

When jobs lock women into poverty

Phil Bloomer, head of Oxfam International's *Make Trade Fair* campaign, on how employment and working conditions can often be so bad, that jobs can actually make poverty worse.

The Spectrum Sweater factory in Bangladesh collapsed early on Monday 11 April, killing 73 workers who were trapped in the rubble. Labour regulations and employers' enforcement should have prevented such a tragic workplace accident. But powerful buyers, eager to cut costs in pursuit of bigger profit margins, and governments, eager to attract investors and create jobs, allow violations of labour regulations that can lead to disasters such as this one.

On 1 May, many workers will be celebrating solidarity and the struggle for a better life. For half a billion people in the world who live on less than a dollar a day, getting a job is their best hope of achieving this.

However, employment and working conditions can often be so bad, and wages so low, that jobs can actually make poverty worse. In many countries such as Bangladesh, Indonesia, Honduras, Morocco, and even the United Kingdom, just having a job is not enough to lift workers - particularly women workers - and their families out of poverty. Too often these women have little alternative but have to work inhumane hours and under precarious conditions that are determined by powerful buyers in global supply chains.

The implications of this are huge, and reveal major errors in many governments' policies. Some governments claim that flexible labour markets increase competitiveness, create jobs and alleviate poverty – a familiar mantra, backed by the International Monetary Fund among others – but this may be ill advised. Job creation policies too often lead to insecure jobs with poverty wages and few protections or benefits.

Women tend to fill these precarious jobs. Where they are not even legally recognised as “workers” by their employers or the state, they cannot claim the rights that employees normally enjoy. Greater flexibility combined with discriminatory attitudes give women a terrible choice: a job at any price or no income. All too often, women face 'burn out' by having to work harder, faster, over longer hours and with few health, maternity, or trade union rights. This is a poor strategy for improving women's lives and ending poverty.

Meanwhile, governments are weakening and not enforcing labour standards, under pressure from foreign and national investors and buyers for multinational companies that demand ever-cheaper and faster orders.

Morocco has a new labour law that on paper gives women workers equality with men, reduces weekly working hours, and improves maternity rights. But the political will to enforce this is lacking. Labour inspection remains weak, as does the judiciary's capacity to deal with violations. On 1 May, Moroccan campaigners and unions will be calling for better enforcement of labour law.

In Indonesia, thousands of permanent workers, mainly women, have been dismissed and replaced by cheaper short-term contract workers under the government's “flexible” labour policy. Legal minimum wages – already too low to cover basic needs – have been further undermined by IMF-imposed fuel price increases of 30 per cent. This is why Indonesian workers are marching in the city of Tangerang to demand that the government protect job security and increase the minimum wage.

In Nicaragua, the government recently stripped labour inspectors of the power to impose fines on employers violating labour laws. Many Central American “maquila” zones have introduced compulsory production targets linked to basic wages, pushing workers to skip meal and toilet breaks and work long hours unpaid as 'overtime'. In Colombia, the government has redefined 'overtime' as 'hours after 10 pm'.

In the UK, home workers are paid piece rates only, and are routinely denied their rights to earn the national minimum wage or to receive holiday or overtime pay. An estimated 90 per cent of British home workers are women, and half are from ethnic minorities. Women in Chile, gathering forest fruits for export, are on poverty wages and have no access to basic services or to social benefits. These British and Chilean workers pay the costs of poor labour policies, perpetuating the discriminatory cycle of poverty for women.

In Bangladesh, many women have had jobs in the booming clothing industry but the moment has been short-lived. Employers, reacting to global market restructuring, are now throwing workers out, without final payments, retraining, or compensation. Reshma, from Dhaka, supports a family of nine: “*Without notice, I was out of a job. The factory didn't have the work. Every day I visit factories in search of a job.*”

In Cortes, Honduras, some export-zone employers fire and rehire workers to dodge legal obligations to grant statutory benefits for long-term employees. The same employers tend to drop workers permanently after about five years, when their productivity slows due to exhaustion and occupational illness. The government's export-oriented growth strategy created jobs, but for workers squeezed like lemons for five years before being thrown on the scrap heap, it is nearly impossible to beat the poverty trap.

In this year when people around the world are joining hands to call for an end to poverty, let's not forget that there is a danger in creating jobs at any price. Multinational companies sourcing from poor countries and communities must review their purchasing practices to ensure they no longer force suppliers to cut corners on health and safety and other worker protections. And governments must extend and effectively enforce protections and rights to all workers employed under precarious conditions. Respecting labour rights and supporting labour policies that take into account workers' well-being could bring lasting prosperity to countries and communities trapped in poverty.

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