

# Towards a Better Future for All: informal women workers lead the way

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# The Informal Economy in India: size and contribution

93% of total workforce ( 500 million) and 94% of female workforce is informal

Contribution of the informal economy:

- 50% of India's GDP
- 55% of national savings
- 47% of exports



# The Informal Economy: Characteristics

- no work and income security
- no social security, social protection – insurance, sick leave, maternity leave, child care
- few laws, poor enforcement
- no fixed employer – employee relationship; no work security
- large segment are self-employed
- no voice, visibility – uncounted, undercounted, undervalued
- Overlap between informality, poverty and gender



# The Self-Employed Women's Association (SEWA)



- National trade union of 2.1 million informal women workers, in 18 states
- Founded in 1972 by Ela Bhatt in Ahmedabad, India
- Inspired by the values of Mahatma Gandhi
- Organises women through joint strategy of union and cooperatives
- Formed 150 women's cooperatives and collectives
- Promoted more than 5000 membership-based organisations

# SEWA's MAIN GOALS



- **Full Employment**
  - Work Security
  - Income Security
  - Food Security
  - Social Security
- **Self-Reliance**

## **Social Security**

- Health Care
- Insurance
- Child Care
- Housing
- Pension



# National Insurance VimoSEWA Cooperative

- Insurance programme started in 1992; both life & non-life products (health, accident insurance)
- National Insurance VimoSEWA Cooperative registered in 2009; 6,834 women share-holders from 5 states in India + 11 workers' organisations (union and cooperatives)
- 100,000 insured women, family members
- 10 products – health, life, accident, loss of daily income
- Products, services marketed by 200 Vimo Sathis, all informal women workers.

# VimoSEWA's services

## Services offered:

- Product development
- Insurance education
- Linking with insurers
- Selling products
- Claims processing
- Maintaining data base
- Linking with other SEWA cooperatives: SEWA Bank (savings, credit, pension),
- Lok Swasthya (primary health care)



# Performance & Impact

1. VimoSEWA is financially viable, generating profit, giving dividend;  
Growth: 10% per annum
2. Outreach – insureds in 7 states  
– 25 new partner organisations
3. Concrete economic benefit via claims : Rs. 255,528,325 or USD 3.38 million in 30 years (till 2021)
4. Government's health insurance schemes incorporate VimoSEWA's approach
5. Indian Parliament's Insurance Committee recognises VimoSEWA's approach
6. Microinsurance Committee set up by the Indian insurance regulator (IRDAI)



# Integrated Approach to Women's Economic Empowerment, Reducing Poverty and meeting the SDGs

Our experience: Biggest challenge is to reduce poverty, help people become self-reliant and reach the SDGs.

## 1. Work & Income Security

SEWA's Union and Cooperatives, Self-Help Groups and their Federations, other collectives provide livelihoods

Example:

- a) Street vendors
- b) Cooperatives in 6 sectors including agriculture, services



# Integrated Approach ( cont.)

## 2. Food Security

Example:

- a) ensuring government's foodgrain distribution reaches women (through SEWA Shakti Kendra/Empowerment Centres)
- b) children's nutrition in child care centres (through creches run by SEWA child care cooperative)

## 3. Social Security/Social Protection

Example:

- a) Health education, services, linkages with government public health system (through SEWA health cooperative);
- b) Microinsurance coverage through VimoSEWA.



# What we have learned

1. Importance of organising---the process of uniting people, communities, especially those left out like women, minorities. This is the first and most vital step towards reaching SDGs.
2. Building people's, membership-based organisations (MBOs) like cooperatives is essential for sustained action on SDGs and sustainability of the economic enterprise.
3. Governance is key; people should have voice and representation, ownership.
4. An integrated approach to poverty reduction will result in reaching SDG goals. Working only on one aspect will not work. Need action on several fronts.
5. SEWA 's experience points to the 4 pillars: Capitalisation, Social Protection, Capacity-building and Voice and Representation.

## What we have learned ( cont. )

6. Microinsurance is an important aspect of poverty reduction and attaining SDGs, especially if led by women, local people. Governments should facilitate civil society organisations (CSOs); develop insurance for citizens.
7. Investing in Universal Health Care, universal social protection is the need of the hour. Lessons from the pandemic show us we need to be prepared with preventive action.
8. An enabling environment is essential. e.g. need for reducing capital requirement for microinsurance in India; building partnerships with local organisations, NGOs; developing laws, implementation mechanisms that reach the last mile; universal child care---good for women's economic empowerment, for our children.



**Thank You**