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



By Mirai Chatterjee, Chairperson, SEWA Cooperative Federation Presented at: AOA Webinar: Towards a Better Future by addressing Social Challenges, March 11<sup>th</sup>, 2022

## 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 progamme 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.

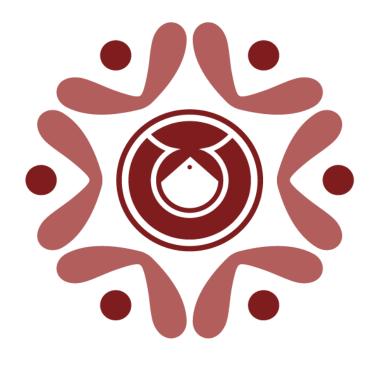


#### What we have learned

- 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**