



**TDS Africa**  
Development Innovations



# Malawi Baseline Study Report

## Decent Work for Women Programme

---

Towera Luhanga  
May 2016

---

## **Table of Contents**

Executive Summary .....	1
1.0 INTRODUCTION .....	3
1.1 Background .....	3
1.2 Objectives.....	3
1.3 Study methodology .....	4
1.4 Study Limitations .....	5
2.0 KEY FINDINGS.....	6
2.1 Socioeconomic background .....	6
2.2 Export volumes/values of the product chains .....	6
2.3 Key actors.....	8
2.4 Conditions of work for women .....	10
2.5 Government policies and legal frameworks.....	18
2.6 Partnerships .....	21
2.7 The Decent Work Country Programme for Malawi .....	24
2.8 Decent Work for Women Programme Opportunities and Threats.....	25
3.0 CONCLUSIONS .....	26
4.0 RECOMMENDATIONS.....	27
5.0 ANNEXES.....	28
Annex 1: Institutions and individuals interviewed .....	28
Annex 2: Number of permanent and casual workers.....	30
Annex 3: References .....	31

## **Executive Summary**

This report presents the results of a baseline study which examined the conditions of work for women working in horticultural value chains in Malawi. The study is part of the Hivos “Decent Work for Women” programme 2016-2020 to be implemented in eight countries in East and Southern Africa. The baseline study follows the scoping study, among others, to examine the conditions of work for women in the selected product chains, examine if the government has integrated gender equity goals in the labour and private investment policies and examine whether the political climate is favourable for the successful promotion of “Decent Work for Women”.

The baseline survey looked at flowers, legumes and chillies/paprika. This was primarily a qualitative study, although quantitative data was provided in terms of women in the various value chains. The study also provided economic data on the value chains under review. Methods used included: desk review of secondary data, which provided basis for primary data collection. The secondary data was also used to triangulate the primary data being collected. Primary data was collected using Focus group discussions (FGDs) and individual in-depth interviews.

Reports show that Malawi’s economy is heavily dependent on agriculture with 85 percent of the population depending on agriculture for livelihood. Agriculture generates over 90 per cent of export earnings and 45 per cent of GDP. Export data shows that there is not a lot of trade in these product chains between the Netherlands and Malawi. However, between 2010 and 2015, Malawi exported only 26 tonnes of legumes to the Netherlands. With regard to flowers, Malawi exported 172 tonnes and earned USD3.5 million in this period with nearly 60 percent of the flowers exported to the Netherlands.

Key actors in the product chains fall into four or five categories: (i) farmers or producers, (ii) intermediary buyers, (iii) processors and (iv) exporters. The other category, not falling in any of the above is the Auction Holdings Commodity Exchange (AHCX). They are neither an intermediary buyer nor exporter. They facilitate trade between producers and buyers as well as exporters.

A look at the conditions of work for women indicates that there is a lot that needs to be done to correct the current situation. The majority of women are working as casual and seasonal workers with no formal contracts, contravening Section 27 (1) of the Malawi Employment Act No.6 of 2000, which requires employers to give employees written contracts stipulating particulars of employment. While the statutory minimum wage rate is MK551/day for a six-day week, the women are paid wage rates ranging between MK500/day and MK690/day, translating to between USD0.71 and USD0.97/day respectively. At this rate, the minimum wage is much lower than the living wage of USD3.6/working day.

Despite the fact that employers indicated they promote women’s participation in decision-making positions, there are very few women positions of leadership. All farms/firms indicated that they promote and protect women’s rights and promote decent

work for women; all firms indicated that they are equal opportunity employers that encourage women to apply for the various positions in the firms; all firms interviewed indicated that their companies have policies for protection of women from violence including sexual harassment; the promote women's reproductive rights; employees are provided with protective wear; all employees are allowed to participate in trade unions and joint consultative committees at their places of work; all employees are paid more than the mandatory minimum wage. However, casual and seasonal workers provided a different picture, contrary to the employers' version. They do not enjoy the benefits that permanent workers do; most positions are filled by men even though where women are equally qualified and experienced; most employees are working without contracts for many years; women work with children on their backs and without protective wear; they do not participate in trade union for fear of reprisal; most women indicated that amounts of pay they receive is less than the agreed amount and payment is delayed. Only one out of the institutions visited provides day-care for children. However, when a child cannot be in the day-care, s/he will be on the mother's back as the mother is working.

The Government has several policies and frameworks for promotion of women's rights. These include the National Employment and Labour Policy, the National Gender Policy, and the Decent Work Country Program whose implementation is now under review. A number of institutions have been identified for possible partnerships for the "Decent Work for Women" program including international organisations, Government Ministries, local human rights NGOs, and media (radio)/performing arts organisations. Details of these partners are outlined later in the report.

The selected product chains have the potential to improve Malawi's foreign exchange earnings, employment opportunities and the living conditions of women. Currently, most women are involved in the production and processing of legumes with fewer women in the flower industry, which is currently not viable. In the last five years, Malawi has exported more legumes and has earned more foreign exchange from the export of legumes than from flowers.

This baseline survey recommends that going forward Hivos to support/facilitate the development and implementation of policies and legal frameworks for the informal employment and for temporary or casual and seasonal employees; collaborate with existing partners to support the ministry of labour in the review and implementation of the Decent Work Country Program; develop and implement strategies to ensure that wages at farms/firms are paid in amounts as agreed and in a timely manner. Hivos to support the Government to ensure all casual/seasonal workers are paid a minimum of the stipulated minimum wage, as currently the Government does not have adequate resources to enforce implementation of the minimum wage; women to be encouraged to team up and get involved in the actual growing and export of agricultural produce and lastly but not least, support the flower producers to explore ways to reduce the cost of exporting flowers- their key constraint. Although this issue is considered difficult for the Hivos programme to address directly, it can always be flagged in the different stakeholder forums to raise awareness of this constraint on business viability.

## 1.0 INTRODUCTION

### 1.1 Background

This report presents the results of a baseline study which examined the conditions of work for women working in horticultural value chains in Malawi. The study is part of the “Decent Work for Women” programme implemented by Hivos. The “Decent Work for Women” programme 2016-2020, is being implemented in eight countries in East and Southern Africa<sup>1</sup>. The Objective of the programme is the implementation of the right to decent work for women under poor conditions in global horticultural value chains by making global horticultural value chains gender inclusive.

The “Decent Work for Women” programme builds on Hivos’ “Women @ Work” programme (2011- 2015) targeting the conditions of women working in the flower sectors in 4 East African countries (Kenya, Tanzania, Uganda, Ethiopia). In the period 2016-2020 the programme will expand in a number of ways: (i) *geographically*: 4 new countries will be added and these countries include Rwanda, Malawi, Zambia and Zimbabwe; (ii) *in sectors*: from focusing on flowers only, the programme will add other global horticultural product chains; and (iii) *in focus*: in addition to the focus on horticultural companies and their policies, the programme will now also address relevant government policies.

### 1.2 Objectives

The baseline survey follows a scoping study which was conducted in April 2016. The purpose of the scoping study was to inform Hivos about priority areas and horticultural value chains to focus on. From the scoping study, it was agreed that the “Decent Work for Women” programme in Malawi should focus on the following value chains: legumes, flowers and paprika/chillies. Results from the baseline study are expected to be used in monitoring and evaluation of the progress of the “Decent Work for Women” programme. The specific objectives of the baseline were as follows:

#### a) Global horticultural product chains

- To examine the conditions of work for women in the product chain (including participation in decision making at the workplace; protection from violence including sexual harassment; promotion of reproductive health rights; promotion of non-discriminatory workplace policies; wages/ Living Wage),
- To identify the main actors in these chains including their positions (interests/ incentives/ size/ capacities/power),
- To establish the % of horticultural companies in each product chain that have gender inclusive policies; are convinced that affirmative action is good for business; take part in national living wage consortia,
- Identify examples of business cases investing in decent work for women.
- To understand the dynamics in the product chain and contextual factors determine these dynamics.

---

1

Kenya, Uganda, Tanzania, Ethiopia, Rwanda, Malawi, Zambia, Zimbabwe

- To identify international standards/labels active in Malawi and how do they affect women's working conditions.

#### **b) Government policies**

- To examine if the government has integrated gender equity goals in the labour and private investment policies and whether these goals cover the selected global horticultural product chains.
- To identify concrete measures, the government has taken to implement these policies and examine the effectiveness of these measures.
- To examine legal and non-legal regulatory frameworks, social norms and informal rules that affect women's working conditions in the product chains.
- To identify the main actors in the government/public sector that are involved in policy-making and in policy-implementation with regard to women's work in the global horticultural product chains, their interests and incentives in the issue, their power to affect change and the balance of power between these actors.
- To identify actors (in and out of government) and contextual factors that influence government policies & practice in the selected product chains.

#### **c) Promoting Decent Work for Women-building partnerships**

- Examine whether the political climate is favourable for the successful promotion of "Decent Work for Women".
- Examine the opportunities for promoting the programme and threats to the promotion of the programme.
- To identify the main local actors (Labour rights organisations, Human rights organisations, Women's rights organisations) working in this field for Hivos to partner with in the "Decent Work for Women" programme including their capacities and interests/ incentives to effectively collaborate in the programme?
- To examine the level of grass roots mobilisation and activism of women working in the selected global horticultural product chains for the improvement of their working conditions.

### **1.3 Study methodology**

This was primarily a qualitative study. Methods used included: desk review of secondary data, which provided basis for primary data collection. The secondary data was also used to triangulate the primary data being collected. Primary data was collected using Focus group discussions (FGDs) and individual in-depth interviews. FGDs were conducted with groups of women casual and seasonal employees. Individual in-depth interviews were also conducted with key informants holding various positions in the different firms visited. These two approaches involved asking open-ended questions and probing where necessary. Observations were also conducted in the process. The qualitative techniques used allowed opportunity to obtain in-depth understanding and perceptions of those being interviewed. Participants in the interviews included: Chief Executive Officers for different companies, firms and farms; women in leadership positions; women permanent, seasonal and casual workers. In an effort to interview a cross section of women in the product chain, the women workers were interviewed on the farms, warehouses as well as at head offices. A total of forty-two (42) individuals participated in the baseline survey, nineteen (19) men and twenty-three (23) women. Out of these three (3) women were in

decision making positions in their work places and twelve were seasonal or casual labourers. List of firms and number of participants is attached (Annex 1).

#### **1.4 Study Limitations**

A number of limitations and/or challenges were encountered in the course of the study as outlined below:

- i. Companies/Firms were not willing to reveal information on volumes and income from sale/export of produce: Hivos is a non-governmental organisation and so is Technology Development Services Africa. Most firms/companies, Government departments and individuals approached for interviews had never heard about Hivos and TDS and did not seem to understand how they would benefit from the baseline study. This made it difficult for companies to accept an interview. The researcher did not manage to interview senior management from ADMARC and Zikomo Flowers. In addition, it was not possible to hold interviews with women working at NASFAM farms or hold interviews with managers at the NASFAM farms. Although initially permitted to conduct the interviews, the consultant was later told the trading season was starting and women and managers would be busy and should not be distracted
- ii. Related to the above limitations, companies wanted to know ‘what is in it for us’ benefits of the study: The key question was whether or not the study was bringing them business opportunities. Being private entities, they did not feel obliged to offer an interview especially that the study sought to understand the work environment for women while there was no promise of business.
- iii. Bureaucracy: for all firms, approvals for interviews have to be done at Head Office. The study did not manage to secure an interview with Agriculture Development and Marketing Corporation (ADMARC). This was created as a statutory corporation in 1971 as a major local buyer and reseller of farm produce including legumes such as groundnuts, beans, soya beans and pigeon peas.
- iv. Most of the data from the National Statistics Office are outdated: in some cases, latest statistics is dated 2010. Most of the data available are not disaggregated. For example, the statistics on agriculture combines Agriculture Fisheries and Forestry. Where information on employment is available, it is not sector specific. Another challenge is that sometimes key government websites are not accessible. During the period of data collection key Government websites for Ministry of Gender, Ministry of Labour, Ministry of Local Government and Rural Development and Ministry of Agriculture & Food Security were not accessible. As regards data on export volumes and income, the researcher managed to find export volumes for flowers and legumes but was not able to find export volumes for paprika/chillies. The available data is specific to the firm/farm visited.

## **2.0 KEY FINDINGS**

### **2.1 Socioeconomic background**

Malawi is a landlocked country located south of the equator in sub-Saharan Africa. It is bordered to the north and northeast by the United Republic of Tanzania; to the east, south, and southwest by the People's Republic of Mozambique; and to the west and northwest by the Republic of Zambia. Population figures from the National Statistics Office suggest that there are about 17 million people in Malawi of which 51 percent are women. The population is projected to reach 20 million by 2020.

Malawi's economy is heavily dependent on agriculture. The agriculture sector provides livelihoods to 85 per cent of the population, generates over 90 per cent of export earnings and 45 per cent of GDP. Maize is the staple crop and the most important crop in terms of food security and land area cultivated. However, tobacco is by far Malawi's largest export, accounting for 60 per cent of merchandise export earnings.

The results of the 2011 Integrated Household Survey (IHS3) show that 50.7 percent of the population is poor and that 25 percent is ultra-poor. That is, they live in dire poverty such that they cannot even afford to meet the minimum standard for daily-recommended food requirement. The IHS3 also shows that about 17 percent of the population in urban areas is living in poverty compared to 57 percent of the rural population. That is, approximately three out of every five people in rural areas live in poverty compared to only one out of every five people in urban areas.

Comparing male headed and female headed households, the IHS3 shows that about 49 percent of the people in male-headed households are poor and 57 percent of people in female-headed households are poor. The poverty rates by male and female headship are much higher in rural areas than in urban areas. Fifty-five percent (55%) of people in male-headed households in the rural areas are poor as compared to 63 percent of people who reside in female-headed households. The poverty rates presented here indicate the share of the population below a minimum income level (the poverty line), but they don't reveal any information about the distribution of income. Inequality measures, instead, consider the distribution of income. In Malawi, the richest 10 percent of the population has an average per capita income that is nine times higher (MK140, 458 per person per annum) than an average per capita income of the poorest 10 percent (MK15,161 per person per annum). In 2011, USD1.00 averaged MK153.4742.

### **2.2 Export volumes/values of the product chains**

The product chains for this study are: legumes, flowers and chillies/paprika. Data from the National Statistics Office as calculated by ITC shows the significance of legumes, flowers and chillies/paprika to national foreign exchange earnings, economic growth and by extension to poverty reduction. The table below shows export volume and values for the legumes, flowers and chillies/paprika between 2010 and 2015.



**Table 1: Export volumes and values for legumes, flowers, chillies/paprika**

Product	2010	2011	2012	2013	2014	2015	Total
<b>Groundnuts</b>							
Tonnes exported	21,938	33,607	42,134	47,214	36,026	9,531	190,450
Export value (USD thousand)	6,011	29,284	41,671	60,334	46,140	10,896	194,336
<b>Soya beans</b>							
Tonnes exported	10,671	5,041	4,557	14,333	22,481	9,557	66,640
Export value (USD thousand)	4,681	3,003	3,299	8,613	14,439	5,474	39,509
<b>Common beans</b>							
Tonnes exported	-	52	82	429	-	34	597
export value (USD thousand)	-	57	34	167	-	30	288
<b>Flowers</b>							
Tonnes exported	59	42	45	37	61	41	285
export value (USD thousand)	176	103	511	459	2,113	195	3,557

Source: *Source: ITC Calculations based on National Statistics Office (NSO) of Malawi statistics until January 2015*

The table shows that between 2010 and 2015, the country exported about 190,000 tonnes of groundnuts and earned over 190 million USD. The volumes of soya beans, common beans and flowers exported and earnings from these crops were much lower than the volumes and earnings from ground nuts. With regard to flowers the country exported 285 metric tonnes between 2010 and 2015 earning about USD3.5 million.

The table below presents a summary of exports and volumes to the Netherlands.

**Table 2: Export to the Netherlands**

Product	2010	2011	2012	2013	2014	2015	Total
<b>Groundnuts</b>							
Tonnes exported	0	1	0	0	0	0	1
Export value (USD thousand)	0	26	0	0	0	0	26
<b>Cut flower</b>							
Tonnes exported	26	13	21	25	53	34	172
export value (USD thousand)	115	48	474	433	2094	180	3,344

Source: *ITC Calculations based on National Statistics Office (NSO) of Malawi statistics until January 2015*

Export data shows that there is not a lot of trade in legumes between the Netherlands and Malawi. Between 2010 and 2015, Malawi exported only 26 tonnes of legumes to the Netherlands. With regard to flowers, Malawi exported 172 tonnes of flowers to the

Netherlands and earned USD3.5 million. The export of flowers to the Netherlands accounted for nearly 60% of all cut flower exports.

### 2.3 Key actors

Key actors in the product chains fall into four or five categories: (i) farmers or producers, (ii) intermediate buyers, (iii) processors and (iv) exporters. The other category, not falling in any of the above is the Auction Holdings Commodity Exchange (AHCX). They are neither an intermediary buyer nor exporter. They facilitate trade between producers and buyers as well as exporters. These categories, their interest and power is summarised on table

**Table 3: Key actors in the product value chain**

<b>Category</b>	<b>Interest and power</b>
Producers	There are two major categories of producers/farmers: Smallholder farmers (less than 10 hectares) and estate producers (over 10 hectares). Smallholder farmers include individual farmers usually at household level and contract farmers. They produce small quantities for sale and for consumption. As quantities are small, smallholder farmers usually sell their produce to intermediate buyers. Estates produce large volumes for commercial purposes. Smallholder farmers and estates dictate the volume of produce in the market. Exagris, NASFAM, Mulli Brothers are some of the estate producers.
Intermediate buyers	Intermediate buyers are individuals or firms that buy mainly from smallholder farmers to resell to consumers, processors or exporters. Intermediate buyers move around in villages/communities in search of produce so it is easier for smallholder farmers to sell to them as they (smallholder farmers) avoid transport costs. However, they usually offer smallholder farmers lower prices in order to improve their profit margins.
Auction Holdings Commodity Exchange Limited	A unique structure in the product chain. As indicated on the company's website, AHCX is a marketplace where buyers and sellers can transact trade of commodities (legumes: red kidney beans, sugar beans, soya beans, pigeon peas, cow peas, groundnuts), maize and rice with an assurance on quality, delivery and payment. Currently AHCX requires a minimum of one metric ton, down from three metric tons. The Exchange is committed to ensure that the market is assisted with a modern market institution that brings in much needed integrity, by providing a guaranteed mechanism, for the quality, quantity and payments. Further it makes the market efficient, by introducing standardized contracts and trading systems. AHCX is a fully electronic market, bringing in transparency and empowering the farmers by disseminating market information in real time to all market players; and at a later stage, the Exchange will provide the market with options for risk management by offering futures trading. According to the Head of Operations, AHCX ensures that it gives an opportunity to farmers to sell their produce at a higher value than when the produce is sold to intermediate buyers. AHCX demands 2 percent of the value of commodity sold through its system. Although not confirmed, it can be assumed that the national percentage of produce sold through AHCX is

	not much. This is for three main reasons: (i) its markets/depots are not spread throughout the country. They have 10 depots in 10 districts against 28 districts – ADMARC with its market points remains the most widely spread; (ii) private traders are also a common feature in the country. Although not offering best prices, the proximity they offer attracts farmers as they (farmers) do not have to incur transport costs; (iii) AHCX is new (2013). Its electronic market is a new phenomenon that traders (farmers and buyers), most of them rural based and with high illiteracy levels (21percent of rural population) are yet to understand and/or get used to.
Processors	Firms/companies in this category buy and process products into oil and other food products. They buy from smallholder farmers through intermediate buyers and through the Auction Holding Commodity Exchange Limited e.g. Some key processors include Rab Processors, Transglobe Produce Export, and NASFAM.
Exporters	Exporting commodities, these produce as well as buy from smallholder farmers and through the Auction holding Commodity Exchange Limited. As buyers and exporter, they have power to dictate prices. E.g. Exagris, Transglobe Produce Export, Export Trading Company and ADMARC

**Figure 1: Advert for Soya beans by intermediate buyer in a village**



*NB: MK250/kg is equivalent to USD0.35/kg: May 2016*

Women are found in all the selected product chains (legumes, flowers, paprika/chillies). They are not main actors, but employees working at various stages of the value chains.

While they perform different roles, most common task is grading, where they are hired in large numbers.

*“Legumes are considered to be a woman’s crop because they do not require expensive inputs and the grading is tedious that men would not be patient enough to handle them” (NASFAM-KII)*

This observation notwithstanding, women are not involved as growers or owners of the businesses in which they were found working. One respondent observed it is more difficult for women to run a large scale farming business. They are not likely to be able to export and fetch more profits because the required export volumes are large and women are not likely to be able to meet the volumes. Also, the export process is cumbersome and women, like many other farmers, opt to sell their produce locally to intermediate buyers. The option to sell to intermediate buyers is because farmers do not have to incur transport costs as the buyers pitch up buying posts in villages, close to the farms.

## **2.4 Conditions of work for women**

The conditions of work for women is examined based on the nature of their employment, the type of contract they have with their employers, their wages, participation in decision-making and membership to trade unions and employees’ associations.

### **2.4.1 Nature of employment**

Women working in the selected product chains can be classified as informal and formal employees. Informal employment refers to a job status where the relationship between the employer and employee is not subject to national labour economy, income taxation or any social protection or employment benefits. There is no formal contract signed between employer and employee. This is despite the fact that the Malawi Employment Act No.6 of 2000 Section 27 (1) stipulates that every employer shall give each employee a written statement of particulars of employment. Respondents from the Ministry of Labour and Manpower Development were of the view that most employers do not comply with the labour laws because they know there is no adequate policing or enforcement from the Ministry. At the same time, the prospective employee is not able to insist on a written contract in cases where the employer is not ready to issue one, especially where they are hired on day to day basis. Majority or casual and seasonal workers have worked for many years, some as many as eight years as casual/seasonal workers. Both parties do not have obligations beyond offer of labour and payment for the labour. Employees are considered in informal employment if they are without any benefit e.g.: (a) no paid leave, (b) no pay contribution to social security, (c) no payment for leave days not taken, (d) no paid sick leave, (e) no medical benefit and (f) no tax deduction from salary. Such workers are rarely organized for effective representation. According to the International Labour Organisation, some of the characteristic features of informal employment are: lack of protection in the event of non-payment of wages, compulsory overtime or extra shifts, lay-offs without notice or compensation, unsafe working conditions and the absence of social benefits such as pensions, sick pay and health insurance.

*“The situation at this farm is very bad. We don’t get paid on time. Sometimes, even at the end of the season, we are told we can only get paid when the produce is sold. When they do sell, we get paid much less. You can’t ask for fear that you might be labelled difficult and not be offered a job in the next season” (Woman, FGD).*

The table below shows the proportion of women and men in formal and informal employment at national level.

**Table 4: Informal employment by sex and region**

Indicator	Malawi	Male	Female	Urban	Rural
Formal employment	11.3	16.2	6.4	30.6	8.9
Informal employment	88.7	83.8	93.6	69.4	91.1
Informal employment by region					
Northern Region	92.2	87.6	97.1	86.8	92.3
Central region	92.6	89.5	95.4	92.3	92.6
Southern region	88.3	88.3	93.4	79.3	88.7

*Source: National Statistics Office, 2013*

Interviews conducted and observations made at the companies/firms visited indicate that companies/firms/farms employ both men and women (Annex 2)<sup>2</sup>. There are more women working in the farms where crops are produced than in factories where the crops are processed or packed. This could be because of the nature and amount of work involved in these areas. At the farms, most women work as casual or seasonal workers (informal employment). The main difference between casual and seasonal is that unlike casual workers, seasonal workers are assured of work for a longer period of time – months and/or year, i.e., for the duration of the production season - from land preparation, planting, weeding, fertiliser application, harvesting, taking to storage facility.

In one FGD participants indicated that a season could be from November of one year to December of the following year in which case a season ends when the crop has been harvested and sold. An issue was raised in this case that workers only get payment after the crop is sold. Two groups of women also indicated that some workers have worked for more than 8 years as casual and/or seasonal workers and with no prospects of being offered regular/permanent contract. The researcher is of the view that employers would choose to keep workers on casual and/or seasonal status to avoid paying benefits that are required for regular/permanent staff.

At the food (for legumes) processing, packaging and/or exporting factories, it was observed that companies/firms employ more men than women. The Human Resources Managers explained that the nature of work in the factories suit men as the work is usually heavy for women (loading and offloading of bags of produce). At these

<sup>2</sup> Firms were not forthcoming to disclose the actual number of their employees. As such

factories/firms, the few women that find work there are mainly involved in grading of the produce. It was interesting to note that at these processing factories, most of the employees (both men and women) are under permanent contracts. Thus women working in companies/firms that process or package crops have formal contracts and enjoy other benefits such as leave days for sick leave, holiday pay and maternity leave. These factories, companies and processing plants also employ casual workers but usually casual workers are fewer than permanent workers. Casual workers in factories are recruited to supplement permanent workers when the workload is heavy.

The wages of casual and seasonal workers were not different; both groups are paid at the rate ranging between MK500/day and MK690/day, translating to between USD0.71 and USD0.97/day. Employers were happy to indicate that they pay above the prescribed minimum wage of MK551/day for a 6 day working week. This translates to USD0.78/day, which is less than the Poverty Datum Line of USD1.98/day.

#### 2.4.2 Women in leadership positions

People in senior and middle management (legislators and corporate managers) are considered to be in high status occupations. The female and male share in employment in senior and middle management provides information on men's and women's power in decision making and in the economy. The table below provides number of female share of employment in the senior and middle management at national level.

**Table 5: Female share of employment in senior and middle management**

Background characteristics	Male	Female
Malawi	0.32	0.07
<b>Residence</b>		
Urban	1.13	0.4
Rural	0.22	0.02
<b>Education</b>		
No education	0.04	none
Primary school	0.13	
Secondary school	0.85	0.18
Tertiary	5.99	1.64

*Source: National Statistics Office, 2013*

The table indicates that the male share of employment in senior and middle management is higher than the female share at national level. The table also shows that employees in senior and middle management for both females and males in urban areas are higher than in the rural areas. Education status plays a significant role in determining whether one is given a senior or middle management position. The table further shows that the percentage share of females and males in senior and middle management increases with educational level. The survey also sought to establish the number of women in decision-making positions in the firms visited. The table below shows number of men and women in decision-making positions in the farms/firms/companies visited.

**Table 6: Women in leadership positions**

Firm	Men	Women	Total
------	-----	-------	-------

Exagris	11	1	12
NASFAM	3	1	4
Transglobe Produce Export	7	3	10
Export Trading Company	5	2	7
Rab Processors Ltd	8	2	10
Cholo Flowers	1	1	2
Zikomo Flowers	1	NA	1
Mukwikwi	2	1	3
Total	38	10	48

*Source: compilation by researcher, from the filed data*

From the baseline study, the researcher observed the same pattern i.e. there are fewer women (21%) than men (79%) in leadership positions in companies/firms that are involved in the decision-making in the production, buying and selling, processing and/or exporting legumes, flowers and chillies.

### **2.4.3 Protection of Women’s Rights**

All farms/firms that employ workers indicated in the interviews that they promote and protect women’s rights and promote decent work for women. They all expressed awareness of the Government of Malawi’s Decent Work Country Program. All employers indicated that they have the policies, which have provisions on equal employment opportunities, sexual harassment, and maternity leave. While some have standalone gender equality policies, others indicated these are stipulated in the Conditions of Service documents. All firms indicated that they are equal opportunity employers and that women are encouraged to apply for the various positions being advertised. They said this is spelled out in the advertisements for filling vacant positions: ‘we are an equal opportunity employer; women are encouraged to apply’. All firms/companies indicated that they have inclusive gender policies, partly because it is a Government’s requirement and also because they think affirmative action is good for business, examples of decent work for women. However, this was looked at in terms of the non-discriminatory approaches for recruitment. A few women expressed that although this may be the case, most jobs are still offered to men.

### **2.4.4 Protection from sexual harassment**

All firms interviewed indicated that their companies have provision for protection of women from violence including sexual harassment. All the firms/companies visited indicated that they have sexual harassment policies and that evidence of issues of sexual harassment lead to job termination. They indicated that the conditions of service indicate that sexual harassment is prohibited and tantamount to suspension and/or dismissal. On the other hand, one group of casual workers interviewed indicated that they observe tendencies of favouritism from some male *kapitao* (‘captain’ in-charge of casual and seasonal workers) towards female casual workers. This happens through giving them work and sometimes lighter work. All managers interviewed stated that they have non-discriminatory policies; some casual labourers complained that in the spirit of equal pay for equal work, women are given workloads that too heavy for them.

### **2.4.5 Women’s reproductive health rights**

All firms interviewed indicated they have measures for promotion of reproductive health rights. They all indicated they provide maternity leave as required by Government. It is interesting to note that while the Malawi Employment Act of 2000 among others provides for different types of leave including maternity leave of at least eight weeks (2 months) leave on full pay within every three years, most employers provide 3 months leave on full pay. All firms interviewed do not provide leave to casual workers.

**Figure 2: No protective wear for a farmer drying paprika at a farm**



*NB: the situation is the same for women handling paprika and/or bird's eyes chillies*

With regard to protective clothing, all firms visited indicated that employees are given protective clothing. The challenge is at the farms where casual and seasonal workers are not provided with protective clothing. Women respondents indicated that all seasonal and casual labourers, men and women are not provided with protective wear.

*“We pick and grade chillies with our bare hands with no face masks. Sometimes we do that with children and babies on our backs. It’s tough but we need the money, there is nothing else can we do, we are used to being labourers, and it’s a source of our livelihoods”.*

#### **2.4.6 Trade union and employees’ association membership**

Membership to trade unions and employees’ association is an indicator that shows employees collective bargaining power over their wages and working conditions. Table below presents a picture of male and female membership in trade unions as well as employees’ associations as percentage of paid employed persons by sex and occupation at national level.

**Table 7: Membership to trade unions and Employee associations**

Occupation	Trade union membership			Employees association		
	Malawi	Male	Female	Malawi	Male	Female



<b>Total</b>	<b>5.5</b>	<b>6.8</b>	<b>3.6</b>	<b>3.6</b>	<b>4.1</b>	<b>2.9</b>
Manager	19.9	20.3	17.4	13.9	15	7.7
Professionals	22.8	24.4	20.2	22.8	21	25.9
Technicians & associated professionals	3.4	1	14.1	1.7	2.1	-
Clerical support workers	23.3	23.2	23.5	6.1	5.6	6.8
Service and sales workers	8.1	7.4	10.5	2.3	2.9	2.1
Skilled agricultural, forestry and fishery workers	0.4	0	0.8	0.9	0.7	1.1
Craft and related trades workers	6.9	6.9	6.8	2.8	2.9	2.1
Plant, machine operators, assemblers	9.9	11	4.2	5	5.8	0.4
Elementary occupations	2.2	3.7	0.8	1.4	2.3	0.6

Source: National Statistics Office, 2013

According to the NSO 2013 survey, membership to unions and employees' associations among workers is low in Malawi. Overall, 5.5% and 3.6% of persons in wage employment are members of trade union and employees' associations respectively. There are differences in union and employee association membership across occupations. Wage employed persons whose occupations are managers, professionals and clerical support staff have higher percentages of membership to employees' association and trade union compared to workers in other lower positions. There are also gender differences in membership to trade unions and employees' association. About 7% of male employees are members of trade unions while only 3.6% of female employees are members of trade unions.

According to the same study, among employed persons who were non-members of trade unions and employees' association, the most prevalent reason for not joining trade unions or employees' associations are lack of knowledge on the existence of the trade union or employee association (52%) and not aware of any union to join in my work place (22.3%). The table below provides various reasons why workers do not join trade unions as shown in the table below:

**Table 8: Reasons for not joining trade unions**

Reason for not joining trade unions	%		
	Malawi	Male	Female
- Have a negative view of Trade Unions	1.7	2.2	1
- Not aware of any unions to join in my work place	22.3	23.3	20.9
- Don't know trade union	51.9	47.7	57.5
- It is discouraged by my employer	1.1	1.4	0.7
- Not sure what a union can do to help me	1.7	2	1.4
- Never been approached to join	5.8	7.3	3.9
- Never considered joining	4.3	5	3.3
- Do not have time	1.3	1.7	0.9
- Not interested in public affairs	1.7	2.2	1.1

- Too expensive	1.8	1.6	2
- Other	6.3	5.7	7.2

Source: National Statistics Office, 2013

None of the casual/seasonal workers interviewed at the farms/firms/companies are members of trade unions or employees' association. At the processing/packaging/exporting factories, human resource managers reported that very few employees are members of trade unions despite the fact that they are allowed to join trade unions as well as Joint Consultative Committees established at their offices. One human resources manager explained that employees do not feel like joining trade unions because they are satisfied with the conditions of work and working relationship they have with their employers. On the other hand, most respondents said they did not know of any committees where workers can present their grievances and that there are no national platform or hotline/call centre for grievances. Those that knew or had heard of these committees identified a number of reasons for not joining trade unions. There was lack of knowledge about the benefits of joining trade unions, others felt that trade unions just collect fees from members but they don't help when members need help.

Most respondents also stated that they do not see benefits of joining a union and paying membership fee.

*“I would rather use my money for something more valuable than pay membership and subscription fee for a structure whose benefits I can't quite see” (Male: Individual Interview).*

*“Sometimes employers think that employees that join unions are difficult employees and we don't want to risk our reputation and lose our jobs. The best is not to join unions” (female: in an FGD)*

There was one woman who said she was once a member of a trade union but vowed never to join a trade union again because she felt that she was not given adequate support when she had an issue about payment with her former employer.

#### **2.4.7 Opportunities to complain about working conditions**

The survey noted that nature of the relationship between the workers (casual/seasonal) and the employers puts the workers in a situation where they are not free to join committees for employees or to raise issues and negotiate with their employers about working conditions (e.g. wages, hours of work). All women groups interviewed said as casual/seasonal workers and usually without any contracts, they are afraid to join committees for employees or to complain about their working conditions because they are afraid of losing their jobs. They do not want to be labelled as trouble makers or the ones creating unrest among employees. In some cases, the nature of work means that a huge number of men and women looking for work come at the entrance of firms/companies/estates in the morning and supervisors pick who should work. Under this condition, no one would want to be labelled as a trouble maker since the supervisor picking people to work would not pick those s/he feels are trouble makers. Thus, it is up to the employer to change conditions of work i.e. women as casual workers have no bargaining power.

## 2.4.8 Minimum Wage and Living wage in Malawi

In January 2014, the Ministry of Labour in consultation with trade unions and other stakeholders revised the minimum wage from three hundred and seventeen Malawi Kwacha (K317.00) per day to five hundred and fifty- one kwacha (K551.00) per day, translating to USD0.78/day. At this rate, the minimum wage is much lower than the living wage of USD3.6/working day and the Poverty Datum Line of USD1.98/day.

The idea of a living wage is that workers and their family should not have to live in poverty. The following definition of a living wage (which is consistent with findings in the comprehensive review of living wages by Richard Anker, 2011) has been agreed to by Fairtrade International, Rainforest Alliance and UTZ Certified as well as Social Accountability International (SAI) and two other ISEAL members (Forest Stewardship (FSC) and Goodweave): ‘Remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living of the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, healthcare, transport, clothing and other essential needs including provision for unexpected events’.

A study supported by Fairtrade International, Rainforest Alliance and UTZ Certified; Oxfam and Ethical Tea Partnership (ETP) in 2014 estimated the living wage in Malawi. The study recommended that the living wage for rural Malawi should be K35,222 (USD81.90) per month and therefore K1,531 (USD3.60) per workday for permanent workers. This is without considering in-kind benefits that reduce the need for cash income. The estimate of the cash wage required for a living wage is K1,408 (USD3.30) per workday when permanent workers receive common in-kind benefits of free tea, lunch, health clinic, building for public school. The estimate of the cash wage required for a living wage reduces further to K1,193 (USD2.80) per workday for the relatively few permanent workers who also receive free decent housing for their immediate family and maize at a lower price in high price months before new harvest.

Information about living wage is limited in Malawi and the researcher did not come across any firm/company paying the living wage. No firm indicated participating in living wage consortia. Only two firms/companies indicated that they have heard about the living wage. All other employers interviewed indicated they paid a living wage for the sole reason that they pay an amount higher than minimum wage. However, in reality, none of them is paying living wage. When the living wage estimate was presented, all firms/companies indicated that they could not afford to pay the living wage and that if this was promoted, many workers would have to be laid off. Respondents explained that the farming business is not very profitable such that paying the living wage is beyond what firms/companies can afford to stay in business. The daily wages ranged from MK550 to MK950.

According to Anker (2011), living wage is not widely applied because there is neither a general accepted definition of what a living wage is, nor is there a generally agreed methodology on how to measure it. As such companies do not pay it and governments focus on setting legal minimum wages.

## **2.5 Government policies and legal frameworks**

### **2.5.1 National Employment and labour Policy**

The Malawi Government recognizes that employment opportunities, availability of labour and decent working conditions are critical for the country's economic growth and poverty reduction. The Malawi Government in partnership with local and international organisations has formulated the National Employment and Labour Policy (NELP). The NELP is a five-year strategic document (2014-2019) that provides a framework that will guide the country's efforts towards promoting productive and decent employment and enterprise development; compliance with labour standards by employers, investors and workers; social protection and social dialogue. The policy has identified the following as priority areas: Economic Growth and Employment; Labour Market Information; Skills Development and Labour Productivity; Private Sector Development and Job Creation; Micro, Small and Medium Enterprise Development; Labour Administration and Labour Standards; Employment of Women and People with Disabilities; Youth Employment; Labour Emigration and Immigration, and; Agricultural Sector and Employment. The policy has been developed in the context of the Malawi Decent Work Country Programme 2011-2016, the Malawi Growth and Development Strategy (MGDS) II 2011-2016 and Vision 2020.

### **2.5.2 Labour and Employment Legislation**

The Malawi Constitution addresses labour issues in several of its Sections. The constitution calls for equal and fair treatment, and providing for passing legislation aimed at addressing inequalities in society or prohibiting discrimination (S20 and 24); affirming rights in relation to employment conditions and labour relations, such as fair and safe labour practices including remuneration, trade unionism and freedom to work (S31); access to basic services and special consideration for potentially vulnerable groups such as women, children and persons with disabilities (S30). In addition, the constitution stipulates that children are entitled to protection from economic exploitation or any treatment, work or punishment that is likely to be hazardous, interfere with their education or be harmful to their health or to their physical, mental or social development (S23). The Constitution also prohibits slavery or servitude, forced labour or bonded labour that amounts to servitude (S27).

The labour legislation in Malawi comprises of the Malawi Constitution referred to above, as well as the Labour Relations Act of 1996 (CAP 54:01); Occupational Safety, Health and Welfare Act, No 21 of 1997 (CAP 55:07); the Employment Act, No 6 of 2000 (CAP 55:01); and Workers' Compensation Act No 7 of 2000.

- The Labour Relations Act (No 54 of 1996) heavily draws from ILO Convention No 87 on Freedom of Association and Protection of the Right to Organize, and Convention No 98 on the Right to Organise and Collective Bargaining. It promotes sound labour relations through the protection and promotion of freedom of association, the encouragement of effective collective bargaining, and the promotion of orderly and expeditious dispute settlement, conducive to social justice and economic development.
- The Employment Act (No 6 of 2000) contains comprehensive legislation on employment. The objective of the Act is 'to establish, reinforce and regulate

minimum standards of employment with the purpose of ensuring equity necessary for enhancing industrial peace, accelerated economic growth and social justice’.

- The Workers’ Compensation Act (No 7 of 2000) makes provision for compensation for injuries suffered or diseases contracted by workers in the course of their employment, or for death resulting from such injuries or diseases. It also provides for the establishment and administration of a Workers’ Compensation Fund.
- The Occupational Safety, Health and Welfare Act (No 21 of 1997) makes provision for the regulation of conditions of employment in workplaces with regard to safety, health and welfare of employees; for the inspection of certain plants and machinery; for the prevention and regulation of accidents occurring to persons employed or authorised to go into the workplace, and for some related matters.

### **Other related Acts**

The Technical, Entrepreneurial and Vocational Education and Training Act (TEVET Act, No. 6 of 1999) was until recently part of the labour law. The implementing authority has since moved from Ministry of Labour to the Ministry of Education. It also phased out the Industrial Training Unit in the Ministry of Labour, and provided for the creation of an autonomous Technical, Entrepreneurial and Vocational Education and Training Authority to oversee employer-based and informal technical, entrepreneurial and vocational education and training in Malawi.

The Pension Act of 2011 provides for mandatory pension by every employer to his/her employees, except for those below specified salary thresholds who are exempted but are instead covered by provision of a gratuity on termination of employment under the 2010 Amendment to the Employment Act.

Other frameworks at national and international levels include the International Labour Organisation (ILO) where Malawi subscribes to the prescribed ILO guidelines and provides national regulatory framework The National Programme on Occupational Safety and Health (NOSHP) is to guide a systematic and coordinated approach to strengthen a National System on Occupational Safety and Health aimed at fostering a preventative safety and health culture in Malawi. Ministries of Health, Department of Mines and Department of Environmental Affairs regulate OSH.

As party to the Convention on the Elimination of Discrimination against Women (CEDAW) Malawi recognizes Sexual harassment as a form of violence against women. Malawi has an Industrial Relations Court (IRC) to address issues of sexual harassment in the workplace. The Penal Code and the Malawi Gender Policy (now the Gender Equality Bill of 2012) also offer frameworks for addressing such issues. At regional level, Malawi subscribes to the African Union Gender Policy (2008), the SADC Protocol on Gender and Development (2008), the COMESA Gender Policy (2002).

Malawi is a member of several organisations and trade blocks including United Nations Conference on Trade and Development (UNCTAD), Common market for East and Southern Africa (COMESA) and the Southern Africa Development Community (SADC). Malawi’s trade policy is aligned to the World Trade Organisation (WTO) agreement as well and a beneficiary of the African Growth Opportunities (AGO) and

Everything But Arms (EBA) Agreement. Malawi participates in WTO trade negotiations under the Doha Development Agenda and is working towards ratifying the Trade Facilitation Agreement of 2013. Malawi's customs valuation methods conform to the WTO Agreement on Customs Valuation. Various certifications are required for compliance such as Rain Forest Alliance, Hazard Analysis and Critical Control Points (HACCP), fumigation certificates, phytosanitary certificates from Ministry of Agriculture and Irrigation, Export Quality Certificate from Malawi Bureau of Standards (MBS) and MBS label, showing conformity to MS 53:2001 of the Malawi standards. Chilies and capsicums have to comply with MS 96:1988 and standardization, quality assurance, accreditation and metrology (SQAM). Other certifications for chilies and legumes include fumigation, phytosanitary, International Organisation for Standardisation (ISO), food and safety management Hazard Analysis and Critical Control Points (HACCP), Food and Drug Administration (FDA) and Société Générale de Surveillance (SGS). Compliance with Environmental Standards, Occupational Health and Safety standards. Except the global Decent Work Country Programme, the 'Decent Work for Women' is a new phenomenon in Malawi. Based on this, it can be assumed that currently, compliance with various certifications may not guarantee decent work for women.

**Phytosanitary certificates** (from Ministry of Agriculture and Irrigation, Ministry of Health or Malawi Bureau of Standards): Certificates of health are normally required by the importing country to ensure that the imported goods (plants, plant products) carry no diseases, pests or any health-threatening organisms. All export of flowers and legumes in Malawi require phytosanitary certificate. Phytosanitary certificate is issued by Malawi's Plant Protection Services (PPS), at Chitedze Research Station, stating that the consignment is free from the quarantine pests specified by the importing contracting party.

**Fumigation certificates:** Some countries, such as Australia, Canada, New Zealand, the US and the UK, are very strict about letting in goods that might contain bacteria or insects that could harm their agriculture. For this reason, they may require a fumigation (pest control) certificate. Depending on the destination, exporters of paprika/chilies and legumes will obtain fumigation certificates. There are a number of companies issuing fumigation certificates

**Export Quality Certification Scheme (EQCS):** established in 1990 by the Malawi Bureau of Standards, products meant for export are inspected and tested for compliance with the buyers' specifications. An export certificate is issued for a complying consignment. Agricultural products certified include tobacco, tea, cowpeas, chillies, macadamia nuts, chickpeas, soya beans, sunflower seed and kernels, guar meal, toordhall, hides and skins, peri-peri sauce, cashew nuts and rice.

**Fairtrade<sup>3</sup> Certification:** FLO's Fairtrade system is the only popular fair trade certification and labelling system adopted in Malawi at present. Other labels are Co-

---

<sup>3</sup> The promotion of fair trade by the Malawi Government is also manifested through the designation of a Fair Trade Desk Officer within the Ministry of Industry and Trade. However, although the Ministry of Industry and Trade is very supportive, the fair trade concept is not yet sufficiently understood to enable the Ministry to effectively advocate fair trade among government departments. The establishment of the Malawi Fairtrade Network is an attempt to share experiences and exchange information among key stakeholders and create a shared voice for producers and workers at policy level. Furthermore, it is a platform from which issues that are relevant to the growth and establishment of Fairtrade in Malawi can be

operation for Fair Trade in Africa (COFTA) (mainly in the rice sub-sector) and Rainforest Alliance and UTZ in the tea industry. Currently, the Mchinji Area Small Farmers Association (MASFA) is the only Fairtrade-certified organisation in this sector in Malawi. There is also Afri-Nut processing facility in Lilongwe, partly owned by NASFAM and the NGO Twin (and therefore by the MASFA farmers). There are now nine Fairtrade certified organisations covering five Fairtrade certified products (tea, sugar, groundnuts, coffee and honey) in the country. In 2008, Fairtrade stakeholders formed the Malawi Fairtrade Network (MFTN) to be an umbrella organisation to promote and advocate the interests of Fairtrade-certified producers, processors and exporters in Malawi.

**Certificate of Origin (C/O):** This is required by some countries and is intended to certify to the importing authorities as to which country the products being imported were manufactured in - that is, the C/O certifies that the imported product meets the C/O requirements set by the importing country and which are expected of their foreign suppliers. It may be required that the C/O include information such as local material and labour content. For instance, the SADC Certificate of Origin is a document issued by MCCCCI stating that the product being exported was indeed produced in a SADC country.

**Rainforest Alliance - Sustainable Agriculture Network / Rainforest Alliance (SAN/RA):** major tea estates, coffee estates and Malawi mangoes subscribe to the SAN/RA.

**Hazard Analysis and Critical Control Points (HACCP):** a science based and systematic, identifies specific hazards and measures for their control to ensure the safety of food. Depending on the importing country, exporters will need to demonstrate that the product meets HACCP standards. Currently Malawi organises training for factory staff in HACCP and food safety standards, implement an HACCP plan and monitoring system as a step towards acquiring ISO certification.

## 2.6 Partnerships

There are several key local actors currently involved in the promotion of decent work for Malawians, which could be the first point of call for the Hivos' "Decent work for Women" Program. These organisations include the Ministry of Labour and Manpower Development, the International Labour Organisation, the Ministry of Gender, Children, Disability and Social Welfare, the NGO Gender Coordination Network, Malawi Congress of Trade Unions (MCTU), Women Legal Resource Centre (WORLEC). Spearheaded by the Hivos Malawi Office, other partners would include the Malawi Union for the Informal Sector (MUFIS), Oxfam and Youth Net and Counselling (YONECO). There is also Employers Consultative Association of Malawi (ECAM) that protects the interests of employers on social and labour policy in Malawi. The MCTU and the MUFIS focus on the conditions of work for all employees not only women. In general, these partners have the requisite experience, drive and capacity having been involved in the Decent Work Country Program. The majority of the partners listed below have expressed interest to be involved in the Hivos "Decent Work for Women" Program.

---

debated and advocated. The Malawi Fairtrade Network is an all-inclusive network where all the stakeholders of Fairtrade in Malawi are members

### **2.6.1 The Ministry of Labour and Manpower Development**

Through the Ministry of Labour, Malawi has ratified the major ILO Conventions promoting the Fundamental Principles and Rights at Work, and various pieces of labour legislation affirm Malawi's commitment to ensuring that labour rights are enjoyed by all. However, the enjoyment of these rights depends on the rights holders being aware of and exercising their entitlements, and duty bearers being willing and able to fulfil their responsibilities. Regarding the duty bearers, the Ministry of Labour lacks the necessary capacity for comprehensive labour inspection, monitoring and enforcement of legislation that falls under it. Similarly, workers' and employers' access to justice is negatively affected by insufficient human, financial, material and technical resources in the Industrial Relations Court (IRC) to dispense justice in a timely manner. Furthermore, the IRC and its judgements seem to rank as secondary within the judicial system, thus highlighting a flaw in the enforcement of legal aspects of decent work. The absence of an independent alternative dispute resolution (ADR) mechanism has exacerbated the situation. Additionally, the rapid pace at which employment relationship practices are changing in Malawi and in the world at large, and the inability of local laws to respond to some of the new practices efficiently and effectively, has made workers vulnerable to abuse. Furthermore, child labour has continued to be a problem despite numerous efforts towards its elimination. This is due to inadequate enforcement measures and resource constraints.

### **2.6.2 The International Labour Organisation (ILO) Malawi**

The ILO brings together governments, employers and workers representatives of 187 member states, including Malawi to set labour standards, develop policies and devise programmes promoting decent work for all women and men. The main aim of ILO is to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue on work-related issues. ILO is currently supporting the Decent Work Country Programme for Malawi.

### **2.6.3 The Ministry of Gender, Children, Disability and Social Welfare**

This Ministry has the mandate to provide policy guidance women, children, disability, social welfare and development services. The Ministry was created with the aim of promoting the welfare of women and children as well as promoting socio-economic empowerment and protection of women and children. The Ministry is a key partner in the Decent Work Country Program.

### **2.6.4 NGO Gender Coordination Network (NGOGCN)**

The Gender Coordination Network (NGOGCN) was established with the aim of coordinating activities of NGOs dealing with gender related and women's rights issues in Malawi. GOGCN. Its mission is to promote gender equality and equity in Malawi through coordination, information sharing and capacity building of its members. Currently NGOGCN sits on the Parliamentary Committee on Agriculture; undertakes advocacy and capacity building on programs that empower women; advocacy for access to farm inputs in the FISP program; advocacy for land rights; advocacy on agriculture policy.



### **2.6.5 Malawi Congress of Trade Unions (MCTU)**

The Malawi Congress of Trade Unions (MCTU) is currently the most representative of the two existing Trade Union Federations, the other being the Congress of Malawi Trade Unions (COMATU). There are 26 registered Trade Unions, of which 22 are affiliated to MCTU and two to COMATU respectively, two being independent. MCTU's 22 affiliates account for approximately 200,000 members in different sectors of economy. MCTU's main objective is to defend the workers' rights and human rights in general. In performing its activities, the workers' organizations face challenges in different areas. Within social dialogue, the organizations encounter difficulties in organizing potential members, getting recognition from some employers, and in engaging them in collective bargaining negotiations. With respect to representation, workers feel marginalized or even left out in some agenda-setting of national importance. Additionally, emerging issues of precarious or informal employment relationships create new types of challenges for the organization. Furthermore, education on workers' rights is inadequate, mainly due to financial, human resource and logistical constraints. Workers' rights violations are also perpetuated by insufficient enforcement of labour statutes and long delays in legal proceedings.

### **2.6.6 Women Legal Resource Centre (WORLEC)**

WORLEC is a women's rights NGO in Malawi, which seeks to achieve a society in which women's rights are recognized, respected and protected. This is done through facilitating increased access to legal, socio-political and economic justice for women and girls in Malawi. One of its milestones is the action-oriented research on 'Women's Access to Land and Household Bargaining Power'. The aim of the research was to enhance women's bargaining power through improved access and control over land in the patrilineal and matrilineal communities in Southern and Northern Malawi. The exact nature of the relationship between women's bargaining power in the household and their access to, and control over land is key to deciding which interventions improve poor rural women's access to economic justice.

### **2.6.7 Malawi Union For The Informal Sector (MUFIS)**

The majority of the economically active persons are employed or self-employed in the informal economy. This forced the MCTU to re-strategize. The MCTU led the move of formalizing those working in the informal economy through the support of MUFIS which is affiliated to MCTU. MUFIS was formed in the year 2000 to organize, promote, protect, and negotiate on issues dealing with the rights of informal economy workers.

### **2.6.8 Youth Net and Counselling (YONECO)**

Youth Net and Counselling (YONECO) is a Malawian NGO committed among others, to empowering the youth, women and children; combating the spread of HIV infection; mitigating the impact of AIDS; promoting human rights and democracy and conducting research on youth, women and children development. Among its many programs, YONECO runs a Theatre for Development, in which YONECO has a Cultural Troupe that uses drama to conduct awareness campaigns. YONECO also has YFM, a radio accessible nationwide on 101.4FM and globally through internet on

(<http://tunein.com/radio/YONECO-FM-1014-s241082/>) or ([myradiostream.com/yonecofm](http://myradiostream.com/yonecofm)) is another existing opportunity that can be utilised. Coincidentally, Hivos played a critical role in the establishment of YFM through procurement of the radio equipment.

### **2.6.9 Employers' Consultative Association of Malawi (ECAM)**

This is the most representative employers' body in Malawi. ECAM was registered in 1963 under the Trustees Act. It draws its mandate from registered membership of over 200 corporate companies as well as seven sectoral associations. The body's primary role is to protect the interests of employers on social and labour policy in Malawi. Among its many activities, ECAM represents its members in industrial relations cases and conducts seminars to educate members on issues of interest to employers. Furthermore, ECAM in collaboration with the Malawi Chamber of Commerce and Industry has initiated programmes in order to reach out to the small and medium enterprises, which have not been able to benefit from representation so far. ECAM's challenges include members' inadequate technical competence on labour issues, institutional, logistical and financial constraints, and the need for new forms of collaboration with other bodies providing similar services. ECAM's constituents have had to grapple with low productivity levels amidst pressure for maintaining international competitiveness on the one hand, and the need to reward their workers appropriately. Furthermore, employers in Malawi are of the opinion that gaps in labour laws have been taken advantage of by workers to agitate for increased compensation packages, which have contributed to increasing labour costs.

### **2.7 The Decent Work Country Programme for Malawi**

The Government through Ministry of Labour and Manpower Development in collaboration with ILO, FAO, MCTU and ECAM developed the Decent Work Country Program (2011-2016). The Decent Work Country Programme has three priorities.

- *Priority 1:* Priority number 1 seeks to strengthen the economic and labour market policy framework for increased gainful and decent employment generation by focusing action in employment-rich sectors; promoting employment opportunities for the vulnerable groups, particularly the youth, women and people with disabilities; improving the capacity of trade testing and certification services and strengthening action on the elimination of child labour.
- *Priority 2:* Priority number 2 addresses the need for strengthening the capacity of the occupational safety and health services and putting in place national systems and policy framework. Priority number 2 also focuses on improving workers' compensation system through establishment of a fund, and the establishment of a national social security.
- *Priority number 3:* Priority 3 Seeks to strengthen the financial, human, technical and material capacity of the Ministry of Labour in carrying out integrated labour inspections; putting in place a comprehensive legal framework; strengthening the capacity of the Industrial Relations Court to hear cases expeditiously and effectively; and strengthening the alternative dispute resolution through conciliation and mediation services within the Ministry of Labour. It also seeks to develop and strengthen the Labour Market Information System, as well as strengthen the capacity of social partners to effectively engage in social dialogue through technical and financial capacity building.

## 2.8 Decent Work for Women Programme Opportunities and Threats

The political environment at national level is calm and may not interfere with the program. However, there seems to be limited political will to support some product chains. The flower product chain is a case in point. While some products such as chillies seem to have ready market, flowers and other fresh produce need direct flights into Europe (Netherlands). At the moment this is the missing link. This notwithstanding, it is worth noting that there is space for engagement and advocacy interventions. The country is in the process of reviewing its National Gender Policy; Parliament will table the Land Bill in its next sitting; there are discussions underway to abolish the tenancy farming system in tobacco farms which has been likened to slavery and human trafficking. This is evidence that there is window for advocacy programs.

### 2.8.1 Opportunities

The study identified three key opportunities that Hivos' "Decent Work for Women" programme can build upon.

- *The Decent Work Country Programme.* The Decent Work Country Programme being facilitated by ILO offers an opportunity to improve the working conditions of women in the value chains of the selected crops.
- *Policies and legal frameworks:* Malawi has a number of policies and legal frameworks that protect the rights of workers as well as the rights of women at the workplace.
- *Trade unions:* The active participation of the MCTU and MUFIS offers an opportunity to address working conditions of women in Malawi.

### 2.8.2 Threats

The study identified seven factors that threaten efforts to improve the working conditions of women in the selected value chains. These threats are associated with the nature of agricultural business/work, predominant working arrangement between employee and employer making it difficult to promote living wage, demand and supply of labour, weaknesses in legal frameworks, capacity of the Ministry of Labour to undertake inspections, and challenges relating to exports. The figure below provides a list of the identified threats.

- *The nature of agricultural business:* Agricultural business/work is seasonal. This means that there are months within the year when employers do not have work. Hence it makes sense to employers to employ seasonal/casual workers than employing workers as permanent on permanent contracts.
- *Working arrangement:* The other challenge is that workers in Malawi are not only paid based on daily wage or the minimum wage particularly at the farms where most women in these value chains are likely to find work. In some cases, workers are paid based on the amount of work to be done. The employer and employee agree on how much should be paid when the work is completed e.g. hectares cultivated or harvested, the number of bags winnowed. With this kind of working arrangement, it is difficult to promote the living wage.
- *Labour supply:* The other threat is that there is not many wage or salaried jobs available in rural areas in Malawi. According to the 2013 labour force survey,

only 8.9% of workers in rural Malawi are wage or salary workers, the rest (91.1%) are in informal employment. This means that there is a surplus of labour willing to work at low wages. The need for income in rural Malawi is high to the extent that the workers are willing to take wage employment even at very low amounts.

- *The legal framework:* The legal frameworks in Malawi do not favour seasonal or casual workers. The legal framework caters for those in formal employment. Employers are able to keep staff as casual or seasonal labourers for long periods of time with no repercussions.
- *The minimum wage:* With the minimum wage, companies in Malawi are not obliged to pay more than the minimum wage so it will be a challenge to promote the living wage.
- *Promotion of living wage and/or better working conditions:* This is seen as an expense to the employers, which if not balanced may lead to job losses for labourers as employers seek to maintain the profit level.
- *Capacity at the Ministry of Labour:* Lastly, but not least, the Ministry of Labour is already struggling to carry out inspections to ensure that employers conform to employment standards. Carrying out inspections in the informal sector, where workers are predominantly employed as casual and seasonal workers and without contracts will be a huge task.
- *Exporting challenges:* associated with the flower production and export values. One flower producer indicated that not many Malawians understand the flower business and that banks also do not fully understand the flower business either so they are not willing to provide loans to flower producers to expand their business. In addition, exporting flowers from Malawi is very expensive mainly because there are no direct flights and exporting agents demand as much as 25% of the value of the export. Hence producers are not able to expand their businesses and increase the export volumes. This indirectly reduces the number of job opportunities for women.

### 3.0 CONCLUSIONS

The selected product chains have the potential to improve Malawi's foreign exchange earnings, employment opportunities and the living conditions of women. Currently, most women are involved in the production and processing of legumes with fewer women in the flower industry, which is currently not viable. In the last five years, Malawi has exported more legumes and has earned more foreign exchange from the export of legumes than from flowers.

In the selected product chains, women work in various positions both as permanent and seasonal and casual employees. In the companies that export or process food products for domestic consumption, most women work as formal employees mostly in lower positions (grading of the produce) with very few women found in leadership positions. As formal employees, they have contracts with their employers, have maternity leave, get holiday pay and sick. At the farms where the crops are produced, there are very few women in formal employment. Most women at the farms work as casual or seasonal workers. Hence, they do not get sick leave, holiday pay or maternity leave. As casual or seasonal workers, they do not get protective wear and male supervisors may demand sexual favours from the women in return for an opportunity for work.

The study showed that companies/firms calculate their wages based on the minimum wage with others paying slightly higher. The living wage in Malawi is almost three times the minimum wage. Most companies/firms feel that they would not afford the living wage or they would have to lay off some staff to be able to pay the living wage. A few companies/firms offer food (porridge) to employees and only one employer has nursery schools for women that have young children.

There are several threats to efforts aimed at improving the working conditions of women. New efforts to compliment the Country Decent Work Programme should pay attention to these threats including the following: companies calculate their wages biased on the minimum wage hence it would be challenging to promote the living wage; the nature of work is suitable for seasonal and casual workers but policies and legal frameworks cater for those in formal employment; the Ministry of labour lacks capacity to carry out labour inspections. There is however strengths that the “Decent Work for Women” programme in Malawi should build upon. The programme should build upon the Malawi Decent Work Country Programme being spearheaded by the Ministry of Labour and Manpower Development in partnership with the International Labour Organisation, the Malawi Congress of Trade Unions and the Employers Consultative Committee. The Employers Consultative Committee offers an opportunity to engage employers on the living wage and decent working conditions for women. YONECO radio and performing arts troupe provides an avenue for information dissemination and awareness campaigns.

#### **4.0 RECOMMENDATIONS**

The study makes a number of recommendations as outlined below:

- i. *Policies and legal frameworks*: Support/facilitate the development and implementation of policies and legal frameworks for the informal employment and for temporary or casual and seasonal employees.
- ii. *Labour inspections*: Support the ministry of labour to carry out labour inspections in firms where women are involved in the production and processing of crops. There is need also for a functional hotline where workers can report violation of labour rights. The structure should also be equipped with adequate resources to respond to the needs. Hivos to lobby Government to ensure all workers have contracts stipulating terms of employment.
- iii. *Minimum wage*: Development of mechanisms to ensure that wages are paid in amounts as agreed and in a timely manner. Hivos to lobby Government to ensure all casual/seasonal workers are paid a minimum of the stipulated minimum wage.
- iv. *Participation of women in the value chains*: Support women to produce and sell their commodities in groups (cooperatives). Selling through the AHCXL could be one approach. As producers, women would have an alternative means generating income other than only seeking employment at the farms, where they are exploited.
- v. *Support flower producers*: The program should consider supporting flower producers to explore ways/options to access business loans and support flower producers to reduce the cost of exporting flowers to the Netherlands and other countries.

## 5.0 ANNEXES

### Annex 1: Institutions and individuals interviewed

<b>Institution</b>	<b>Product</b>	<b>Name and title/position</b>
Mukwikwi Estate (1M)	Soya bean and groundnuts	Mr. Billy Mukwikwi, Commercial Farmer
Exagris (9: 3 M; 6 women)	Soya bean, g/nuts, Chillies, Paprika	Mr. L. Makause, Program Coordinator/Analyst Mr. BikoThindwa, Sales Manager Mrs L. Goodman, Human Resource Coordinator and Director Mr. Worried Hojane, Farm Manager 5 women workers (2 Permanent (1 Supervisor) and 3 seasonal/casual)
AHCX Commodity Exchange Market (1M)	Soya bean, g/nuts, beans, Chillies, Paprika	Davie L. Lockie, Head of Operations
Zikomo Flowers (5: 1M; 4F)	Cut flowers, vegetables (cucumbers and eggplants)	John Njagi, Director 4 women (1 permanent – Supervisor and 3 Casual workers)
Cholo Flowers (1M)	Flowers	Mr. Saywood, business owner
Transglobe Produce Export (1M)	Soya beans, g/nuts, chillies	Human Resources Manager, Mr. Phiri
Export Trading company (1M)	Soya beans, g/nuts	Human Resources Manager
Rab Processors Limited (1M)	Soya beans, g/nuts, beans	Human Resources Manager, Mr. Chirwa
NASFAM (9: 1M; 8F)	Soya beans, beans, groundnuts	Mrs Betty Chinyamunyamu, Deputy Chief Executive Officer Mrs Chisomo Banda, Human Resource Administrator Mr. JizaMadziapita, Depot Supervisor 6 women casual workers
MCCCI (2M)		Mr. Maurice Banda, Research Associate Mr. Hope Chavula, Public Private Manager
FUM (2: 1M; 1F)		Mr Jacob Nyirongo, Director of Agribusiness and Marketing Mrs Roseberry Namagoa, Gender Coordinator
NGOGCN (2M)		Mr. Victor Maulidi, National Coordinator Mr. Amon Lukhele, Parliamentary Committee on Agriculture
Min of Labour and Manpower development (2F)		Mrs. T. Butao, Register of Trade Unions and Employers Organisations Mrs Joyce Maganga, Principal Research and Employment Officer

CISANET (1M)		Mr. Tamani Nkhono-Mvula, National Director
MCTU (2: 1M; 2F)		Mr. J Kankhwangwa, Projects Coordinator Ms J. Ching'oma, Education Officer Ms C. Nakoli, Research Officer
Youth Net and Counselling YONECO (1M)		MacBain Mkandawire, Executive Director

## Annex 2: Number of permanent and casual workers

Key Questions		Flowers				Legumes (beans, soya, g/nuts)				paprika/bird's eye chillies				
• Key stakeholders: drivers & regulators		• <i>Zikomo flowers</i> • <i>Cholo Flowers</i>				• <i>Transglobe Produce Export Ltd</i> • <i>Export Trading Company</i> • <i>Rab Processors</i> • <i>NASFAM</i> • <i>Billy Mukwikwi</i>				• <i>Exagris</i> • <i>NASFAM</i>				
Employment: Women/men involvement- nos.	Firm / Numbers	Permanent		Casual/Seasonal		Permanent		Contract/Seasonal		Permanent		Contract/Seasonal		Total
		♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	
	Zikomo Flowers	NA	NA	36	39									75
	Cholo Flowers	1	1	50	20									72
	Tansglobe Produce Export				-	20	250	20	30					320
	Export Trading					200	500							700
	Rab Processors					231	1793	0	20					2044
	NASFAM											137	40	177
	Exagris							331	220					551
	Mukwikwi (Farmer)					1	1	70	30					102



### **Annex 3: References**

- Anker Richard and Anker Martha (2014), Living Wage for Rural Malawi with Focus on Tea Growing Area of Southern Malawi. Report for Fairtrade International, Sustainable Agriculture Network/Rainforest Alliance and UTZ Central
- Anker Richard (2011), Estimating a Living Wage: A methodological Review. Conditions of Work and Employment Series No. 29, ILO, Geneva
- Malawi Government -National Statistics Office (2011): Integrated Household Survey
- Malawi Government -National Statistics Office (2013): Labour Survey
- Malawi Government - Ministry of Labour (2011): Malawi Decent Work Country Programme  
<http://www.ilo.org/>  
[www.nsomalawi.mw/](http://www.nsomalawi.mw/)  
<https://www.malawi.gov.mw/>  
<http://www.our-africa.org/malawi/economy-industry>  
<http://www.worldbank.org/en/country/malawi/overview>  
[http://www.fao.org/fileadmin/user\\_upload/emergencies/docs/PoA\\_Malawi.pdf](http://www.fao.org/fileadmin/user_upload/emergencies/docs/PoA_Malawi.pdf)
- Khonje A.A. Research trends in horticultural crops in Malawi. Journal of Crop and Weed, 9(2):13-25(2013)  
<http://www.times.mw/malawis-agro-based-economy-poses-job-creation-challenges/>