

# Written Contribution on General Discussion on Rural Women

## Submitted by Self Employed Women's Association - SEWA

93 % of the workforce in India is from Informal Economy, of which 97 % are women, who are active in various trade - agriculture, dairying, salt farming, food processing, handicraft, construction, micro credit etc. Though highly productive, economically active and enterprising; individually they are weak as are (a) unrecognized (b) long working hours with low returns, (c) limited access to equipments, markets, productive resources, opportunities (d) restrictive social protection (e) low representation (f) low inclusion in labour & economic policies etc. Thus there is a need to organize informal sector women workers. Build their own economic organization such as co-operatives, collectives, SHGs, companies to increase their collective strength, bargaining power to gain voice & representation – thereby integrate the women workers into the mainstream lead to inclusive growth.

Self Employed Women's Association - SEWA is a trade union of 1.73 million poor women workers from Informal Economy across 14 states of India. SEWA's goals are (a) full employment - employment that provides work, income and food security and (b) self-reliance – economical & decision-making. To achieve its goals; and facilitate members representation, economic empowerment, collective strength & increased bargaining power; SEWA follows integrated approach

- **Organizing** for collective strength
- **Capacity building** to stand firm in competitive market
- **Capital formation** for risk mitigation & fight poverty
- **Social security** to enhance well-being & productivity

The **rural areas** of SEWA's presence are dry and semiarid areas, drought prone characterized by lack of employment opportunities, very low wages, low literacy, crippling debts and high rates of forced migration. Also it has been experienced that the rural women has to depend upon multiple employment / skills to earn their livelihood. SEWA experienced that in the rural areas the question was more with respect to livelihood and thus SEWA's strategy in the rural areas is to organize women and at the same time create alternative employment with social security programs and capacity building. The alternate employments are created based on the available local resources and demand from the members. Accordingly the members are organized into groups and the capacities are built to increase their bargaining power thus enabling them to demand their due from the government and the market. SEWA further supports its members to become the owners and managers of their own economic institutions and strengthen their collective bargaining power, sustainable employment, livelihood thereby reducing poverty.

In view of the above and based on its experience of 40 years SEWA put forward following points for consideration during the "General Discussion on Rural Women."

## **STRENGTHENING AGRICULTURE AND DEVELOPING AS AN INDUSTRY**

2/3<sup>rd</sup> of SEWA's membership comes from the rural areas and thus it is very important for SEWA to address the issue of agriculture as it is a key source of livelihood for its members in the rural areas. These women are all agricultural labourers or small and marginal farmers. In fact most of the small producers and the small and marginal farmers work as agricultural labourers or in some other form of labour to supplement the livelihood they are able to earn from farming. Though putting in long hours work and producers of food grains; these small and marginal farmers and agriculture labourers are hit by various factors eg. production / marketable surplus in small quantities, marketing through local traders / middlemen, low market rates, no access to storage facilities etc. As a result they are not able to get 2 square meals a day and are not able to provide adequate food for their children and family members. It does not stop with this but they are one among the worst affected by various crisis whether it be economic or climate change; and makes them increasingly vulnerable.

In its journey towards working for the agriculture workers, SEWA has initiated the "Agriculture Campaign" to better understand the issues, to identify the types of safeguards needed to provide food security to agriculture workers, and to develop strategic interventions. Working towards this SEWA has supported the members in various ways. SEWA's integrated effort in the area which aims at providing (a) Agri Finance, (b) Agriculture Inputs (Seeds, Fertilizers, Tools & Equipment), (c) Technical Trainings, (d) Technology and (e) Market Access has played a noteworthy role.

Working towards this, the major challenge before SEWA was to ensure food security solutions to larger issue of Why does a farmers remain Hungry ? With a view to address the issue of hunger by providing food security to the communities and making agriculture sustainable and viable, SEWA members have set-up their own agri business company RUDI which has set-up its own Rural Distribution Network. Through this network the agri business company directly procures from about 125000 small and marginal farmers and sells the produce locally through a cadre of barefoot saleswomen called RUDI bens. The company has launched its own brand RUDI, the rural small and marginal farmers themselves are the shareholders of the company and thus the owners as well. Thus RUDI helps increasing employment opportunities, livelihood, and market to the poor women members of SEWA. This is done in the following ways - it procures agri commodities from the rural producers providing them direct and assured market for their products, provides employment to the women in processing activities at the processing centers and as RUDI sales women.

In view of the above and given that rural India and majority of the countries in the Region, Agriculture is still predominant means of livelihood and the performance in the sector has a strong impact in the growth rate as that most of the times depends upon the performance by the agriculture sector. On the other hand it has been experienced that Agriculture is becoming more and more risky therefore there is a dire need to ***strengthen Agriculture especially for small farm holders*** and consider for following

- Subsidizing weather insurance
- Setting up farmers field schools at the Block / village levels
- Promote local procurement and local marketing from the small farm holders

- Provide proper mechanism for dissemination of spot and future prices for the farmers.
- Building and strengthening the supply chain in agriculture to mainstream small farmers into the market.
- Encouraged the youth to see agriculture also as a means of employment and therefore should bring in the investments in on-farm processing, agro processing and agro based technology.

### **MAINSTREAMING OF THE INFORMAL SECTOR AND MEMBERS OWN ORGANIZATIONS**

SEWA's experience shows that women have the capacity to anticipate risks and use their resources; they are well equipped to deal with the realities effectively and can gradually climb out of poverty. SEWA believes that the economic power cannot only be left in the hands of those who have capital or to governments; but workers must also conceive, build and expand their own economic strength by establishing their own economic institutions. Over past four decades, SEWA has been facilitating women members to build & manage various forms of members own organizations that includes producers collectives / service providers groups, co-operatives, for profit and not-for profit companies that directly link up with the economic mainstream. Each form of organization promoted by SEWA and its members has following characteristics

- They exist for the benefit of the self employed women members.
- They are owned by the self employed women
- They are managed by them
- They are democratically run
- They aim towards self reliance, both financially and managerially

SEWA is family of member owned economic organizations that provide livelihood security, reduces vulnerability & lead to economic empowerment. We now have 3200 SHGs, 110 cooperatives, 15 economic federations, 3 producer companies. Few egs. :

- **STFC:** Company set-up, owned, managed by 15000 artisans turned handicraft into commercial venture accessing national & global markets with annual turnover of Rs. 3.5 crores. Each artisan shareholder earns an income of Rs. 5000 / month
- **RUDI Company :** Mainstreaming Agri-business through direct procurement & marketing under 'RUDI' brand with an turnover of Rs. 4 crores in 2011 thereby strengthening local economy.
- **Nirman Construction Workers Company :** Turn masonry & related skills to access better markets and livelihood opportunities; benefitting 1400 workers with regular income.
- **Weavers Groups** - 3000 members engaged in weaving enabled an income of Rs 4000 / month.
- **Salt Farming** - Organized 8000 salt farmers & are earning revenue of Rs 3000 with an annual turnover of 75000 MT salt amounting to Rs 1.65 crores

SEWA experience has been that the empowerment of poor women workers in the informal sector through self-governance is a process that leads to building of strong value based democratically functioning organizations which then help in sustainability and further up scaling.

***But at the same time it has also been experienced that efforts are needed in the following areas.***

- Over a period of years SEWA has been organizing these workers in various forms of organizations as mentioned above. Further to this it has been experienced that a Paradigm shift is needed for the enterprises owned by the unorganized sector workers. As because of lack of such framework if they are registered as a company then issues like taxes, PF etc. arises which are very difficult tackle, as sustaining in the competitive market and achieving the Break Even Point itself takes a long period for them.

Thus in view of the above it is suggested that a ***Separate Framework*** for such organization owned by the small producers groups OR exemptions under Companies Act for (a) taxation, (b) Provident Fund (as the workers themselves are the owners of such companies) should be worked out.

- The small and micro enterprises owned by the unorganized sector workers does procurement from the SHGs and Producers Group in order to benefit themselves and the producers group from the economies at scale. In such cases it is very important that the ***taxation limit which is presently Rs. 5 lacs should be raised to Rs. 2 crores.***
- It has been experienced that these groups as well as companies owned by the unorganized sector workers are extremely in need of the managerial trainings, awareness and education of the concerned legal formalities, issues, Accounting, Taxation and related matters. The education in the above areas would allow them to efficiently manage their own organization and understand all managerial and legal issues and solve the same which they are coming across

SEWA has set-up SEWA Managers School to cope up with the above need and has experienced that these has worked towards better management of the microenterprises owned by the unorganized sector workers. In view of the above it is very important that setting –up of such ***managerial schools at the grass root level should be promoted*** to cater the needs of the cluster of 5-7 villages.

- It is suggested that the ***development and strengthening of the small, tiny and micro enterprises should be promoted*** in following manner.
- From among the already existing / newly formed SHGs, Producers Collectives etc.; identification and recognition of the cluster of SHGs within the cluster or concentration of SHGs within a radius of geographical area should be done and further notify them
- The Mapping and grading as per their age, competencies etc. should be done for the notified SHGs / Producer Collectives.

- Based on the above needs would be assessed and based on the need assessment, the different technical, commercial, academic institutions would be identified who will provide the needed inputs to the SHGs/ Producer Collectives. These institutions/ agencies/ universities will hold workshops, trainings, case studies, work on technology inputs and technical services as per the need.
- To integrate the micro enterprises into mainstream trade, these SHGs/ Producer Collectives/ micro enterprises under Enterprise and Business Resource Centres should be given stimulus by (a) providing tools and equipments, (b) infrastructure, (c) tax and duty exemptions (d) access to softer credit, (e) certification to the products, (f) brand building, (g) marketing and related inputs including organizing buyer seller meet etc., (g) designing and product development inputs (g) access to and application of modern technology to the use of unorganized sector workers.

### **DEVELOPMENT THROUGH / OF YOUTH IN INFORMAL ECONOMY**

India and the Region is experiencing changes in the economy trends with the current liberalizations, policy reforms, regulations, deregulations, and so forth. India's Growth in GDP peaked at nearly 9 per cent in 2010 before slowing down to around 5 per cent in 2012. An uncomfortable question, however, accompanies this recognition: is this development inclusive? How much of this development reaches the poor, unorganized sections that comprise 93 % of the total work force? How are they affected by the current slow down?

Although informal workers are a major presence in the economy, their marginalization and isolation keep them from attaining the forward and backward linkages that would integrate them into the economy. Further, the majority of youth in the informal economy live in remote rural areas and lack access to current market information, markets, finances, sources of raw material, true value of their contribution, what form the end product of their labor take, etc. Hardly any investment is done on research and development that upgrades the production processes or develops new tools. As a result, workers in the informal economy including are left out of the development that is taking place in the economy. Thus, these workers remain marginalized, isolated from policies and interventions that could improve the wellbeing of the community members at large.

Today's younger generation in India and the Region is more literate and informed than previous generations. Very often they are also looking for (a) new / alternative opportunities such as Information Technology, (b) to pursue higher education rather than getting involved in the traditional work, (c) need facilitation in linkages with the market and the available skills / talents, (d) link traditional occupations with the technologies and sustainability.

Given the changes in the economic trends, non-inclusive governmental policies and growth pattern calls for following :

- Data to assist in lobbying for inclusive governmental policies
- Study relevant to the new generation and their needs / aspirations
- Demonstrate the contribution of the informal sector in the economic growth
- Demonstrate the role women in the informal economy play in context of the changing and emerging scenario.

- Link the issues of the informal economy with the government as well as various stakeholders including private companies, CSOs, national and international organization, IITs etc.

## **SECURITY OF WORKERS**

Currently the security of the women is perceived only in terms of sexual harassment and sexual violence. In the report of consultations: Addressing sexual violence in India- Challenges and priorities, February 21 2013, it clearly came out that, women face sexual harassment and violence and do not feel secure in many walks of life. SEWA's experience during the discussion with women leaders and members throw light on the fact that the women feel insecure in their livelihoods. There is no effective platform where the women of the informal economy can share their insecurity and find solutions. Moreover there are no effective systems to address this issue. It is no longer only about the women's issue but about different factors of the society coming together to end the violence against women as stated in the consultation report. The report further says that all violence against women concerns needs to be located not only within the human rights discourse but the constitution discourse. The question of violence against women needs to be countered with equity and nondiscrimination.

SEWA's experience and approach says that the empowerment and security comes along with the economic empowerment. The lives of the poor women workers of the informal economy are secured when they have secured employment and livelihood opportunities. Recently, the members of SEWA has also experienced the need and had meetings and discussions at various platforms to voice out their concerns for security as workers. Many of the members cited the incidences of insecurity that they or their fellow members have come across. Few of the important aspects as well as the first hand information gathered from among the members are as mentioned below.

- Parents fear of sending their daughters out for education as well as work because of the security aspect and thus they withdraw from education as well as livelihood activities.
- In the rural areas the girls are not able to pursue higher education as there is no sufficient facility and the fear among the parents about their daughter's security; the girls are not allowed to go at some other places for studies.
- Divya, a young girl from Surendranagar studied till 10<sup>th</sup> and she had to join co-education school if she had to pursue higher education which had become an hurdle for her as her family members were against this type of education so that is the reason now she does the stitching work rather than studying further.

During this meetings the members also shared that they feel more secured and empowered and voice out against the incidences that are happening around when they have secured employment and livelihood. Few of the members also shared that many times they are able to overcome and solve such issues through their organized strength. The members shared the following eggs.

- Shanu Programme operated in Banskantha District has facilitated the girls to pursue the higher education as under this more than one young girl from the village goes for education and the tutors are from the villages which has facilitated the young girls in getting the education.
- Hasumatiben from Mehsana gave an example of her village wherein the girls were not allowed to step out of their house to study or to do the work. But she made an initiative to work and so she feels that the girls in the other village should also be trained in their field of interest which will help in increasing their confidence.
- Lalitaben from Surendranagar said that the facility of the education and the stitching is not available and thus shared that if all the facilities could be availed in the village itself than along with the employment the security can also be ensured.

Further to this the members during the meetings / discussions also came up with the solution to the issue they are facing. The members strongly felt that there is dire need to design the Programme for creating awareness, education, trainings and sensitization among the women members, young generation members as well as the male counter parts. Different and innovative type of trainings, methodologies and techniques has to be worked out and this needs to be done very sensibly and has to include the aspect of livelihood as well. The members also expressed that the livelihood opportunities should be available in the nearby vicinity itself and these would also ensure the security at the local level. Few of such areas are as mentioned below.

- Trainings in the village itself for the self defense so that the fear can be removed.
- Need for sensitizing both the men and the women together wherein the views can be shared and the problem of the security can be removed.
- The mindset of the parents should be changed which will help in changing the scenario of the society.
- It is important and necessary for women to speak as silence encourages such incidences and the behavior of the men would remain same or become worse.
- Men must support women when they speak up. This should also start from our own houses as well.
- The parents and society should not be blaming the women for such incidence happens as women today are wearing different kind of dresses etc. But then women should have freedom to wear whatever they feel comfortable. But the change that needs to be bring in is the behavior of males.

**SUPPORT SKILL DEVELOPMENT / ENHANCEMENT AND SETTING-UP OF INSTITUTIONS AT GRASS ROOT LEVEL**

Though the unorganized sector workers possess skills, it is extremely needed for these workers to enhance / achieve skills to cater the market and be a part of mainstream economy. In view of the above it is extremely important that skill development and enhancement should be considered following.

Further to the adverse effects of economic / financial crisis in the year 2008, the members of SEWA demanded skill development / upgradation training which resulted to **Kausalya** – SEWA's large scale innovative skill development trainings that create multiplier effects at the grass root level by the field schools operated by the master trainers. Kausalya focuses on the traditional as well as upcoming sectors in the market like (a) Agro and Food Processing, (b) ICT, (c) Garmenting, (d) Agriculture, (e) para medicals, (f) Animal husbandry and (g) other vocational skills as per the demand of the members. Today we have cadre of 131 master trainers in various sectors that operate Farm schools, Food Processing School, IT School, Veterinary School and Energy Schools in various blocks / Districts. Total of 11,069 members have taken Kausalya trainings in all these schools. This has created new opportunities for livelihood and business entrepreneurs thereby leading to the increased bargaining power and livelihoods as well as facilitating the workers to become entrepreneurs.

Also SEWA experienced that the poor women workers from the informal economy are illiterate and have to depend upon multiple employment for survival and this further calls for specialization / upgradation of skills and related certification to stand firm in the mainstream market. Also the youth in the sector are scattered but are seeking the education that reaches them and is further supportive and provides with livelihood opportunities. In view of this there is a need to work for *setting-up colleges / schools at the community level* that facilitates them in acquiring the certified skills further leading to sustainable employment and livelihood.

#### **LIVELIHOOD AND MARKET ACCESS FUNDS**

Experiences say that the softer credit loans are very important for the workers from the unorganized sector. This calls for the support these enterprises with the livelihood fund and market access fund which would bridge the gap between the skills possessed, technical knowledge available with these workers who lack access to finance, market information; and high risks at initial stage. These funds should support the small and micro entrepreneur in the initial stage and help become bankable, credit worthy and withstand competition in the long run. This could be in the form of grants, equity, soft loans etc.

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