## HOME-BASED WORKERS: A GLOBAL PICTURE





HOME-BASED WORKERS GLOBAL CONFERENCE Marty Chen Harvard University & WIEGO Network



#### **REMARKS**

It is my great pleasure and honor to speak to you today – at the opening of the first global conference of home-based workers.

The WIEGO Network that I represent is proud to have worked with and supported home-based workers for nearly 20 years. We help strengthen organizations of home-based workers & promote improved statistics and research on home-based workers. We have had the pleasure of co-organizing this conference with HomeNet South Asia and of working with many of the organizations of home-based workers represented here.

To set the stage for this conference, I have been asked to share with you recent statistics & research findings that we have compiled in collaboration with HomeNet Pakistan, HomeNet South Asia, HomeNet Thailand and SEWA. I will present statistics on the *size and composition* of home-based work & research findings on the *common constraints and needs* of home-based workers.

#### **HOME-BASED WORKERS**

- Definition: those who produce goods or services for the market from within or around their own homes
- Significance: found in *many branches of industry* (food & craft to garments & shoes to electronics & auto parts) + represents *large share of employment*, especially for women and especially in Asia
- **Composition**: two major categories
  - sub-contracted (called homeworkers)
  - self-employed (mainly own account operators who do not hire others)

#### HOME-BASED WORK: STATISTICS FROM DIFFERENT REGIONS

Home-based work, which cuts across different branches of industry, accounts for a significant share of urban employment in some countries.

- As share of urban employment
  - India: 15 per cent
  - Buenos Aires: 3 per cent
  - South Africa: 6 per cent
- As share of urban informal employment
  - Africa: 11-25 per cent in 8 cities, 21 per cent in Ghana
  - India: 23 per cent
- Latin America: 3 per cent in Lima, 5 per cent in Buenos Aires
- The vast majority of home-based workers are women: 62 per cent in South Africa; 89 per cent in Brazil and 88 per cent in Ghana.

Source: ILO and WIEGO 2013. Women and Men in the Informal Economy: A Statistical Picture.

#### HOME-BASED WORK: RECENT STATISTICS FROM SOUTH ASIA

COUNTRY	% OF TOTAL NON- AG EMPLOYMENT	% OF WOMEN'S NON-AG EMPLOYMENT	% OF MEN'S NON-AG EMPLOYMENT
Bangladesh	7	12	6
India	15.2	31.7	11
Nepal	30	47.6	21.6
Pakistan	5.3	39.9	1.5

Source: 4 WIEGO-HomeNet South Asia Statistical Briefs

#### INFORMAL ECONOMY MONITORING STUDY: 3 (OUT OF 10) CITIES

**Home-Based Workers**: Ahmedabad, India; Bangkok, Thailand; Lahore, Pakistan

#### **Common Driving Forces:**

□ Macroeconomic trends: inflation + recession

Government policies & practices: lack of secure housing tenure + lack of basic infrastructure services + small or poor quality housing + lack of accessible/affordable transport services + fear of evictions

□**Value chain dynamics**: low piece rates or selling prices + high cost of inputs + unfair competition & practices from others in the value chain

### **HOME = WORKPLACE**

# When the home is also the workplace, housing is an essential productive asset.

□ Inadequate housing is the most common concern.

Constraint # 1: A small house hampers productivity.

- □ A worker cannot take bulk work orders as she cannot store raw materials.
- □ Work is interrupted by the competing needs of other household activities.
- □ Children are impacted by noise, dust and other workplace hazards.

"My house is too small to do home-based work. Also making of incense sticks is a very messy process which makes the whole house dirty and black. "(Ahmedabad)

### **HOME = WORKPLACE**

*Constraint # 2: Poor quality housing damages equipment, raw materials and finished goods.* 

- Equipment, raw materials or finished goods get damaged when roofs leak or houses flood.
- Products cannot dry due to leaks and humidity.
- Work orders are often reduced during the rains due to difficulties associated with transporting raw materials and finished goods.

"The poor quality of our housing creates difficulty for our work during the rainy season... if the goods are spoiled, the cost is deducted from our wages by the firm owner or contractor." (Ahmedabad)

### **HOME = WORKPLACE**

*Constraint # 3: Insecure housing tenure & single use zoning* also undermine the productivity of home-based workers.

- Insecure housing tenure discourages home-based workers from investing in their homes=workplaces
- Single-use zoning regulations create an uncertain policy environment and the threat of fines, bribes or closures for home-based workers
- Slum relocations to areas which do not have adequate basic infrastructure services and frequent public transport services reduce the productivity and increase the costs of home-based workers

"The municipality has forcefully demolished our hutments, and has pushed us to the city's periphery. Commuting is difficult, work has decreased as there are no contractors near the rehabilitation site." (Ahmedabad)

## **INFRASTRUCTURE SERVICES** & HOME-BASED WORKERS

Basic Infrastructure Services: lack or high cost of basic

infrastructure services  $\rightarrow$  decreases productivity + increases costs of production  $\rightarrow$  decreases earnings

Transport Services: lack or high cost of transport services

→increases expenditure on transport + decreases time

available for productive work  $\rightarrow$  decreases earnings

(sometimes results in operating at a loss)

"When it is dark we cannot work. We have closed-in houses and there is no light. If we don't work how can we eat?" (Lahore)

"Because there is no public transport, we have to walk to the contractor's place. While coming back, we have to carry the raw materials. During the monsoon season, we face a lot of problems." (Ahmedabad)

## **SOCIAL PROTECTION** & HOME-BASED WORKERS

Social Protection & Assistance: very few homebased workers have health insurance, pensions or social assistance of any kind.

Occupational Health & Safety: in addition to aches and pains from repetitive motion and/or sitting on the floor, home-based workers often work with toxic materials or dangerous equipment.

## MARKETS, BARGAINING POWER & HOME-BASED WORKERS

Lack of market access or work orders  $\rightarrow$  irregular work and earnings

Lack of bargaining power→inability to secure orders, set prices or demand services

"We are afraid of bargaining because if we squeeze the employer, the employer will do the same to us". (Ahmedabad)

## **BENEFITS OF ORGANIZING FOR HOME-BASED WORKERS**

Identity and Solidarity: as workers

**Services**: financial services + inputs + tools

Worker Education: awareness building + skills training

**Bargaining/Negotiating:** for work orders + higher wages + worker rights and benefits

Policy Advocacy: for social protection & assistance

#### Linkages: to markets & government

"HomeNet Pakistan is the important institution for us. They make us aware and teach us how to bargain. We are no longer so shy to speak up because of Home-Net Pakistan." (Lahore) "HomeNet Thailand provided us with information about social security, occupational health and safety, and the rights and benefits of home-based workers." (Bangkok) "We get inspiration from SEWA for our work that we are not weak and can do anything." (Ahmedabad)

#### **THIS CONFERENCE**

designed to share strategies for demanding and securing what home-based workers need

designed to build solidarity between home-based workers, and their organizations, around the world

designed to endorse a **Declaration** and an **Action Plan** 

I look forward to learning from you and being inspired by you over the next few days.

#### Thank You!!

- Āpanākē dhan'yabāda! (আপনাকে ধন্যবাদ!)
- Blagodarya! (благодаря)
- Didi madloba! (დიდი მადლობა)
- Kadinche!
- Obrigado!
- Salamat!
- Saum arkoun! (សូមអរគុណ!)
- Shukuriyya
- Terima kasih!

Asante! Dhan'yavāda!! (धन्यवाद!) Gracias! Khx khxbkhun! (ขอขอบคุณ!) Sabkaa Satautaiyai! ස්තූතියි! Shukriya Spasibo! (Спасибо!) Thank you!