

Fashion's Forgotten Workers

BACKGROUND ON HOMEWORKING IN INDIA AND THE IMPACT OF
COVID-19

Presentation by Kratika Choubey and Elizabeth Khummalambam

Email: kratika.choubey@traidcraft.org
elizadevi@gmail.com

Background on Homeworking in India

(HNSA, 2021)

- ❑ The number of women homeworkers in non-agricultural sectors in India is estimated to be around 12.48 millions. Of this the manufacturing sector has the highest concentration of women homeworkers, including textile (11%) and wearing apparel (16%).
- ❑ Homeworkers are a type of home-based workers who are sub-contracted by a contractor (or a series of subcontractors or intermediaries) to produce or add value to goods in their own homes or adjacent premises. Intermediaries provide them with orders, raw material and deadlines based on which they deliver orders and get paid on a piece-rate basis.
- ❑ However, sub-contracted homeworkers also have to cover many of the non-wage costs of production (workplace, equipment, utilities, and transport) and production risks (cancelled orders, delayed payments, rejected goods etc.)

Background on Homeworking in India

(HNSA, 2021) (contd)

- ❑ The study revealed that 61% of homeworkers in Delhi believed that the products they produced were sold in an international market, while another 38% reported that they did not know. In Tirupur, 150 labels on products that homeworkers were currently working on were reviewed - out of which 32 international brands were identified.
- ❑ Homeworkers lack access to information about the brands they work for, their rights, and the scope of their responsibilities (Sinha and Mehrotra, 2016).
- ❑ Homeworkers generally do not have written contracts with their contractors.
- ❑ Homeworkers have neither labour nor social protection and little opportunity to mobilize and bargain collectively to address their exploitation. Homework is an important source of income for older women and women with care responsibilities who find employment in a factory difficult.

Research Method

- ❑ **Build on** previous research: a 2019-20 study into [forced labour among garment sector workers](#) at different tiers of the supply chain – primarily focused on southwest Delhi
- ❑ **Draw from** existing programmatic knowledge: an ongoing project called Hidden Homeworkers, co-funded by the European Union, that we work on in partnership with Homeworkers Worldwide and HomeNet South Asia and other partners including SEWA Bharat. This project aims to improve transparency and worker conditions in homemaker supply chains in India, Pakistan and Nepal
- ❑ **Work collaboratively with** local partners in our target area including Community for Social Change and Development

Research Method (contd)

Two phases and two **frameworks** for the study:

- ❑ **Phase 1:** Understanding **worker vulnerabilities** from a human rights lens and **scope** for engaging with a tech-assisted support system

Key areas included nature of work, working conditions, indebtedness, social entitlement access, identity documents, exposure and engagement with internet and other technologies

- ❑ **Phase 2:** Understanding **worker feedback on the emergent tech-assisted design** encompassing: core capabilities and inter-operational capabilities, user experience and data management

- ❑ **Challenges:** research in the context of the pandemic

- ❑ **Adaptations:** included remote interviews; proxy interviews with civil society experts; social distancing, outdoor meetings and other safety measures

Research insights – homeworkers

Women choose to work from home largely because they do not have alternative livelihood opportunities due to family responsibilities, social norms, gender related issues etc.

Homeworkers are reliant on receiving work from contractors or sub-contractors

- In some cases, they may work for more than one contractor / sub-contractor
- Sometimes Garments are dropped off and collected by the contractor / sub-contractor
- Other times homeworkers may pick up garments (e.g., from neighbourhood subcontractors)

Workers are paid on a piece-rate with **pay levels typically below the minimum wage** (estimated ~25% of the minimum wage)

- Payment is in cash
 - This is preferred by homeworkers as they can retain control of their earnings
- Homeworkers may have to **rely on loans from friends and family to make ends meet**
- **They want better pay, regular work and continue working from home**
 - Some issues about regularity of payment (potentially due to payment terms imposed down the supply chain)

Research insights – homeworkers

(continued)

The amount of work and therefore the amount of income can be variable.

- Significant impact during the Covid pandemic with lower rates as a result of less work and more workers needing work.

Homeworkers are often not recognised as workers and have no labour rights

- Brands and even the manufacturers, responsible for the manufacture of garments, often have no visibility of informal workers who are working for them.
- Informal workers are not always aware of who they are doing the work for.
- Homeworkers do not have access to a grievance redressal mechanism in case of non-payment or withholding of wages

A relatively small number of home-based workers currently have access to a smartphone

- This may be through a family member
- Access to smartphones is lower than basic mobile phones

Literacy and in-particular digital and financial literacy are low

- Homeworkers tend to keep a record of work done and what is owed but this is not always written down

Research insights - Contractor / Sub-Contractor

- Exist at different tiers of the chain (for instance there can be contractors that take orders from factories, and others who directly interact with homeworkers)
- Take a margin for the work that is completed
 - The supply chains can be complex with multiple intermediaries (contractors) each taking a margin
- Where there are homebased workers, contractors that interact with them will have a relationship with them
- Will organise the delivery and collection of garments
- Will check quality of returned garments
- Keep a record of orders, work completed, payment due and payments received
 - Keep track of work and payments for individual homeworkers
- Are often subject to delayed payments from suppliers
- Are themselves unorganised, unrepresented and economically vulnerable, and may receive payments below minimum wage levels
- Female contractors can experience sexual harassment
- In some cases, contractors / sub-contractors can be demanding and aggressive towards workers

The contribution of homeworkers to fashion supply chains

- ❑ Homeworkers are vital in fashion supply chains – they help suppliers manage the highs and lows of demand from buyers.
- ❑ From the workers' perspective, homeworking may be considered as the most appropriate form of employment (especially women in the Indian context). Even if the wages are low, it gives them the flexibility to manage care responsibility and work responsibility; by working from home it avoids the hassle of commuting to the factory and being exposed to the harassment during commute or at factory
- ❑ It is also a significant source of livelihood for their families and contributes to the nutrition, health and education of their children as well (all women in our sample reported spending their earnings on their children).
- ❑ The Centre for Child Rights and Business and Save the Children conducted a study in 7 Asian countries, including India, taking a child rights lens to the topic of homeworkers. This study also aimed to identify best practices to improve child rights in such settings. The study found that homeworking has some clear benefits for children - **they are breastfed longer, are less often left home alone and stay in school longer.**

Understanding the impact of COVID-19 on informal supply chain actors in South-West Delhi

- ❑ Disruptions in global supply chains resulted in delays and non-payment of wages for homeworkers as well as small-scale community-based subcontractors. Many workers and subcontractors have still not received their dues.
- ❑ Since the onset of the pandemic the volume of work has reduced, this has made the already low wages even lower. This has been the case with homeworkers and subcontractors.
- ❑ For many homemaker households in Kapas Hera, the income dropped significantly due to non-availability of work during the lockdown, causing severe financial distress among workers.
- ❑ Most homeworkers in Kapas Hera are inter-state migrants and are not even recognised as workers – leaving them out of the purview of both state and employer social entitlements.

For more information on our work with home-based workers in South Asia, write to:
kratika.choubey@traidcraft.org