Improving working and employment conditions of street and market vendors in Indonesia

Background

Street and market vendors (typically self-employed workers or with at most 2 or 3 employees and with very limited capital) are one of the largest and fastest-growing categories of non-agricultural workers in Indonesia. Their products include perishable goods (cooked dishes, fruit, vegetables, meat and poultry, flowers and others) and a wide range of other goods, from cigarettes and telephone cards to garments and textiles, to consumer electronics and others. Amongst street vendors, one particular sub-group is engaged in selling food to workers, usually located just outside factories. The trade sector, of which a large proportion is to be found in informal street and market trading, represents about 20% of total employment and over 26% of women’s employment, an increase of about 50% in the last decade. These informal workers endure poor working and employment conditions, including long working hours, physically difficult and uncomfortable conditions, risk of fire and accidents, low and irregular incomes, lack of maternity protection and risk of harassment and violence. They lack access to services and tools that would empower them to make improvements, including business development and financial services.

ILO’s experience in promoting better working conditions for unprotected segments of the workforce, starting with the Work Improvement in Small Enterprises (WISE) programme, has demonstrated that even the smallest businesses can make concrete changes to their workplaces and work management that result in significant impacts both in terms of working conditions and in terms of business performance. This activity will build on that experience and extend it to a large but previously ignored group of predominantly women workers, whose situation and needs have not been included in WISE programmes.

Objective

The objective of the activity is to: Define approaches and strategies and develop basic tools to improve working and employment conditions of street and market vendors that are capable of application on a wide scale. These approaches and strategies should increase traders’ demand for improved working and employment conditions, as well as the supply of services and information for them to improve conditions, and help create a supporting environment for such improvements.

Outputs

Four outputs are proposed:

1. A report of market research addressing:
   - A definition of the target group and of sub-groups, adapted to the local situation;
Needs and demands of the target group for working and employment conditions improvements;
Supply of services by government, community and business services to promote improvements in working and employment conditions (besides services of the ILO’s tripartite constituents these might include commercially oriented business services, social marketing, community level institutions, public health institutions and policy level approaches).

Market research activities will include:
- Key informant interviews with those in close contact with the target group;
- Focus group discussions with street and market vendors;
- Technical assessments of the working conditions and environment of street and market vendors;
- In-depth interviews with current and potential providers of services which do or could promote working and employment conditions improvements; and
- Literature review of relevant Indonesian experience.

2. Tools for intervention

Building on the results of the market research, a simple toolkit for addressing the priority needs relating to working and employment conditions will be developed, adapted to the roles of the service providers with the greatest potential to reach the target group. The proposed budget does not include the cost of testing this toolkit, since this cost would depend on the nature of the interventions identified in the market research.

3. Consultation with concerned organizations

A technical working group has been established as a vehicle to ensure opportunities for guidance from some key institutions throughout this work. A meeting will be organised involving the ILO’s tripartite constituents, local government representatives, community level institutions and organisations, business service providers and representatives of the target group. The meeting will discuss intervention strategies and responsibilities for improving working and employment conditions of informal street and market vendors, based on the results of the market research and the draft toolkit. It will also discuss possibilities for testing the toolkit.

4. Proposals for extending the results

A project outline will be prepared to test the materials developed, to implement the findings and tools of this activity more widely and to examine the scope for extension of the approach to other groups of workers in the informal economy.

Location: all activities will be conducted in Tangerang, Indonesia.


Further materials will be added to this site as they become available.