

## **Working Women in the Modern Global Economy**

Unskilled women workers have entered export-processing industries throughout the developing world at an alarming rate. Women overwhelmingly occupy the lowest paying, most unstable jobs, producing our clothes, agricultural products and other luxuries for export to the US.

As the free trade model replicates worldwide, multinational corporations exploit increasingly weak and “flexible” labor laws. The result is that women workers are systematically denied their rights to regular pay and regular working hours; equal pay for equal work; permanent contracts; safe and non-hazardous work environments; and freedom of association. Labor law “reforms” have denied women access to social, maternity and health benefits and women are increasingly subject to subcontracting schemes that blatantly undermine these rights. In light of the global economic crisis, precarious employment has increased women are the first to be unemployed or underemployed.

### *Weak Labor Laws Hurt Working Women in around the World* **Colombia**

- **More than 80% of the women workers in Colombia receive less than the legal minimum wage.**<sup>1</sup>
- **Women have lost an average of \$21-25 a week** after the 2002 labor law reform.

With the reforms, the workday was extended as the workweek became 48 hours a week, distributed over a period of 6 days allowing employers to create a margin of between 6 in the morning to 10 at night to organize the workday. Extra payment for working on Sundays and public holidays was reduced.

- **On average women earn 14% less than men.**
- **Precarious employment has a very negative impact on female incomes.**

The labor law reform was adopted in Colombia to reduce labor costs.

The government claimed this would generate more employment but the results were that

*According to Colombia’s National Labor School from 2005-2007, the*

- **Underemployment rate went from 31.6% to 34.8% as temporary jobs increased.**

During the same period, the rate of workers who claim that their income is inadequate increased by 4%

- **Less than 35% of the women have access to social security**

Studies from the Colombia Auditor General's office and the World Bank all acknowledge that the labor law reform has not met its goals. Analysts have concluded that it has increased poverty by reducing workers' income.

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<sup>1</sup> Make Trade Fair, [http://www.maketrade-fair.com/en/index.php?file=labour\\_colombia.htm](http://www.maketrade-fair.com/en/index.php?file=labour_colombia.htm)

- **Colombia has seen an increase in union violations against women unionists since 2003<sup>2</sup>**

*Peru has seen its non-traditional agricultural -exports double from 2005 to 2008. The sector has shown to be unstable, as exports dropped by 18% since December of 2008, due to the economic crisis. Peru recently entered into a Free Trade Agreement with the US.<sup>3</sup>*

- **Women occupy the majority of these temporary, precarious jobs** in agro-industry and have been most affected by the economic crisis
- **Pregnancy discrimination is frequent.** Women are often forced to take pregnancy tests or they are fired when they become pregnant. They have trouble being re-hired if they were temporary workers and are often denied their maternity and health benefits, as result.
- **Most of supervisors are men** and issue dismissals when women are pregnant
- **There has been an increased assault on the right to organize unions,** making it difficult for women to assert their labor rights

*Chile recently has Free Trade Agreements with various nations worldwide, including the US.*

- **75% of women fruit-pickers are now on temporary contracts** and work 60-hours per week in season, but still one in three earns at or below the minimum wage.

*Bangladesh receives trade benefits under the Generalized System of Preferences but.*

- Fewer than half the women in Bangladesh garment factories have a contract and most get no maternity or health coverage.<sup>4</sup>

#### *Labor Law Reforms Worsen Conditions for Colombian Flowers Workers*

*According to Corporacion Cactus, an established Colombian NGO dedicated to researching Colombian flower workers<sup>5</sup>,*

- **A major factor contributing to the decline in decent work has come with the onslaught of “labor flexibilization,” in floriculture.**

*(The Flower sector is one of Colombia’s largest, employing approximately 100,00 workers).*

<sup>2</sup> *Cuaderno de Derechos Humanos No. 19, 2515 Or that Sinister Ease to Forget: 21 Years of Systematic and Selective Assassinations (1986-2006).’ 2007 p 54,*

<http://www.ens.org.co/publicacion.htm?x=20152686>

<sup>3</sup> *Asociacion Aurora Vivar, April 2009, “Non-traditional Agro-export Industry and Maternity in Peru”*

<sup>4</sup> *See: Oxfam International, “Trading Away Our Rights”*

<http://www.maketradefair.com/en/index.php?file=06022004174047.htm>

<sup>5</sup> *Corporacion Cactus, “2008 Colombian Floriculture Report: Labor Conditions and the Crisis in the Sector”, Jan. 1, 2009, page 24*

This is evident in such hiring practices as:

- *Fixed term contracts*, generally no more than 4 months
- *Contracts based on production*, for example based on the number of flowers cut
- *Subcontracting through individuals or temporary employment agencies*
- *Subcontracting through Associated Labor Cooperatives* which are not legally recognized as employers, allowing them to evade the law.

- **Outsourced and temporary workers are denied the right to join unions** and are exempt from receiving social, health, and maternity benefits. They are most likely to be underemployed or unemployed during an economic downturn, given their precarious positions.

*In 2006, a survey (conducted by various labor organizations) of 1,397 flower workers in the Bogota valley, a primary flower growing region showed that:*

- **35% of flower workers were subcontracted, 8.7% by Associated Labor Cooperatives and 21% by Temporary Employment Agencies**

After the expedition of Decree 4588 in 2006 and Law 1233 from 2008, which sought to limit Associated Labor Cooperatives as labor intermediaries, a few labor cooperatives were dismantled. In 2005 and 2006, the Ministry of Social Protection sanctioned various cooperatives, however many converted themselves into Temporary Employment Agencies in order to continue functioning within the flower sector.

- **Many labor cooperatives continue to function in the Bogota valley in order to disguise the genuine employer-employee relationship and evade the law**

According to Beatriz Fuentes, a former flower worker and union leader, currently working for the National Labor School in Colombia,

*“Despite some changes in the law regarding Associated Labor Cooperatives, we’re still seeing the same pattern in the flower industry: an increase in subcontracted workers who have no labor rights and poor working conditions for flower workers.”*

- **Most flower workers continue to earn the legal minimum wage.** The minimum wage only covers 45% of the living costs.