 'Informal work and new forms of employment in Europe: challenges for research and for action', G. Rodgers, C. Kuptsch (eds.), *Pursuing decent work goals : priorities for research*, Geneva: ILO, pp. 59-71.

UNIFEM (United Nations Development Fund for Women) 2005, 'Progress of the World's Women, 2005' *Women, Work & Poverty*, [Accessed on 10 August 2009], Available from World Wide Web: <<http://www.un-ngls.org/women-2005.pdf>>.

Webster, Eddie et al 2008, *Closing the Representation Gap in Micro and Small Enterprises*, Global Labour University Working Papers, Paper No. 3, Berlin: Global Labour University, November 2008.

Khafa, Edlira 2007, 'Obstacles and Positive Experiences in Achieving Better Protection and Representation for Workers in Micro and Small Enterprises: A Review of Literature', Draft Report, Geneva.

### Email correspondence

Email interview with Melisa R. Serrano, University Extension Specialist, School of Labour and Industrial Relations, University of the Philippines, Diliman, Quezon City, Philippines, 16 July 2007.

**Appendix: Tables of Statistical Test Results**

**Table 1. Variables Related to Being Unionized or Not**

Variable	Test Results*	Degree of Association
Educational level	p = 0.028	Significant
Age	p = 0.000	Highly significant
Job length categories	p = 0.004	Highly significant
Job security	p = 0.027	Significant
Existence of employment contract	p = 0.004	Highly significant
Formal job training	p = 0.002	Highly significant
Opportunity to increase skills	p = 0.000	Highly significant
Safety at work	p = 0.007	Highly significant
Existence of benefits	p = 0.007	Highly significant
Worker contributing to social security	p = 0.000	Highly significant
Employer shouldering social security contributions	p = 0.000	Highly significant
Problems encountered at work	p = 0.008	Highly significant
Heard of a union in sector	p = 0.000	Highly significant
Previous attempts to organize	p = 0.000	Highly significant
Opportunity for collective representation and action	p = 0.000	Highly significant

\*Chi-square Test: p is probability value.

**Table 2. Variables Related to Existence of Opportunity for Collective Representation and Action**

Variable	Test Results* (Total Sample)	Test Results* (Non-unionised)
Existence of employment contract		p = 0.039, S
Applicability of skills in other jobs	p = 0.048, S	p = 0.034, S
Opportunity to increase skills	p = 0.021, S	
Night work		p = 0.025, S
Worker contributing to social security	p = 0.000, HS	
Employer shouldering social security contributions	p = 0.000, HS	
Job satisfaction	p = 0.047, S	p = 0.015, S
Problems encountered at work	p = 0.000, HS	
Heard of a union in sector	p = 0.000, HS	
Unionized or not	p = 0.000, HS	
Previous attempts to organize	p = 0.000, HS	p = 0.010, S

\*\*Chi-square Test: p-value is probability value; HS = Highly Significant; S = Significant.

**Table 3. Variables Related to Willingness to Join a Union**

Variable	Test Results* (Total Sample)	Test Results* (Non-unionised)
Job length		p = 0.024, S
Job security	p = 0.044, S	p = 0.020, S
Formal job training	p = 0.033, S	
Applicability of skills in other jobs	p = 0.019, S	p = 0.023, S
Safety at work	p = 0.021, S	
Existence of OHS regulations	p = 0.049, S	
Earn the same amount of money monthly	p = 0.006, HS	p = 0.023, S
Heard of a union in sector	p = 0.000, HS	
Previous attempts to organize	p = 0.000, HS	
Opportunity for collective representation and action	p = 0.000, HS	p = 0.001, HS

\*\*Chi-square Tests: p-value is probability value; HS = Highly Significant; S = Significant.

## SECTION TWO: NEW ACTORS IN EMPLOYMENT RELATIONS IN THE PERIPHERY: CLOSING THE REPRESENTATION GAP AMONGST MICRO AND SMALL ENTERPRISES (BY EDWARD WEBSTER AND CHRISTINE BISCHOFF<sup>2</sup>)

### Abstract

The aim of this study was to ways of strengthening trade union organization amongst workers in micro and small enterprises (MSEs) through conducting a mapping exercise (horizontal and vertical mapping) in nine countries. Drawing on the work of Regalia, we identified two dimensions to union responses to non-standard workers. The first dimension is determined by the degree of awareness of the specific nature of the interests of non-standard workers. The second is the willingness of trade unions to innovate with representation models.

In two of the nine country cases – that is, call centre workers in Brazil and moto-couriers in Turkey – trade unions showed little awareness of non-standard workers specific interests or willingness to innovate representation models. In three of the cases – retail workers in the Ukraine, restaurant workers in South Korea and garment workers in South Africa – there was a similar lack of awareness of the their interests but some willingness to innovate representation by extending existing forms of representation.

In four of the case studies – Burmese immigrants in Japan, garment workers in India, auto repair workers in Nigeria, and garment workers in the Philippines - unions recognized that the needs of workers in these new forms of employment cannot be ignored nor dealt with simply by imitating existing models of organization. In these cases new forms of representation have emerged outside of the established trade union movement. However it was only in India and the Philippines that the mapping exercise facilitated a closing of the representation gap.

We identify two crucial conditions for the success of the trade unions in these two countries. Firstly, the mapping process works best where MSE workers are already organized into some form of pre-existing association, either a labour supporting NGO or a worker association that has a firm presence amongst MSE workers. Without this form of *embedded solidarity* the mapping process fails to find a point of entry and an informal network to engage with. Secondly, both successful case studies benefitted by links with trade union programmes run by university based intellectuals. Our study suggests that new institutional actors are emerging to fill the growing representational gap amongst the traditional industrial relations actors, the state and national trade unions.

---

<sup>2</sup> The authors would like to thank the following GLU alumni for their country case studies which contribute to this report: Juçara Portilho Lins (Jó Portilho) (Brazil), Gaye Yılmaz, Tolga Tören, Elif Sinirlioglu and Nevra Akdemir (Turkey), Janet Munakamwe (South Africa), Sunghee Park (Korea), Lyudmyla Volynets (Ukraine), Melisa R. Serrano, Ramon A. Certeza and Mary Leian C. Marasigan (Philippines), Naoko Otani (Japan), Eustace Imoyera James and Joel Odigie (Nigeria) and Nitin More (India).

## 1. Background

The process of increasing informalisation of the labour market is creating a gap between trade unions and a growing number of workers who have no forms of collective representation at their places of work. This has been labeled the Representational Gap. In part this gap is the result of a trend towards the decentralisation of production and the accompanying outsourcing of workers to a third party. In other cases it has arisen from the trend towards casualisation, part-time and temporary employment relationships. It is sometimes the result of retrenchment of workers in the face of hyper international competition and the drive to cut labour costs. The result of these processes is a growing number of workers engaging in survival type activities in micro and small enterprises. In particular, workers in these workplaces have no form of collective representation.

In 2006 the Bureau for Workers' Activities (ACTRAV) and the Small Enterprise Development Department (SEED) of the International Labour Organisation (ILO) initiated a study, in partnership with the Global Labour University (GLU), designed to develop a research agenda aimed at shedding light on how to close the representation gap of workers in micro and small enterprises (MSEs). The study had three phases.

Phase one was conducted by Edlira Xhafa and consisted of a literature review exploring the interdependent relationship between the regulatory framework of labour and social protection legislation in MSEs, and the organizational and representational strength of workers in these MSEs (Xhafa, 2007).

Phase two of the study was conducted by the alumni of the Global Labour University (GLU) under the guidance of Edward Webster. It consisted of eleven case studies where the dynamics between labour and social protection were elaborated on and the ability of unions to organize and represent workers in MSEs was examined. The countries covered were, Albania, Barbados, Brazil, Colombia, India, Japan, Korea, Nigeria, Philippines, Turkey and the Ukraine. This was presented at the GLU Alumni workshop in Berlin 16<sup>th</sup> September 2008 (Webster, et al, 2008).

This phase of the Representation Gap study revealed that organising workers in MSEs requires a different strategy by trade unions. The study suggested that a starting point to closing the representational gap could be the use of *mapping* as an organisational tool. For Burchielli, Buttigieg and Delaney (2008) mapping had proved useful in overcoming the isolation and the lack of worker identity experienced by home-workers in their study. In 2000, Home Workers Worldwide (HWW) secured funding to coordinate a home-workers mapping programme over a three year period in fourteen developing and transitional countries. The HWW believed that a mapping programme could improve home-working conditions by developing and strengthening organising at the grassroots level, as well as improving the HWWs capacity to advocate change in their working conditions at the international level.

The HWW mapping programme used a ‘Mapping pack’ that provided a guide to the research mapping process (Ibid, 169). There are two ways of conducting mapping: horizontal (HM) and vertical (VM). HM refers to the method used to document and identify the characteristics of the worker, their location and industry sector, by contacting individuals in their homes or communities. HM focuses on gathering data on demographic characteristics of workers, their home situation, their work processes, their employment relationships, payment amounts and processes and the problems and issues that they face. In contrast, vertical mapping (VM) refers to a process that identifies the chain of production linking home-workers, subcontractors, intermediaries, buyers and brand owners (Ibid, 169).

In addition to data collection, another crucial activity in the mapping process relates to training. During HM, a number of newly identified home-workers were trained as part of an action research team. This assisted in organisation building. Researchers and grassroots leaders received training in the research method and in organizing strategies with the clear aim of building an organization through their ongoing contact with home-workers as they conducted the interviews and collected the relevant data.

In their evaluation of the mapping programme, Burchielli et al (2008) argue that home-work mapping is effectively a form of organising. It is, they argue, a way of identifying home-workers and their employers, supply chains and markets, as well as a way of helping workers to form organisations that would improve their wages and employment conditions or livelihood. They suggest that with the steady rise of informal, contingent and non-standard work many workers could benefit from this process of mapping. ‘The horizontal and vertical mapping tools’, they conclude, “may be adapted to identify informal workers and their conditions and to reveal the place and the relationships of workers across supply chains” (Ibid, 176).

This successful mapping programme run by HWW persuaded us to adopt a similar method in attempting to identify strategies for closing the representation gap amongst MSEs. We decided to test the mapping model as a tool for organizing purposes. We designed a seven step process in which the researchers would locate those MSE workers who are often invisible, working from home or in small micro enterprises. Through the mapping process we would make them aware of their identity as workers and their collective interests. Through the interviews and workshops, MSE workers would begin to frame their sense of injustice in ways that could enable organising. Known as mobilisation theory, this approach provides an explanation for individual participation in collective action and organisation. Worker mobilisation identifies collective interests: it is achieved through the promotion of injustice frames – largely generated by leaders (Kelly, 1998). It is consistent with the organising model approach that has been adopted in many unions in industrialised countries to increase and promote active membership (Frege and Kelly, 2004). This approach is particularly applicable to

workers in MSEs where work is often informal and non-standard – these workers, we hypothesized, stand to benefit from the process of mapping.

In our study, the aim was to conduct a horizontal and vertical mapping exercise amongst MSE workers in nine countries and to produce a report of the results of the mapping exercise (horizontal and vertical) which would outline a strategic plan for organising workers in MSEs. The ultimate aim of the study was on implementation of the strategies for closing the representation gap amongst MSE workers.

As the research consultants, we were commissioned to co-ordinate the researchers in the nine country case studies, ensure that the nine country case studies were written up, and produce a final synthesis report that summarised the findings of the nine case studies. The report would outline the benefits and limitations of mapping.

The study commenced in October 2008 and each researcher in their respective countries was tasked with the following activities. They first had to hold a discussion about the aims of the research project with the respective trade unions in each of their countries and identify a core group of five workers from MSEs to become part of a research team or circle. Once they had carried out these two steps, the researchers then conducted a one-day workshop with the research circle and role playing the interview or conversation that the researcher should hold with the MSE worker in order to gather information about the worker and his or her working conditions (this would form the horizontal mapping part of the study). Based on this, the researchers then submitted an interim report which contained information about the outcome of the workshop. The researchers then instructed their respective research circle to embark on the horizontal mapping exercise and their target was to interview 25 MSE workers. The researchers had to act as co-ordinators for the research circle. Simultaneously the researchers carried out a vertical mapping exercise where particularly they had to research the supply chain of the targeted sector, drawing on the work of Gereffi et al (2005) in this regard. The vertical mapping of a specific supply chain required the researchers to interview the workers engaged in the supply chain, as well as the unions, the employers and even government officials. Initially for some of the researchers, a useful entry point to locating the supply chain was to start with interviewing the workers first and then ask for referrals to other workers, employers and the like who could answer the questions. To facilitate this, the researchers could make use of the questions appearing in Item 4 of the questionnaire (refer to appendix A) as a guide but also to access initial information. If the vertical mapping exercise was successfully executed, the following information should have been generated; information on the specific nodes in the supply chain (even though for some sectors there may be unstable supply chains), the number of nodes in each chain, the specific work done in each node, the contribution of each node to the value chain (which part or aspect of the product or service), the number of subcontractors or firms engaged in each node, the price-setting and payment arrangements in each node and whether

the enterprise is tied to a particular buyer, the nature of the relationship between contractor and subcontractor. The researchers also had to research the nature of employment relationship between workers and firms in each node of the chain, the relevant regulatory framework on labour relations and working conditions pertinent in each node. Particularly the researchers needed to understand how the regulatory framework applied to all the nodes and whether there are specific regulations per node. The researchers had to ascertain whether the workers in each node are organised and if so, in what form but they also had to identify the potential sources of power and opportunities for workers and unions in the supply chain. Lastly the researchers had to make recommendations as to the form, structure and processes of organising, recommend specific policy and regulatory changes that are needed in order to enhance protection and representation of workers in MSEs in the supply chain. All the information gathered had to be written up in the form of a draft action plan for the trade union but this had to be largely based on the results of vertical and horizontal mapping exercises. The action plan had to focus on the organisational and or representation issues and recommend changes in the policy/regulatory framework. Once this was done, the researchers convened a second workshop and invited the trade union and outside experts from universities and other labour research institutions, NGOs and community organisations to hear the results of their research.

## **2. Theoretical framework**

The assumption underlying our research is that the failure of traditional industrial relations actors to respond to the representation gap has created the space and the need for new actors to fill the gap. These actors, such as NGOs, global union federations, and social movements, may not be new but they are playing a different role in shaping employment relations at workplace level. In some contexts, these actors interact and permeate each other's sites and spatial boundaries in acknowledgement of each other and to complement each other's resource capacity constraints (Cooke, 2009). The emerging role of these new actors has been documented in a number of studies (Heery and Frege, 2006) However, there have been limited studies on these new actors in the Global South.

We took as our point of departure research in Europe on the challenge faced by trade unions by non-standard employment, Regalia identified two dimensions to union responses. The first dimension is determined by the degree of awareness of the specific nature of the interests of non-standard employees, the second is the willingness of trade unions to innovate with representation models (Regalia, 2006) (refer to Figure 1 below).

Using this two dimensional matrix, we identified a set of questions (Appendix A) in which union responses could be located



**Figure 1: Union awareness and representation of non-standard workers**

		Willingness to innovate representation models	
		Low	High
Awareness of specific nature of non standard workers' interests	Low	1. Indifference	2. Imitative extension of protection
	High	3. Resistance/reduction of differences	4. Specialisation of protection Reconfiguration of representation

### 3. Results of the mapping process

The horizontal mapping exercise results from the nine case studies are as follows.

#### **Brazil<sup>3</sup>**

A horizontal mapping exercise was undertaken amongst workers employed in call centers in MSEs in Brazil. The target population was thirty MSE workers in the Rio de Janeiro and São Paulo area where the majority of call centers in Brazil are concentrated. However, no plan of action was developed with the union and they also welcomed the recommendations.

#### ***Formation of research teams and training***

A core group of six researchers was established followed by a training workshop and in turn this research circle administered the questionnaire to thirty MSE workers.

#### ***Organising challenges***

The researchers were able to obtain demographic data on workers which opened up space for organising. Workers grievances were brought to light and the union was able to capitalise on this sense of injustice and frame it in a way that led to their recruitment into the union, the Rio de Janeiro Banking Workers' Trade Union (SEEB Rio) and Telephone Operators' Union (Sinttel RJ). Female workers are dominant in this particular sector and are prone to a variety of gender related grievances in the workplace. They therefore saw the union as their source of power. Despite the fact that some of them were highly skilled and well educated, their wages are very low. Job instability is closely linked to the difficulties of meeting their sales targets. Another reason for the high turnover of employees is

<sup>3</sup> This is a summary of the report submitted by Juçara Portilho Lins (Jô Portilho)

the damage of working long hours and the damage to their health as a consequence.

Unionisation in Brazilian Call Centers is very rare. The explanation for this lies in the high turnover, union indifference, and the lack of a tradition of unionisation amongst call centre workers. The process of outsourcing that started during the nineties limited workers rights under the labour law. Even in established banking services, outsourced employees cannot join the Banking Workers' Union. However in some places, such as Bahia, these workers have a militant and young union. As it cannot enter into national agreements, the members join and then leave, which contributes to instability in the union.

#### **Turkey<sup>4</sup>**

The study focused on moto-couriers in Istanbul. No plan of action was drawn up with a union.

##### ***Formation of research team and training***

Initially, a core group of one researcher and five research assistants, who are also the moto-couriers was established as a research team. This was followed by a training workshop and interviews with key actors who understood the sector. The research team conducted interviews with 22 moto-couriers. Moto-couriers are under constant pressure to meet tight dead-lines and are constantly racing against time while they are doing their job. It was also apparent that the economic crisis increased the speed of work and competition between moto-couriers. The moto-courier sector is highly mobile and it was initially thought that this would make the research difficult to conduct as it would be hard to keep the workers together and the workers may find it difficult to make the time to answer the questions. . The economic crisis helped to resolve this as many moto-couriers had to wait for calls to work as there was now a reduction in the number of orders. Interviews were conducted at meeting places under a bridge or motorway. These are jokingly referred to as "call centers".

##### ***Organising challenges***

Unionization in the moto-courier industry in Turkey is almost absent. This could be attributed to three major factors. Firstly the industry does not have a legal definition yet although unions organized in the transport sector are entitled to organize moto-couriers. There are two authorized transport workers' unions in Turkey: Tum-Tis affiliated to Turk-Is Confederation and, Nakliyat is affiliated to DISK Confederation.

Secondly, unions are not interested in organizing moto-couriers. Due to their lack of skills, including widespread grievances in the sector, the couriers believe that unions are the only way that workers can improve their conditions. Although workers are willing to be organized, the unions seem indifferent. One of the two established unions, Turk-Is/Tum-Tis has to date not initiated any programmes to organize moto-couriers. This union point out the difficulties in organizing in such

---

<sup>4</sup>This is a summary of the report submitted by Gaye Yılmaz, Tolga Tören, Elif Sinirlioglu and Nevra Akdemir.

a mobile sector, adding that the union lacks the capacity to mobilize the many number of activists needed to organize moto-couriers. The second union, DISK/Nakliyat-Is, is more responsive and has attempted to organize moto-couriers several times in the past. The president of those union states that all their attempts in the past failed mainly due to the very mobile nature of the job itself, meaning that they lost the contacts that they had established.

### **South Africa<sup>5</sup>**

This study focused on the Cut-Make-and Trim (CMT) MSE clothing workers Fashion District in the inner city of Johannesburg. Although contact and discussions took place between the researchers and the head officer and local branch of the union, no union endorsed plan of action emerged.

#### ***Forming Research Teams and training:***

A research circle of four MSE workers was formed with the assistance of the union for the sector, the Southern African Clothing and Textile Workers Union (SACTWU), from workers in the CMTs. They interviewed, using the questionnaire, their fellow MSE workers, and gathered data on this group of workers.

#### ***Organising challenges***

Unionisation in the clothing and textiles industries in South Africa has been fairly successful. The reason can be attributed to two major factors. First, the industry is an established one and SACTWU and its predecessor have been organizing workers since the 1930s. The downsizing measures embarked on by some South African firms have also resulted in the union developing a bargaining strategy that seeks to balance improved wages and conditions with job protection (Budlender, 2009:40).

Secondly the industry is labour intensive and usually requires less skilled workers who are predominantly women. Due to their lack of skills including their grievances in both the private and public spheres, these women workers tend to look at unions as restoring their power. This presents a good opportunity for SACTWU to close the Representation gap in MSEs in the industry.

The results of the study demonstrated that six of the MSE workers interviewed actually belong to a union while seven do not but that they clearly indicated that they would consider union representation if it means better working conditions, protection from the employer (possibly meaning the threat of unfair dismissal). The participants are more concerned with employment benefits such as medical cover, safe working environment and better remuneration.

---

<sup>5</sup> This is a summary of the report submitted by Christine Bischoff, Professor Edward Webster and Janet Munakamwe.

**Korea**<sup>6</sup>

The mapping exercise was carried out with MSE workers in the chemical, metal and printing sectors, as well as a group of self-employed workers.

***Formation of research teams and training***

A workshop was held where the researchers were trained in interviewing but no plan of action, endorsed by a union, emerged. Interviews were carried out amongst workers under threat of being laid off and were in unstable employment situations with many having unpaid wages.

***Organising challenges***

MSEs pose a number of organisational challenges. Firstly, the Labor Law is not implemented in MSEs and there is no enforcement, for example, of the law that requires employers to pay extra for night work. Secondly, there are anti-union attitudes - "If they join the trade union, there are the possibilities of dismissal by the owner". Thirdly, while the self employed are vulnerable to insecurity they are not able to join a union

**Ukraine**<sup>7</sup>

This study focused on the retail sector in Ukraine's leading trading centre, Donetsk. The sector employs large numbers of low paid employees, working frequently in informal employment relationships under harsh conditions. No plan of action was developed with the union.

***Formation of research teams and training***

A research team of six researchers was formed drawn from MSE workers in the retail sector. A workshop was held at the offices of the Independent Trade Union of Miners of Ukraine in December 2008. At the workshop the research team was told of the aims of the project, a target group of workers was identified, and the researchers trained in interview techniques.

***Organisational challenges***

Although an informal economy existed in the Soviet Union, it has expanded rapidly post-1991. Tissen (2001) claims that there over 7 million workers working in MSE in Ukraine, among which the share of registered micro enterprises (1-5 persons employed) constitutes only 37.6%, and around 62.3% of workers are employed informally. Unions have not addressed informal and unprotected MSE workers until recently (Glovackas 2005).

General labour legislation covers enterprises irrespective of their size. Some provisions exclude informal economy workers. Labour laws and Labour Code, as they inherited pro-worker socialist traditions (dating back to 1971) guarantee a broad scope of rights to workers and to their unions. But in practise there is weak enforcement, insignificant sanctions for violations, and low legal awareness by workers. Labour inspectorates are understaffed and under-resourced. Until recently they are deprived of the right to attend enterprises without prior notice.

---

<sup>6</sup> This is a summary of the report submitted by Sunghee Park.

<sup>7</sup> This is a summary of the report submitted by Lyudmyla Volynets.

**India<sup>8</sup>**

This report is based on a mapping exercise of home workers and MSEs involved in garment production in the Dharavi area of Mumbai (known as Asia's largest slum). Historically Mumbai was the centre of the large scale factory production of textiles with an estimated 150 000 workers in the seventies (Sawant, 2010). In 1981 a nine month long strike took place in the mills. The union was defeated and production was decentralised and relocated to "backward areas" (Sawant, 2010). Ela Bhatt, the founder of the Self Employed Women's Union (SEWU) had worked in the women's section of the textile union until 1972 when she resigned. She had come to realise that the wives of the textile workers needed help to obtain loans as they worked from home and were self employed. She realised that these women needed help to start their own microenterprises (Sawant, 2010). This study has attempted to gather socio-economic information of the workers working from home and in these MSE's in Dharavi, their grievances and the issues on which unionization of these workers would be possible.

***Formation of research teams and training***

A workshop was held where a research team was created with five research assistants. The team assisted in sampling and then each of them interviewed 10-15 MSE workers. Altogether 70 questionnaires were completed. Of the five research assistants, three are members of a union known as "LEARN Mahila Kamgaar Sanghatana" [LEARN Women Workers' Union<sup>9</sup>. The union was initiated by an NGO working amongst these informal garment workers called Labour Education and Research Network (LEARN).

***Organisational challenges***

Most of the respondents felt that unionisation would be a positive step in solving their grievances. One woman spoke of how the union had been able to increase the payment from 2 rupees to 5 per garment. Some of the key issues which were raised was the need for a fair wage, decent working conditions and regulated time for working. They raised the issue of verbal sexual abuse.

During the horizontal mapping process, these research assistants reached a large number of workers involved in garment MSE's and enrolled them into membership of their women worker union. Not only was the mapping exercise successful in recruiting new members but due to the mapping exercise, men approached the women's union to join. This resulted in the formation of a union called "LEARN Garment and Allied Workers Union" in which men and women are members. They have an office in the heart of Dharavi where they meet regularly.

---

<sup>8</sup> This is a summary of the report submitted by Nitin More.

**Japan<sup>10</sup>**

This study focused on the Federation of Workers' Union of the Burmese Citizens (FWUBC) in Japan. The FWUBC is an individual-based union, not an enterprise union. The number of individual unions based in the community has been increasing in Japan. They are called 'community unions' and are targeting youth workers, women workers and agency or labour broker workers.

All members of FWUBC are Burmese and its' aim is to organize Burmese workers in Japan and expose human rights abuses in Burma .It is supported by the Japanese Trade Union Confederation and is affiliated to the National Centre of Free Trade Unions of Burma. The majority of the members of FWUBC work in restaurants in Tokyo and in the surrounding areas. According to the statistics there are around 10,000 establishments in the restaurant sector in Tokyo. 96% of them are establishments employing less than 29 workers. 76% of them employ less than 9 workers. Thus, the restaurant sector is dominated by MSEs. The second largest proportion of Burmese workers in Japan work in the Gunma and Tokai area where automobile manufacturers and suppliers are concentrated and they are mostly employed as temporary agency workers.

***Formation of research teams and training***

A pre-workshop was held with the FWUBC executive committee to explain the mapping process, choose a research team and discuss Japanese labour law. At the first workshop the researchers were trained in the use of interviewing through role playing. At the second workshop the results of research were reported on, the data analysed and an Action Plan developed with the union.

***Organisational challenges***

Respondents identified the precarious nature of their work, their long hours (average of 9.5 hours per day for 5.6 days a week) and wages below the minimum wage rate as their main grievances. Over two thirds (68%) were part-time workers, and almost a fifth (16%) were temporary agency workers and 12% were trainees. They were, in general, positive about joining a union and examples emerged in the course of the interviews where workers had made demands which had been met.

**Nigeria<sup>11</sup>*****Formation of research teams and training***

The focus of this study was on the Automobile Repair and Part Selling Sector in Abuja, Nigeria (Apo Automobile and Technical Site).The mapping exercise began with a one-day meeting of the research team (core group) held on 5<sup>th</sup> November, 2008. It was attended by a team of five persons with three persons identified in the sector as co-researchers and the other two as lead researchers. The co-researchers also doubled up as representatives of the MSE employees.

---

<sup>10</sup> This is a summary of the report submitted by Naoko Otani.

<sup>11</sup> This is a summary of the report submitted by Eustace Imoyera James and Joel Odigie.

The one-day meeting acted as a training workshop for the three co-researchers who had to administer the questionnaire. The three identified co-researchers are executive members of an association (National Automobile and Technical Association (NATA)) already in existence in the sector. This informal economy association has a national structure and an executive body. The project dealt with the Apo-Abuja Chapter of NATA.

The meeting agreed on the research circle and modalities to engage in the project and mobilized interviewees. The target population was twenty-five MSEs' workers working within the Apo Automobile and Technical Site in Abuja. There was a random sampling of the respondents to the questionnaire as suggested by the co-researchers. The exercise started as scheduled but was delayed due to some constraints resulting from non-quick return of the questionnaire by the respondents, which they explained was due to lack of time as they were very busy in December attending to customers preparing to travel during the year tide season. This delayed the convening of the second enlarged workshop.

### ***Organisational Challenges***

For the Automobile Sector, the NLC has identified the operators who are members of NATA as a veritable area for unionization. To achieve this it has decided to adopt what it termed the "Stand Alone Unionisation", rather than merging with an existing union, the transport union. This is because there is an informal association (NATA) already in the MSE sector, which given the size and composition can be registered independently as a trade union. The Congress and its affiliates need to assist NATA with organizers training, production of union constitution, and formal registration and conscientising workers about unionism. On the level of policy, it is the idea of the NLC that the emerged NATA as a union is affiliated to the NLC and accorded the same rights and privileges as an industrial union. There is the need for a research component in organizing the informal economy. Finally, the Recommendations in the Third Phase of Closing the Representational Gap research exercise will be fully pursued to help in closing the representation gap.

### **Philippines<sup>12</sup>**

The three person Philippines research team chose to do a case study of MSEs in the garment sector in Dasmariñas, Cavite, a province adjacent to Manila where a large export processing zone is located. A plan of action was drawn up with the union.

### ***Formation of research teams and training***

A research team was established drawn from seven currently employed and unemployed MSE workers. They attended a workshop at one of the houses of a former sewer-turned micro garment business contractor. The business itself is not yet in full swing but the garage-turned-workshop serves as a hub of around ten workers living around the area ready for dispatch when work begins. The

---

<sup>12</sup> This is a summary of the report submitted by Melisa R. Serrano, Ramon A. Certeza and Mary Leian C. Marasigan.

workshop was very informal. The researchers informed the team what the research was about and then went through the questions to be asked and how to encourage responses from the interviewees.

### ***Organising Challenges***

The horizontal mapping survey results for the sample of twenty-five micro and small enterprise garments workers indicated that there is a willingness to join a union among the mostly female respondents, but that the short length of employment of a substantial number of them begs the question of whether a union for the purpose of collective bargaining is sustainable, let alone possible under the present laws.

Based on the survey results, there is a high level of job insecurity especially among the younger workers whose employment they describe as being temporary, casual, or on a per project basis only. These workers are therefore mobile and they move from one employer to another every so often. Since they are not regular employees, collective bargaining is not possible.

Why an association instead of a union? In the Philippines, unions may only be formed in establishments with ten or more workers. This means that micro enterprises defined (in terms of number of workers) as having ten or less workers fail the criteria. Secondly, most employees only work for irregular periods, such as when there is a project; a fixed term of 5-months; or when there is a spike in production orders. Under this situation and in the present laws, collective bargaining becomes untenable because only regular workers can bargain with the employer. Thus, a union with mostly non-regular members, if established, may not be sustainable.

To overcome the representation gap in MSEs, it may be more useful for unions to form workers into associations around areas where many garment factories are located. These groups could be community-based and part of its services could be employment facilitation and a support group for employees experiencing problems at work. Also, they could serve as information centres on available training opportunities and livelihood programs. A union may take these workers under its wing, therefore, not for the purpose of bargaining for increasing wages or benefits but to facilitate training which will increase their chances of getting better pay and provide social welfare assistance in case of illness or accident. Considering that many garment workers are female, day-care service may also be useful.

Another possibility is to establish a garment cooperative under the workers' association. Like other MSEs, it can serve as a subcontractor for bigger garment manufacturers. Co-operators will be the workers themselves. Initial funds may be sourced from the Department of Labor and Employment's grant for any registered group of distressed workers venturing into small business. In the course of this research, we were able to help facilitate the registration of the interviewers' group into a workers association so that they may be able to avail of said facility.



In some ways, the nature of employment of workers in MSEs are semi-formal/informal in that they may sometimes find work in small, yet registered garments companies that have been operating for a long time (some may have been bigger outfits in the past, but later became small firms), but at other times get hired in informal home-based family business. These shifts from formal to informal employment pose more complications for typical unions, but less so for looser structured workers associations.

#### **4. Evaluation of the mapping method as an organizational tool: benefits and limitations**

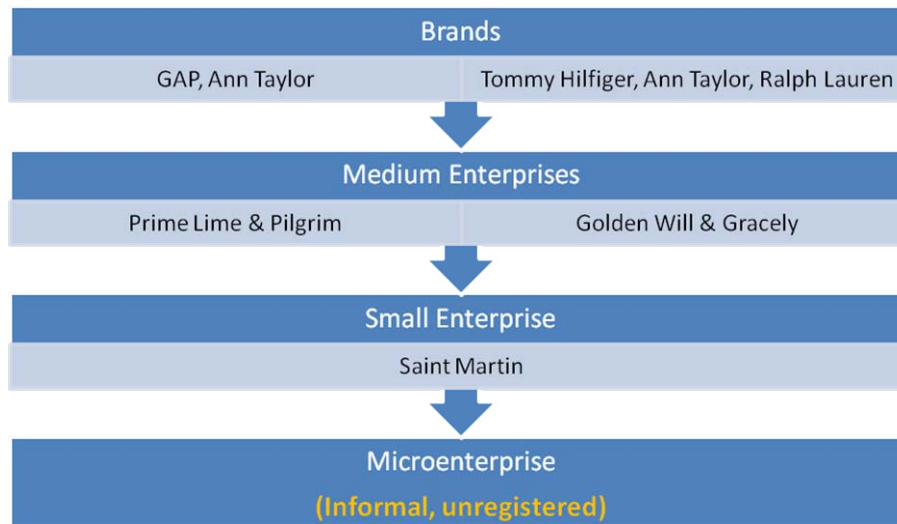
In all nine countries the local researchers ran an initial workshop where a research team was formed from amongst MSE workers in the chosen sector. The researchers were then trained on how to conduct a horizontal mapping process. In all nine cases the horizontal mapping process was successfully completed although it was necessary to adapt the questions to the local and sector context.

The interviewing process took longer than the initial two month timetable. In part this was because it coincided with the end of the year work pressures and festivities. However from the reports we have received it would be fair to conclude that the various activities that the workers were involved in had positive outcomes for them as individuals. The workshops, the training and the participation in the mapping process, enabled them to develop new skills, increased their personal confidence and raised their consciousness as workers. Our study confirmed the findings of the HWW study; mapping is effectively a way of organizing workers into trade unions. MSE workers were recruited into existing unions through the mapping process in for example, Brazil, India and Japan.

However, only one country, the Philippines, conducted a vertical mapping process. Through a useful analysis of the garment supply chain, the research team showed how local suppliers, especially MSEs, are held hostage to the job orders of powerful lead firms and their largely invisible intermediaries. They are part of a 'captive value chain', where suppliers are captive of much larger buyers such as Gap and Wal-Mart, who have control over price and sourcing locations (Gereffi, Humprey and Sturgeon, 2005). Intermediaries or traders who have no production capability are largely responsible for geographically spreading production around the world. They take orders from large manufacturers who sub-contract orders to factories, who then subcontract further down the line to other enterprises that are most often MSEs and to some extent home-workers. Most often, MSE workers do not have the slightest idea for what particular type of garment the part is meant for, where it will be heading to, and what label it is.

The vertical mapping activity revealed the following supply chain for a particular small enterprise, Saint Martin, is illustrated in figure 2 below.

**Figure 2: Supply chain: From Brands to Small Enterprises, Philippines**



One of the interviewers of the study’s horizontal mapping activity works for a microenterprise in this supply chain. The MSE is currently being organized into a workers association by a member of the research team. The workers association will be registered with the Department of Labor and employment.

We summarise the results of the mapping process in Table 1 below.

**Table 1: Summary of the mapping process**

Country	Create research team	One day training workshop	Mapping Horizontal	Vertical mapping	Develop plan of action for the union
Brazil	√	√	√	X	X
India	√	√	√	X	√
Japan	√	√	√	X	√
Korea	√	√	√	X	X
Nigeria	√	√	√	X	√
Philippines	√	√	√	√	√
South Africa	√	√	√	X	X
Turkey	√	√	√	X	X
Ukraine	√	√	√	X	X

A major limitation of our study is that not all research teams succeeded in gaining union ownership of their plan of action. How do we explain these different responses by trade unions to the challenge of representing the interests of marginal and vulnerable MSE workers? While there will obviously be a range of contingent factors shaping local dynamics, the data gathered in these nine

studies seems to support research done in Europe on the challenge to unions of representing non-standard workers (see Regalia (2006)).

From our case studies, it seems as if trade unions in Brazil and Turkey have little awareness of the interests of call centre workers or with moto-couriers in their respective countries. As a result unions remain indifferent to the need of MSE workers for representation (which is Quadrant 1 in Figure 3 below). Why trade unions seem indifferent to these workers is not clear from the case studies, although the difficulties in organizing moto-couriers were identified as a key factor. While a similar low awareness of the interests of retail workers exists in the Ukraine, and amongst restaurant workers in Korea, the response of unions to the representation gap in these two case studies has led to the extension of current forms of protection to MSEs (which is Quadrant 2). This response differs from Quadrant 1 as it views MSEs, not as marginal or unimportant, but as highly destabilizing because they produce workers with interests different from those of established enterprises. Indeed some trade unionists in this category of response would see workers in these enterprises as unfair competition (which is Quadrant 3).

The South Africa response is more complex. The union, SACTWU, has a high degree of awareness of the interests of non-standard workers and MSEs and has attempted to organize home-workers in the past. In a report on SACTWU's attempt to organize home-workers in Mitchells Plain in Cape Town, Bennett concluded that the unions attempt to organize informal sector workers failed because the union relied on "conventional trade unionism forged in the formal workplace, creating shop steward structures, focusing on the workplace, and establishing a negotiated relationship with the direct employer, instead of assessing where the real power these workers possessed resided." For Bennett it lay in the formal sector originators of the clothing orders (Bennett, 2002).

However the current strategy of SACTWU is to extend the existing forms of representation to MSEs. We have included our case study on the clothing sector in Quadrant 2 as the union seeks principally to bring MSEs within the existing form of representation – the bargaining council - and, as far as they can, secure for them the protections enjoyed by other workers. But Cosatu's response to the informal economy would place it in Quadrant 3 as very few of their affiliates represent non-standard workers. The regulation of non-standard employees is consequently left implicitly or explicitly to the initiative of others, such as the now defunct 'Self Employed Women's Union' (SEWU) that organized street traders and home-workers in Durban. As a result, the dominant response in Cosatu has been to rely on the state to restrict the development of new forms of employment by, inter alia, calling rhetorically for the abolition of labor brokers (temporary employment service).

However in four of the case studies – the Burmese immigrant workers in Japan, the garment workers in India, the auto repair workers in Nigeria and the garment workers in the Philippines – the researchers were able to develop a plan of action with a trade union. This response is depicted in Quadrant 4 where unions come to

recognize that the needs of workers in these new forms of employment cannot simply be ignored nor dealt with simply by resorting to an imitation of existing models of representation. In all four cases new forms of representation have emerged outside of the established trade union movement.

In the case of the Burmese immigrant workers in Japan, a new form of community based trade union has emerged operating outside the dominant traditional model of enterprise trade unionism. In Nigeria informal auto workers have formed a worker association outside of the formal trade union movement. In the Philippines the irregular nature of employment has led to experimentation with a new community based worker association, while in India the mapping method facilitated the creation of a new union amongst informal garment workers, the LEARN Garment and Allied Workers Union.

The four quadrants are captured in Figure 3 below:

**Figure 3: Union awareness and representation of non-standard workers**

		Willingness to innovate representation models	
		Low	High
Awareness of specific nature of non standard workers' interests	Low	1. Indifference Turkey Brazil	2. Imitative extension of protection South Africa Ukraine South Korea
	High	3. Resistance/reduction of differences	4. Specialisation of protection Reconfiguration of representation India Philippines Nigeria Japan

Source: Regalia (2006:248).

## 5. Conclusion

It is possible for us to conclude that, while there were positive outcomes both individually and organizationally from this mapping exercise, it was only in the Philippines and India that the mapping exercise facilitated a closing of the representation gap. What were the conditions for their success?

Two crucial conditions can be identified. Firstly, the mapping process works best where MSE workers are already organized into some form of pre-existing association, either a labour supporting NGO or a worker association that has a firm presence amongst MSE workers. Without this form of embedded solidarity the research team struggles to find a point of entry and an informal network to engage in the mapping process. In India, for example, a labour supporting NGO, LEARN, and a union for female home-workers already existed. Secondly, both case studies benefitted by links with university based intellectuals developed by the Global Labour University (GLU). In the case of the Philippines the union organizer worked with two GLU alumni from the School of Labour and Industrial Relations at the University of the Philippines. This enabled the team to undertake the only successful vertical mapping exercise in the project. In the case of India, the researchers had a link with the Tata Institute of Social Sciences in Mumbai.

MSE workers have minimal structural power, whether in the workplace or in the market (Silver, 2003). Horizontal mapping is a useful tool to recruit and establish a presence amongst MSE workers, but to become sustainable these embryonic organisations will need to build associational power in the community through taking struggles into the public domain. Jennifer Chun calls this symbolic power, “Symbolic leverage attempts to rebuild the basis of associational power for workers with weak levels of structural power and blocked access to exercising basic associational rights by winning recognition and legitimacy for their struggles” (Chun , 2009: 17). This involves redefining what it means to be a “worker” and an “employer” in the eyes of the public, rather than the law (Chun, 2009:18). It is also aims “at restoring the dignity of and justice for socially devalued and economically marginalized workers” (Chun, 2009:17).

While Chun uses the concept of symbolic power as a source of leverage for marginalized workers in the service sector, we would argue for the recognition of an equally powerful new source of power, logistical power. This form of power is potentially available to marginalized workers at the bottom of the supply chain in manufacturing sectors such as clothing through their leverage in these new global production chains. Vertical mapping is the tool that can make visible the location of workers in the supply chain and their power to disrupt the global production chain (Webster, Lambert and Bezuidenhout, 2008:12).

## References

- Bennett, M., (2002), *Organizing workers in small enterprises: the experience of the Southern African Clothing and Textile Workers' Union*, SEED Working Paper No. 33
- Budlender, D., (2009), *Comparative Study on Industrial Relations and Collective Bargaining: South Africa Report*, paper presented at the Negotiating Decent Work Conference, ILO, Geneva
- Burchielli, R., Buttigieg, D. and Delaney, A. (2008), Organising howeworkers: the use of mapping as an organizing tool, in *Work, Employment and Society*, Volume 22, Number 1, March, pp 167-180
- Cooke, F.L. (2009): The enactment of three new labour laws in China: Unintended consequences and emergence of 'new actors in employment relations, *Regulating for decent work: innovative regulation as a response to globalisation*, Conference of the Regulating for Decent work network, International Labour Office, Geneva, Switzerland, 8-10th July
- Chun, J.J. (2009), *Organising at the margins: the symbolic politics of labor in South Korea and the United States*, USA: Cornell University Press
- Frege, C. and Kelly, J. (eds) (2004), *Varieties of Unionism: Comparative studies for union renewal*. Oxford: Oxford University Press
- Gereffi, G. Humprey, J. and Sturgeon, T. (2005), The governance of global value chains, in *Review of International Political Economy*. 12:1, February, pp.78-104
- Glovackas, S. (2005), *The Informal Economy in Central and Eastern Europe*, paper prepared for ITUC 10
- Heery, E and Frege, C. (2006), *New Actors in Industrial Relations*, *British Journal of Industrial Relations*, 44 (49): 601-604
- Kelly, J. (1998), *Re-thinking industrial relations: mobilization, collectivism and long waves*. London and New York: Routledge
- Regalia, I. (ed), 2006, *Regulating new forms of employment: local experiments and social innovation in Europe*, USA: Routledge
- Silver, B. (2003), *Forces of Labour: Worker's Movements and Globalisation since 1870*, USA: Cambridge University Press
- Tissen, U. (2001): *Taxation of small and medium sized enterprises*, in *Institute of Economic Research and Policy Consulting Working Paper* 6, 12
- Webster et al, (2008) *Closing the representation gap in micro and small enterprises*, *Global Labour University Working Paper* number 3, Germany
- Webster, E, Bezuidenhout, A. and Lambert, R. (2008), *Grounding Globalisation: Labour in the age of insecurity*, Blackwell: Oxford

Xhafa, E. (2007), Obstacles and positive experiences in achieving better protection and representation for workers in micro and small enterprises: a review of literature, Geneva

### **Interviews**

Sharad T. Sawant, 06. 01. 2010, Ambekar Institute for Labour Studies , Mumbai

## Appendix A

### Closing the Representation Gap in Micro & Small Enterprises Phase 3

#### A. Horizontal Mapping

##### Interview Guide/Template

**Instructions for interviewers:** The following questionnaire serves as your template in putting the responses of your interviewees during your conversations with them. It is advised that the generation of data and/or responses to questions in the questionnaire be elicited through an informal and open conversation. You may start by asking the interviewee: "How was your day?" or "How's work today?"

#### 1. Demographic Profile

##### 1.1 Gender

Female	
Male	

##### 2. Age: \_\_\_\_\_

##### 2.1 Education level

Primary	
Intermediate	
Secondary	
Vocational training	
Tertiary	

##### 2.2 Household<sup>13</sup> size

Number of household members	
Number of household members who earn an income	
Number of dependents outside the household	

#### 3. Employment situation

What is your job?			
What do you do in your job?			
Do you have an employment contract? (Please encircle)	Verbal	Written	None
How long have you been working in this job? (months/years)			

<sup>13</sup> Definition of household provided by Prof. Eddie Webster.



Would it be easy to lose your job?	___ Yes ___ No
Why?	

**4. Remuneration**

How much money do you earn a day?	
Do you earn the minimum wage? (Minimum wage: _____, please indicate currency)	Yes No
How many hours do you work a day?	
How many days a week?	

**5. Supply Chain**

Who buys your product or service?	
Do you know of anyone who works for the buyer of your product or service?	If _____ yes, name: _____ No _____
From whom do you buy/receive your materials or supplies?	
Do you know of anyone who works for the person or enterprise from whom/where you buy your materials/supplies?	If _____ yes, name: _____

**6. Problems at Work**

Do you encounter problems related to your work?
Job security
Wages and benefits
Working hours
Social security/health insurance
Health and safety
Relationship with employer/owner
Other

<p>Who do you approach to seek help when you have work-related problems?</p>	<p>___ co-worker                  ___ employer/owner/supervisor                  ___ union                  ___ NGO                  ___ church                  ___ others, please                  specify: _____</p>
<p>How can they help you? How have they helped you?</p>	

**7. Potentials for representation/organizing**

<p>What do you think would encourage you to consider being organized?                  What do you think would encourage your co-workers to consider being organised?                   (Which problems or issues at work would be a good organizing theme?)</p>	
<p><b><i>Ask only if worker is not part of the organisation:</i></b>                  What do you think would be the most appropriate form of organization for you?                  (Examples: union, association, cooperative, etc.)</p>	
<p>Would you consider being a union member?</p>	<p>___ Yes      ___ No</p>
<p>If no, what would make you consider?</p>	

## B. Vertical Mapping Guidelines

In undertaking vertical mapping, it would be helpful if the researcher would do some research on the supply chain of the targeted sector. Some materials are available in the LPG program, e.g. Gary Gereffi, etc. This would provide him/her a theoretical background and useful information on locating the supply chain. Prof. Eddie will provide a handbook on a labour benefit approach to supply chain analyses.

Vertical mapping of a specific supply chain will also require interviews with workers engaged in the supply chain, unions, employers, government officials and researchers. Initially, locating the supply chain may start with the workers themselves through snowball interviews. The responses of MSE workers on Item 4 of the questionnaire may provide initial information.

The vertical mapping exercise should generate the following information:

1. Specific nodes in the supply chain (keep in mind that there may be unstable supply chains)
2. Number of nodes in each chain
3. Specific work done in each node
4. Contribution of each node to the value chain (which part or aspect of the product or service)
5. Number of subcontractors/firms engaged in each node
6. Price-setting and payment arrangements in each node. Is the enterprise tied to a particular buyer?
7. Nature of relationship between contractor and subcontractor
8. Nature of employment relationship between workers and firms in each node of the chain
9. Relevant regulatory framework on labour relations and working conditions pertinent in each node (Do existing regulatory framework apply to all the nodes? Are there specific regulations per node?)
10. Are workers in each node organized? In what form?
11. Potential sources of power and opportunities for workers and unions in the supply chain
12. Implications of the characteristics of supply chain on organizing (What would be your recommendations on the form, structure and processes of organizing?)
13. Specific policy and regulatory changes that are needed to enhance protection and representation of workers in MSEs in the supply chain

## About the authors

**Melisa Serrano** is currently pursuing PhD in Labour Studies in the University of Milan, Italy. She is graduate of the Global Labour University in Germany in 2006. Melisa is also a researcher/extension specialist (on leave) in the School of Labor & Industrial Relations, University of the Philippines.

**Edlira Xhafa** is currently pursuing PhD in Labour Studies in the University of Milan, Italy. She is graduate of the Global Labour University in Germany in 2006.. Edlira is also formerly Executive Director of the Albanian Trade Union Centre for Education & Research.

**Professor Edward Webster** is the Ela Bhatt Visiting Professor of Development and Decent Work, International Centre for Development and Decent Work, Kassel University; Professor Emeritus, Sociology and the former director of the Society, Work and Development Institute (SWOP), University of the Witwatersrand, Johannesburg

**Christine Bischoff** is Projects and Research Manager, Society, Work and Development Institute (SWOP), University of the Witwatersrand, Johannesburg

### Members of the GLU network:

British Trade Union Congress (TUC), U.K.  
Cardiff University, U.K.  
Central Única dos Trabalhadores (CUT) / Observatorio Social, Brazil  
Congress of South African Trade Unions (COSATU), South Africa  
Deutscher Gewerkschaftsbund (DGB) / DGB Bildungswerk, Germany  
European Trade Union Institute (ETUI)  
Hochschule für Wirtschaft und Recht Berlin (HWR), Germany  
Friedrich-Ebert-Stiftung (FES), Germany  
Global Union Research Network (GURN)  
Global Unions (GU)  
Hans-Böckler-Stiftung (HBS), Germany  
Industriegewerkschaft Metall (IG Metall), Germany  
International Federation of Workers' Education Associations (IFWEA)  
International Institute for Labour Studies (IILS), ILO  
International Labour Organisation (ILO) / Bureau for Workers' Activities (ACTRAV)  
National Labour and Economic Development Institute (Naledi), South Africa  
Ruskin College, Oxford, U.K.  
Tata Institute of Social Sciences, India  
Universidade Estadual de Campinas, Brazil  
Universität Kassel, Germany  
University of the Witwatersrand, South Africa

### Published GLU Working Papers

- No.1 Seeraj Mohamed; Economic Policy, Globalization and the Labour Movement: Changes in the Global Economy from the Golden Age to the Neoliberal Era, February 2008  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.1.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.1.pdf)
- No.2 Birgit Mahnkopf; EU Multi-Level Trade Policy: Neither coherent nor development-friendly, February 2008  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.2.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.2.pdf)
- No.3 Edward Webster, Christine Bischoff, Edlira Xhafa, Juçara Portilho Lins, Doreen D. Deane, Dan Hawkins, Sharit K. Bhowmik, Nitin More, Naoko Otani, Sunghee Park, Eustace I. James, Melisa Serrano, Verna D. Viajar, Ramon A. Certeza, Gaye Yilmaz, Bülend Karadağ, Tolga Toren, Elif Sinirlioğlu and Lyudmyla Volynets; Closing the Representation Gap in Micro and Small Enterprises, November 2008  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.3.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.3.pdf)
- No.4 Max J. Zenglein; Marketization of the Chinese Labor Market and the Role of Unions, November 2008  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.4.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.4.pdf)
- No.5 Wilfried Schwetz and Donna McGuire; FIFA World Cup 2006 Germany: An opportunity for union revitalisation? November 2008  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.5.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.5.pdf)
- No.6 Hansjörg Herr, Milka Kazandziska, Silke Mahnkopf-Praprotnik; The Theoretical Debate about Minimum Wages, February 2009  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.6.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.6.pdf)
- No.7 Patricia Chong; Servitude with a Smile: An Anti-Oppression Analysis of Emotional Labour, March 2009  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.7.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.7.pdf)
- No.8 Donna McGuire and Christoph Scherrer with: Svetlana Boincean, Ramon Certeza, Doreen Deane, Eustace James, Luciana Hachmann, Kim Mijeoung, Maike Niggemann, Joel Odigie, Rajeswari, Clair Siobhan Ruppert, Melisa Serrano, Verna Dinah Q. Viajar and Mina Vukojicic; Developing a Labour Voice in Trade Policy at the National Level, February 2010  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.8.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.8.pdf)

- No.9 Paulo Eduardo de Andrade Baltar, Anselmo Luís dos Santos, José Dari Krein, Eugenia Leone, Marcelo Weishaupt Proni, Amilton Moretto, Alexandre Gori Maia and Carlos Salas;  
Moving towards Decent Work. Labour in the Lula government: reflections on recent Brazilian experience, May 2010  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.9.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.9.pdf)
- No.10 Christine Bischoff, Melisa Serrano, Edward Webster and Edlira Xhafa;  
Strategies for Closing the Representation Gap in Micro and Small Enterprises, July 2010  
[http://www.global-labour-university.org/fileadmin/GLU\\_Working\\_Papers/GLU\\_WP\\_No.10.pdf](http://www.global-labour-university.org/fileadmin/GLU_Working_Papers/GLU_WP_No.10.pdf)