Who cares for the carers?

Today is the fifth anniversary of Domestic Workers Convention

GUY RYDER

THEY care for our children, elderly, disabled, and homes -- but are we doing enough to take care of them?

We estimate that domestic workers typically earn less than half of average wages -- and sometimes no more than about 20 percent. Their hours are among the longest and most unpredictable, and 90 percent do not enjoy access to social protections, such as pensions and unemployment benefits.

At least 80 percent of all domestic workers are women, which means that women are disproportionately affected by these decent work deficits. Domestic work also represents some 4 percent of the female labour force. In Latin America for instance, 14 percent of all female wage workers are domestic workers.

There is also an international dimension -- a recent ILO analysis indicates that 17 percent of domestic workers are migrants.

At stake is the wellbeing of tens of millions of domestic workers, and that of the families for whom they work. Recent UN estimates on population and ageing confirm that demand for domestic work is likely to grow: with ageing populations, reduction of public care policies, and an increasing number of women entering the labour force worldwide, families are increasingly turning to domestic workers to care for their homes, children, and ageing parents.

Though often hidden, domestic workers are a fundamental part of the care economy, delivering in-home care services in both the informal and formal economy. Concerned by cost and complexity of becoming formally employed, many avoid it, resulting in high levels of informal employment and undeclared work.

While these problems are not new, I am encouraged by the remarkably positive way global policymakers have stepped up to the challenge.

Five years ago on this day the ILO adopted the Domestic Workers Convention, 2011 (No. 189) and its accompanying Recommendation 201. These were the first international standards on decent work for domestic workers, aiming precisely to extend fundamental protections and rights to the 67 million domestic workers labouring in private homes around the world. That the Convention was adopted with near unanimity by the ILO member states signalled the global recognition that despite providing crucial services to homes and societies within the care economy, domestic workers were facing severe discrimination with respect to working conditions and human rights.

STAR/FILE

Domestic workers typically earn less than half of average wages.

The subsequent response from countries around the world has been impressive, with law and policy reform underway globally.

In 2010, the ILO estimated that only 10 percent of domestic workers were covered by labour legislation to the same extent as other workers. Since 2011, more than 70 countries have taken action to ensure decent work for domestic workers. Of these, 22 have ratified the Convention, another 30 have achieved law and policy reform, and at least another 18 are engaged in extending protections to domestic workers. The ILO has partnered with constituents in 60 of these countries, drawing across the Office's full breadth of expertise to build their capacity across a vast spectrum of policy areas.

While these measures represent the first steps on a long path to redress a history of exclusion, they are not enough to meet the challenge of protecting domestic workers. Reports on the widespread abuse and exploitation continue to stream through the media. In many ways the statistics I cited at the outset speak for themselves.

In adopting the Sustainable Development Goals, the UN pledged that no one would be left behind. On the right to decent work for domestic workers we have made a good start. But the task will require sustained attention to ensure real progress. If we are serious about the achievement of the sustainable development goals of poverty reduction, equality, and decent work for all, in particular for women then addressing deficits in domestic work is essential.

For its part, the ILO will continue to work in partnership with governments, workers, employers and the international community to build on the positive momentum and make sure that by 2030, the decent work, to which all domestic workers have a right, becomes the reality.

The writer is the director-general of the International Labour Organisation.

Cybercrime market sells servers for as little as $6 to launch attacks

REUTERS, *Frankfurt*

A major underground marketplace acting like an eBay for criminals is selling access to more than 70,000 compromised servers allowing buyers to carry out widespread cyber-attacks around the world, security experts said on Wednesday.

Researchers at Kaspersky Lab, a global computer security firm based in Moscow, said the online forum appears to be run by a Russian speaking group. It offers access to hacked computers owned by governments, companies and universities in 173 countries, unbeknownst to the servers' legitimate owners.

Access goes for as little as $6 for a compromised server. Each comes pre-equipped with a variety of software to mount denial-of-service attacks on other networks, launch spam campaigns, illicitly manufacture bitcoin currency or compromise online or retail payment systems, the researchers said.

Starting at $7, buyers can gain access to government servers in several countries, including interior and foreign ministries, commerce departments and several town halls, said Costin Raiu, director of Kaspersky's research and analysis team.

He said the market might also be used to exploit hundreds of millions of old, stolen email credentials reported in recent months to be circulating in the criminal underground.

"Stolen credentials are just one aspect of the cybercrime business," Raiu told Reuters in an interview. "In reality, there is a lot more going on in the underground. These things are all interconnected."

The marketplace goes by the name xDedic. Dedic is short for dedicated, a term used in Russian online forums for a computer under remote control of a hacker and available for use by other parties.

XDedic connects sellers of compromised servers with criminal buyers. The market's owners take a 5 percent upfront fee on all money put into trading accounts, Raiu said.

Kaspersky found the machines run remote desktop software widely used by network administrators to provide technical support for Microsoft Windows users. Access to servers with high capacity network connections may cost up to $15.

Low prices, searchable feature lists that advertise attack capabilities, together with services to protect illicit users from becoming detected attract buyers from entry-level cybercriminals to state-sponsored espionage groups.

An unnamed Internet service provider in Europe alerted Kaspersky to the existence of xDedic, Raiu said.

Small banks help Iran slowly restore foreign financial ties

REUTERS, *Dubai*

IRAN is gradually restoring banking links with the rest of the world by forging ties with smaller foreign institutions, even though large global banks are still holding back because of legal risks, Iranian officials and foreign bankers say.

Since international sanctions over Iran's nuclear programme were lifted in January, the world's big banks have continued to stay away because they fear being penalised by remaining U.S. sanctions over issues such as money laundering. This has slowed Iran's efforts to rebuild its foreign trade and lure investment.

But in the last few weeks, the officials and bankers say, Tehran has begun making a dent in its financial isolation by forging banking channels via small institutions, many of which do little or no business in the United States and so feel less legally exposed when they engage with Iran.

"Two hundred small and medium-sized international banks have started correspondent relationships with Iranian banks," Iran's central bank said in an emailed response to questions by Reuters.

Two foreign commercial bankers in the Gulf, who declined to be named because of commercial sensitivities, said that number was roughly in line with their understanding of the scope of Iran's banking links at present.

Under the nuclear sanctions, Iranian companies used methods such as transfers of funds through money changers and barter to conduct trade, which was expensive, time-consuming and sometimes unreliable. Normal banking channels make trade much easier by cutting costs and reducing risk.

The smaller banks cannot provide as much financing as the top global institutions and may offer a narrower range of services. But their activities appear to be supporting a gradual revival of trade between Iran and Europe.

European Union foreign policy chief Federica Mogherini said trade between the EU and Iran increased by 22 percent in the first four months this year - though that still leaves trade far below pre-sanctions levels. Two-way trade plunged 72 percent from 2011 to 7.7 billion euros ($8.6 billion) last year.

Giovanni Castellaneta, chairman of Italy's export credit agency SACE, told Reuters that some small European banks without business ties to the United States had begun doing transactions with Iran to support trade.

Iranian banks are now opening accounts and letters of credit with foreign banks and conducting "currency transfers in the form of issuing payment orders for foreign exchange services and imports", Iran's central bank said.

It added that Iran's main banking relationships had been formed with institutions in Asia and Europe, and to a lesser extent in the Americas and Africa.

U.S. Secretary of State John Kerry said last month that Europe's top banks had nothing to fear from resuming business with Iran, as long as they checked that their trading partners were not on remaining U.S. sanctions lists.

But Iranian Foreign Minister Mohammad Javad Zarif said on Tuesday that the "psychological remnants" of restrictions on Iran were still deterring business, and that Washington needed to do more to encourage banks to engage with Tehran.

"Despite showing interest in cooperating with Iran and having correspondent relationships, the big banks are postponing normalisation of relations to the future," the Iranian central bank said in its statement to Reuters.

"They are mainly afraid of the imposition of new sanctions since the initial (American) sanctions still remain. They also have the fear of being fined by the United States."

Nevertheless, the central bank said Germany-based Europaeisch-Iranische Handelsbank AG (EIH) and two Italian lenders, Mediobanca and Banca Popolare di Sondrio, were among the 200 with business links to Iran.

"EIH handles the bulk of Europe's letter of credit business, which gives European exporters an appropriate financial instrument to get their money from Iranian clients," said a spokesman for EIH, a German company which is majority-owned by Iranian interests.

EIH has also been providing letters of credit of between 180 and 360 days with deferred payment for business with Iran and other banking services between Iran and Europe, the spokesman said.

Mediobanca, which has commercial ties with Iran dating back to 1952 and an office in Tehran, is looking at opportunities in Iran including the privatisation of companies, investment into and out of Iran, and lending and debt capital market activity, a source close to the bank told Reuters.

A source close to Popolare di Sondrio told Reuters that the bank had an Iran team and was operating in the country; the source did not elaborate.

Oman's Bank Muscat is another institution doing business with Iran, the Iranian central bank said. The Omani lender, which in April received regulatory approval to open a representative office in Iran, did not respond to requests for comment.

Banks view U.S. dollar business with Iran as particularly risky because the remaining U.S. sanctions prohibit trade with Iran in dollars and Iranian access to New York's financial system.

Transactions have therefore been done in many other currencies. Deals have been completed in euros, Turkish lira, Japanese yen, Chinese yuan, South Korean won and Russian roubles, the Iranian central bank said.

Indian sugar refiners can benefit from export tax

REUTERS, *Mumbai/London*

India's planned sugar export tax of 25 percent, intended to maintain local supplies, could boost opportunities for Indian refiners who unlike mills will not be subject to the tax, enabling them to sell to places such as Myanmar and Sri Lanka.

Global sugar refining margins have fallen after the latest ICE raw sugar rally, driven by a shift of the global market into deficit. Margins could recover, however, as Indian low quality white sugar exports from mills would halt after the planned imposition of the tax, traders said.

Sugar output in India, the world's number 2 producer behind Brazil, is expected to decline this year due to drought in major growing regions.

The rally in ICE raw sugar futures meant that white sugar futures struggled to keep up, eroding global refining, or whites-over-raws, margins, the so-called white premium.

ICE raw sugar futures hit a 2-1/2-year peak of 19.92 cents a lb on June 9.

The white premium, a measure of refining profitability, dropped below $100 per tonne as the raw sugar rally gathered momentum, after trading above $100 in recent months.

Trade sources said the white premium could rise again as Indian exports slow, tightening global availability of white sugar. That would boost margins for India's coastal refineries, which would not pay the export tax as they are import-export businesses.

"The export duty will be applicable only for domestic output (mills). For refiners, the duty will not be applicable," said an official at E.I.D-Parry (India), which operates a refinery on the east coast of India.

REUTERS/FILE

Stewardesses from Jet Airways and Etihad Airways listen to a news conference by Naresh Goyal, chairman of Jet Airways, and James Hogan, chief executive of Abu Dhabi's Etihad Airways, in New Delhi. India on Wednesday eased a rule restricting when newer airlines can start flying overseas, Civil Aviation Minister Ashok Gajapathi Raju said. Raju said on Twitter that airlines would no longer need to wait for the five years of operations earlier required before they can begin flying abroad, but must still have 20 jets in their fleet. India's cabinet approved the new national civil aviation policy earlier on Wednesday.

Sri Lanka approves capital gains tax after IMF loan

AFP, *Colombo*

Sri Lanka's cabinet approved Wednesday the introduction of a capital gains tax for the first time in 14 years, as the island battles a revenue crisis that has forced an IMF bailout.

Prime Minister Ranil Wickremesinghe's tax plans come after the International Monetary Fund (IMF) this month released the first tranche of a $1.5 billion loan in support of the island's reform agenda.

"This is a move to increase direct taxation and reduce the reliance on indirect taxes such as VAT," government spokesman Rajitha Senaratne told reporters. "It is the super rich who make huge profits who will be asked to pay capital gains."

Senaratne said the tax would be introduced soon, but did not give details of rates and the areas to which it would be applied. A 25 percent rate had been slapped on property sales before the tax was abolished in 2002.

As part of the deal to secure the IMF money, the government promised to increase tax collection, cut state expenditure and reform loss-making state enterprises, according to documents released by the IMF.

The country last month increased value added tax (VAT) from 11 to 15 percent.

The government sought an IMF bailout immediately after taking power in January last year, but the fund turned down the request, saying the country's reserves were at a comfortable level then.

However, the government faced a balancing of payments crisis after it went on a huge spending spree to implement its election pledges of higher public sector salaries and lower prices.