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# Informal workers in fashion supply chains

Preliminary consultations  
to inform a tech-assisted  
support system

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## Purpose

This overview report contains key findings resulting from a small-scale, in-depth study conducted in Delhi and Tamil Nadu, as part of a project titled “*Resilience in Value Chain and Worker Vulnerability Reduction - Trusted digital identity and payments in the supply chain*” as part of the [Trustworthy Digital Infrastructure for Identity Systems project](#). This report outlines the working conditions of women homeworkers and other informal workers in fashion supply chains (FINDINGS: Part I, A & B) and contains results from the preliminary consultations held with homeworkers and civil society members regarding the emergent tech-based solution (FINDINGS: Part II) presented in another project deliverable (Deliverable 4: Potential Solutions to Support Informal Workers in Apparel Sector Supply Chains).

Project partners included the University of Manchester, Incudeas Ltd and Traidcraft Exchange.

This study was conducted by Traidcraft Exchange between October 2020 – June 2021, with support from the University of Manchester and Incudeas Ltd.

## Other Project Deliverables

The “*Resilience in Value Chain and Worker Vulnerability Reduction - Trusted digital identity and payments in the supply chain*” project has produced a total of four summative reports. While each report stands alone, they freely cite and complement each other.

To summarise the documents:

- Deliverable 1 (D1) Informal workers in fashion supply chains - preliminary consultations to inform a tech-assisted support system
  - This report describes the interview methodology used for Textile Industry workers and stake holders in Delhi and Tamil Nadu, and the basic results arising from this.
- Deliverable 2 (D2) A Use Case for Decentralized Identity at Work
  - This white paper greatly develops the requirements from D1, to understand the needs, vulnerabilities and risks experienced by informal sector workers using a case study of female homeworkers in the Indian garment manufacturing sector
- Deliverable 3 (D3): The Risks of interventions in the Indian Textile Supply Chain
  - This report considers various aspects of risk. This encompasses the fundamental obstacles faced by any solution in the textile supply chain, the risks of specific adverse effects arising from the introduction of a technological solution and the most likely obstacles to the uptake of our proposed ideas
- Deliverable 4 (D4): Potential Solutions to Support Informal Workers in Apparel Sector Supply Chains
  - This report builds on the earlier work and presents a series of possible technology interventions which could be deployed to support the supply chain and in particular homeworkers.

## Acknowledgements

Thanks are due in particular to two NGOs in the Delhi area: Community for Social Change and Development, for their support with arranging meeting venues and contacting community respondents; and Ideal Youth for Revolutionary Changes, for their cooperation and hospitality in Kapas Hera.

We would also like to thank SEWA Bharat – Delhi, HomeNet South Asia and Cividep India for their valuable participation in proxy interviews.

Additionally, we would like to acknowledge SAVE and SABAH Nepal for their contribution to other project deliverables.

## List of Acronyms

CAA – Citizenship Amendment Act  
CBO – Community-based organisations  
COVID-19 – Coronavirus Disease of 2019  
CSCD – Community for Social Change and Development  
CSO – Civil Society Organisations  
FGD – Focus Group Discussions  
HNSA – HomeNet South Asia  
INR – Indian National Rupee  
IVR – Interactive Voice Response  
IYRC – Ideal Youth for Revolutionary Changes  
LPG – Liquid Petroleum Gas  
MBC – Most Backward Classes  
NCR – National Capital Region  
NGO – Non-governmental organisations  
NRC – National Register of Citizens  
OBC – Other Backward Classes  
OHS – Organisational Health and Safety  
PAN – Permanent Account Number  
PDS – Public Distribution System  
RMG – Ready-made Garment  
SABAH – SAARC Business Association of Home-Based Workers  
SAVE – Social Awareness and Voluntary Education  
SEWA – Self Employed Women's Association  
SHG – Self-help Groups  
SC – Scheduled Castes  
TU – Trade Union

## Executive summary

Homeworkers, who are generally women, are one of the most vulnerable groups of workers in supply chains. Within both domestic and global value chains, they often go unrecognised and are subject to significant labour exploitation. They have been significantly impacted by the pandemic, which has left many homeworkers out of work for significant periods.

The focus of this study were the women homeworkers in the textile sector in Delhi. In addition to female homeworkers in Delhi, other informal supply chain actors such as piece-rate factory workers, informal unit (locally known as '*karkhaana*') workers and owners and contractors were also part of the scope of this study. To be able to draw comparisons with other locations and supply chains, data was also collected from a small sample of homeworkers in the leather footwear supply chain of Tamil Nadu.

The study was conducted in two phases. The objectives of the **first phase** were to understand the level of access and nature of homeworking, their working conditions, social risks faced by homeworkers, the level of access to social security and identity documents required to access it and their access to mobile phones and how they carried out their commercial transactions. This information was gathered from homeworkers in Delhi (Kapas Hera in South West Delhi) and Ambur (Vaniyambadi region) in Tamil Nadu.

It was found that homeworkers performed a wide range of tasks in both study locations. The availability of work was found to be irregular in both Delhi and Ambur, even more so since the COVID-19 pandemic. The hours of work depended on the availability of work. While homeworkers in Ambur could tell which factory/manufacturer they get work via intermediaries from, homeworkers in Delhi had no idea which factory or brand they were making these products for. Homeworkers in both locations reported having a sense that their products were sold in foreign countries. In both locations, homeworkers were sub-contracted and were getting paid on a piece rate basis.

Women in Delhi reported getting paid between 25 paisa (quarter of an Indian rupee) to INR 1-2; time spent working on each product depends on the type of work and size of product they were working on. Women in Ambur reported making INR 7 to INR 15 for stitching a pair of leather shoes which could take them somewhere between 30-60 minutes. In both locations, wages were well below the minimum wage standards. There were differences in the level of access to social security – women in Delhi reported having greater difficulty in accessing social security schemes, mostly because their families are inter-state migrants. Very low levels of digital and financial literacy were found in both locations. In Delhi, most respondents reported that their monthly family incomes were not enough to meet their household expenses and that they relied on loans from friends and family as well credit from the local grocery store to make ends meet. Significantly, homeworkers in Delhi were unorganized and reported having no bargaining power with the contractors. Homeworkers also mentioned delayed payments and non-payment of wages in some cases but they do not have access to any channels of grievance redressal.

The onset of the COVID-19 pandemic in the year 2020 and the catastrophic second wave of the pandemic in India has increased the vulnerability of informal workers, especially home-

based women workers. They reported decreasing wages, increasing debt, diminishing family income and savings and unavailability of work as the global supply chains collapsed and nationwide lockdowns were imposed. Many women homeworkers in Delhi reported having to accept work on piece rates even lower than before. A huge number of workers from the study location in Delhi migrated back to their hometowns in the absence of work and social security mechanisms.

The research also included a small sample of contractors and subcontractors (not many intermediaries were willing to talk) and piece rate workers in informal units in Kapas Hera in Delhi. Their role in the supply chain, characteristics and challenges are outlined in dedicated sections in part 1 of the findings section.

Based on the findings from the first phase, the research team, along with the project partners wanted to consult homeworkers and other stakeholders on an emergent system design (more details on the proposed system design can be found in D4). These consultations, conducted as part of the **second phase** of this study, explored whether unorganised homeworkers would be interested in joining a workers' collective and willing to share personal data as well as data on their working conditions with the collective and whether this data can be shared with stakeholders higher up the supply chain to increase transparency and improve working conditions for homeworkers. These consultations also explored the scope, relevance and willingness of homeworkers to improving their access to digital connections through training and capacity building. These consultations found that not only unorganised homeworkers were willing to join and register with the collective (especially if short-term benefits such as availability of work and support in accessing to social security schemes could be provided) they were also willing to share their data via a trusted intermediary such as a local community-based organisation.

Overall, it is apparent that homeworkers face a number of challenges in the context of their work. However, it is also imperative to remember that for many, there are few other livelihood options. Overall, the consultation has suggested that there is some homeworker receptivity to certain of the elements of the technology-assisted solution proposed via this project.



## Introduction

### Context: Homeworkers and other informal workers in India

Approximately 93% of the workforce in India is informal<sup>1</sup>. Informality can be defined in different ways, though the following description by the ILO is a useful referent:

*Employees are considered to have informal jobs if their employment relationship is, in law or in practice, not subject to national labour legislation, income taxation, social protection or entitlement to certain employment benefits (paid annual or sick leave, etc.). for reasons such as: non-declaration of the jobs or the employees; casual jobs or jobs of a limited short duration; jobs with hours of work or wages below a specified threshold (e.g. for social security contributions); employment by unincorporated enterprises or by persons in households; jobs where the employee's place of work is outside the premises of the employer's enterprise (e.g. outworkers without an employment contract); or jobs for which labour regulations are not applied, not enforced, or not complied with for any other reason. Operational criteria used by countries to define informal jobs of employees include:*

- *Lack of coverage by social security system;*
- *Lack of entitlement to paid annual or sick leave;*
- *Lack of written employment contract.*<sup>2</sup>

For the purposes of working definition for an informal worker, in Delhi and Tamil Nadu (as in other contexts) the following key characteristics may be emphasised: *a worker whose relationship with the provider of their work is not recognised as an employer-employee relationship or covered by an employment contract.* They are usually paid in cash and in the main excluded from employment benefits such as social security and maternity leave.

It is also important to note that when we talk about informal workers, there is a wide spectrum. Recent years have seen significant informalisation of the formal sector in India and whilst some informal workers may be located in informal enterprises, others may be located in formal factories. As such, informal workers can be said to encompass both homeworkers and export-oriented factory piece-rate workers, who may be paid either by the factory manager or by an agent or sub-contractor, and other sets of workers, such as those working in informal workshops, who are also employed informally.

According to a 2012 study, there are around 37.4 million home-based workers in India. This figure includes self-employed workers and subcontracted workers. The workers in focus in this study, who we refer to as homeworkers, are in the latter category. In this arrangement, the workers, by working from their own home, “provide the workplace, pay for utilities, and buy/rent and maintain their own equipment”. They collect work from contractors, who “provide the work orders and the raw materials, specify the product/s to be made, and sell the finished goods,”(HNSA 2016:2)<sup>3</sup> or supply them to either firms or individuals higher up the chain. There are estimated to be around 5 million homeworkers who are part of textile and apparel supply

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<sup>1</sup> <https://www.businesstoday.in/jobs/story/labour-law-reforms-no-one-knows-actual-size-india-informal-workforce-not-even-govt-214490-2019-07-15>

<sup>2</sup> <https://ilostat.ilo.org/resources/concepts-and-definitions/description-informality/n>

<sup>3</sup> Working in the Shadows: Women Home Workers in the Global Supply Chain, September 2016, HomeNet South Asia <https://hnsa.org.in/sites/default/files/Working%20in%20the%20Shadows%2C%20Nepal.pdf>

chains in India, serving both domestic and global markets (WIEGO platform of Demands in HNSA 2016: 4).

In India as in many other parts of the world, homeworkers are among the most vulnerable workers in supply chains. Extremely underpaid and largely underrepresented by any sort of worker organisation or union, they often lack the voice and agency that is crucial to effective negotiation on key labour and welfare issues. Many are drawn from migrant communities, which leaves them without political representation in their host locations. Often unrecognised by governments as well as brands, they are frequently considered expendable labour during supply chain audits, or otherwise not noticed at all. For many homeworkers, almost all of whom are women, caring responsibilities preclude them from taking up work outside the home. This makes homebased work a vital means of income and an opportunity for economic empowerment.

Within global value chains many brands do not acknowledge homeworkers, insisting instead that work takes place only in registered or more visible factories. But this position can overlook the unpredictable nature of supply chain procurement, the widespread practice of short lead times, and consumer demand for cheap fashion - all of which contribute to conditions in which 'putting out' work to homeworkers is in fact a key supply chain management strategy. Within domestic value chains, which tend on the whole to be subject to less scrutiny and regulation than global value chains, homeworkers are also likely to go unrecognised and experience comparable kinds of labour exploitation.

Whilst the present pandemic has represented an even greater setback in terms of unemployment, jobs in India were already at a premium, and especially for women. According to data from the World Bank (pre-covid) in only 9 countries in the world is women's labour force participation lower than in India<sup>4</sup>, and, even more alarmingly, the trend has been steadily downwards over the past decade. Women workers find themselves at increased risk of exclusion from the labour market (evidenced by lower rates of labour force participation) and at increased risk of social exclusion from security (due to overrepresentation in informal work). These vulnerabilities are both compounded by and explained by women's overrepresentation in informal work. When disadvantages of gender and informal occupation coincide with other markers of exclusion such as being a migrant, or being from a socially marginalised group (such as from a Muslim background) the worker is likely to be even more vulnerable.

The experience of Traidcraft Exchange and especially of its partners<sup>5</sup> of working with homeworkers in India has found that there are good models in place that can support improvements to their working conditions. One such model, practised by organisations such as SEWA and by other member organisations of HomeNet South Asia, is the homebased worker membership-based organisation. In this model, homebased workers join a local or national body of informal workers, typically in return for a small fee, which in turn supports their visibility and voice while facilitating access to a range of support services such as training and assistance with social entitlements.<sup>6</sup> There are also promising examples of multi-stakeholder collaboration to improve homeworker conditions involving brand, supplier and civil society partners<sup>7</sup>.

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<sup>4</sup> <http://www.ipedr.com/vol4/106-M00051.pdf>[www.livemint.com/news/india/india-s-workforce-is-masculinising-rapidly-1560150389726.html](http://www.livemint.com/news/india/india-s-workforce-is-masculinising-rapidly-1560150389726.html)

<sup>5</sup> Traidcraft Exchange leads a project called Hidden Homeworkers, in partnership with Homeworkers Worldwide and HomeNet South Asia and its partners, which include SEWA Bharat (Delhi), SAVE, SABAH Nepal, CLASS Nepal and HomeNet Pakistan

<sup>6</sup> <https://www.wiego.org/sites/default/files/publications/files/Sinha-Home-Based-Workers-SEWA-India-WIEGO-PB13.pdf>

<sup>7</sup> An example here is the collaboration between Pentland Brands, Homeworkers Worldwide and Cividep India, key learnings from which are summarised in this report: [http://www.homeworkersww.org.uk/assets/uploads/files/Pentland\\_Gender\\_Analysis\\_Case\\_Study\\_FINAL.pdf](http://www.homeworkersww.org.uk/assets/uploads/files/Pentland_Gender_Analysis_Case_Study_FINAL.pdf)

## Study purpose and rationale

This study is divided into two main phases.

In **phase 1**, the purpose is to understand key vulnerabilities and needs of homeworkers and other informal workers and supply chain actors, and also to explore ways in which they perceive and may be ready to interact with a technology-assisted solution intended to reduce these vulnerabilities. In this, the focus is on worker roles within the supply chain in which they participate. However, recognising the contextual embeddedness of any support system for vulnerable workers, other interconnected variables, to do with their social background, household and wider community, are also explored to the extent feasible. These understandings are then brought to bear on and support the development of a technology assisted solution (as explained in Potential Solutions To Reduce Vulnerability And Improve Resilience For Homeworkers And Other Informal Workers In Apparel Sector Supply Chains). Findings from phase 1 of the study are included in Findings: Part I.

In **phase 2**, the emergent technology-assisted solution provided a basis for a further round of interactions with homeworkers and other workers (and proxy representatives where required). Findings from phase 2 of the study are included in Findings: Part II.

## Methodology

### Overview

This survey report was developed in two phases. During phase I the research aimed to understand the working conditions, social and labour rights risks, access to social security, workers' understanding of the supply chain and access to mobile phone technology in homeworkers and other informal workers in the garment supply chain of Delhi-NCR and the leather footwear supply chain of Ambur in Tamil Nadu, India. During this phase through interactions with home-based workers, community-based subcontractors, local CSO representatives and other community members we also tried to probe causes of some of the issues faced by women homeworkers and possible solutions.

During phase 2, the research focused on understanding homeworkers' willingness to join a membership-based collective, register with the said collective, share data with the collective, their expectations and scope for deploying simple technology-based solutions to improve supply chain transparency and thereby improving conditions for informal actors. The themes and solutions explored in this phase were inspired by the findings and feedback received from the first phase, as well as wider consultations described in other deliverables (cf D4) and Traidcraft Exchange's broader programmatic and campaigns experience.

### Study framework: Phase 1

The focus of phase 1 research was to investigate working conditions of women home-based workers and other informal workers associated with the Ready-Made Garment (RMG) and

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textile industry of Udyog Vihar and living in Kapas Hera; and also, to explore certain key areas relevant to vulnerability reduction and to technology-assisted solution development including connectivity and commercial transactions and identity-related information.

A framework was developed which drew on international indicators of labour rights and labour risks (including forced labour) as utilised in an earlier study by Traidcraft Exchange<sup>8</sup> and also certain indicators related to, inter alia, technological readiness of the community.

Table 1. Summary of tool for phase 1 interviews with homeworkers and other informal supply chain actors

<b>Area</b>	<b>Key indicators (homeworkers and informal unit workers)</b>
Background details	Years living in Delhi; age; gender; religion; caste; other household members
Access to and nature of work and the supply chain	Whether working; nature of work; types of products worked on; how often work undertaken; how long per day; location of work; who brings work; which company sells products you work on; domestic or global value chain
Working conditions and social risks	Piece rate; length of time to prepare a piece; earnings per day; whether children help to complete work; deception on rate of pay; whether anyone to talk to about a problem at work; whether contractor is ever violent or aggressive/ever issues threats; wages ever deducted; advance ever given; if any problems – anyone to seek support from;
Connectivity and commercial transactions	whether mobile phone access; whether own; type of phone; capability to use phone; internet awareness and ability to access; bank account; type of bank account; location; management of household consumables; method of payment
Identity documents	Identity documents in possession; where not able to acquire, for what reasons
Access to social entitlements and schemes and other support systems and services	Access to government schemes; access to health services; support systems available (e.g., NGOs);
Household Expenses and debt	Monthly family income and expenses, whether the family income is sufficient to cover expenses, sources of credit, current debts, availability of work since lockdown
<b>Area</b>	<b>Key Indicators (Contractors/Contractor cum Workshop-owner)</b>
Background details	Name, age, educational qualification, caste, religion, current place of residence
Work-related information	Where do they get work from and from whom; how many people they provide work to and where are these people located; nature of work; whether it is subcontracted further; mode of payment; nature of workforce; form of employment; piece rate they generally give to homeworkers; impact of COVID-19; process of networking with factories to get work and the process by which the piece-rate is fixed
Identity documents	Availability of Aadhaar Card, Pan Card and Bank Account
Communication and connectivity	Access to mobile phone, internet and social media

Findings from phase 1 of the survey are included below in *Findings: Part 1*.

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<https://static1.squarespace.com/static/59242ebc03596e804886c7f4/t/5ed7afb58fb8f04efb208f10/1591193532010/At+risk+of+Forced+labour+%28download%29.pdf>

## Study framework: phase 2

This study framework for phase 2 focused on key enquiry areas that pertain to homeworkers and other informal supply chain actors.

- Core capabilities of the system
- Inter-operational capabilities of the system
- User experience of the system
- Data management within and by the system

The core capabilities of the system were presented as enabling registration and membership of a collective for homeworkers and other workers. Where required, homeworkers/other workers were oriented on this. The inter-operational capabilities of the system were about services it could link to for homeworkers and other vulnerable workers when supported by components within a broader enabling ecosystem (e.g., a willing and able local CSO partner that can collectivise workers). The user experience of the system concerned how homeworkers and other vulnerable workers interact with the system (directly or indirectly via a “guardian”). Data management within and by the system concerned what may happen to data shared by homeworkers and how it will be managed – with a focus on the data journey rather than its immediate applications; within refers to flow of data within the platform proper, and by refers to potential sharing with (i) platform stakeholders that may use the data for other purposes and (ii) third parties that may interoperate with the system.

A tool was developed that addressed these question areas. This is represented in Figure 2 below. Before asking questions about the collective in question, a brief diagnosis of homeworke understanding of a collective/collectivisation was undertaken, followed by a concise explanation of some of its features<sup>9</sup>. Homeworke perspectives on the core capabilities of the system were gauged in Section A; views on inter-operational capabilities were tested in Section B; attitudes around data management were probed in Section C, whilst feedback on user experience was covered in Section D.

With respect to data user experience of the system and data management within and by the system, there were a number of limitations arising from the inability of the Traidcraft Exchange field team to hold face to face interactions (see ‘Limitations’ below). Most homeworkers and other informal supply chain stakeholders the team reached out to could not be contacted on their mobile phones as many were travelling back home and many were dealing with the repercussions of the pandemic. It was therefore decided by the project team to do proxy interviews with respondents able to represent the perceptions of home-based workers.

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<sup>9</sup> -Involves becoming a member of an organization of homebased workers (and maybe other workers)

-It is supported by Community for Social Change and Development

-To join you have to provide certain details about yourself in order that it can contact you let you know about opportunities for support e.g.:access to certain benefits e.g., training, support with access to govt schemes, support with information on Covid-19 prevention and relief etc.

-The collective is for homeworkers who have worked, are currently working, and those who may take up homework in the future. The process of registration for the CSCD collective for homeworkers would involve sharing certain information with via (i) voice, (ii) basic mobile via SMS, smartphone app, or even via a trusted intermediary. This would include:

**Figure 2. Phase 2 Tool for homeworkers and other informal supply chain actors**

		<b>Question areas</b>
<b>Section A</b>	<b>About homeworker collective</b>	Awareness about what a collective is; level of interest in joining
	<b>Registration and membership</b>	Interest in registering; concerns if any Risks perceived; likely attitudes of their family, husbands, other community members; view on contractor participation
<b>Section B</b>	Access to human rights	Information about their rights as workers, their rights as citizens, the rights of their children Health information Support with access to health services or healthcare Legal aid on sexual harassment Improved access to social protection schemes Any other (e.g., supply chain related grievance procedures?)
	Access to market and livelihoods support	Mentoring for producers Skill development trainings Receiving work through a collective for workers/local CBO and Market linkages
	Access to financial services	Saving with an SHG Inter-loaning within an SHG Financial literacy
	Access to digital services	Digital connections Digital literacy An internet connection Digital assist services
<b>Section C</b>	<b>Data sharing scenarios</b>	Whether would raise a concern to collective about not having been paid by a contractor
		Whether would report a case of sexual harassment to the collective
		Whether happy to share information on your presence within supply chain to factories and companies that provide orders (as long as you don't lose your job remains unaffected)
		What information you would share with a factory that requires some work to be done
		Who happy to share very detailed information with (i.e., full ID (info that would enable the person to contact you or locate you if they want to) ( <i>out of Brands/Buyers; Supplier; Contractors; Other NGOs; Media; Collective (part of CSCD); Government; None of the above</i> ))
		Who would you trust to receive, see and hold your personal data? ( <i>out of Brands/Buyers; Supplier; Contractors; NGOs; Government; None of the above</i> )
		Whether happy to share your data/information with the government
		Whether comfortable with data you have shared being on the internet and in the public domain
		Who would you trust to manage your data for you ( <i>out of friends or family; husband; community leader; Trade Union/ Worker collective; NGO/CSO; a bank; contractor; brand; supplier; govt</i> )
		As well as sharing your own data, whether things you would like to know about other actors in your supply chain ( <i>For example, would they like to know who they are working for? For example, Brand, Tier 1 Manufacturer, Contractor?</i> )
Any information you definitely don't want to share with anyone E.g., AADHAAR number		

		Whether comfortable with data being stored and used by others? If so, any conditions to place on the data use and storage (i.e., it can only be used by those who want to preserve homeworker livelihoods and improve their conditions of work) (Important to reiterate here that they will be informed, due consent will be obtained and their rights and well-being will be safeguarded so as to not overwhelm the respondents)
<b>Section D</b>	<b>Interactive technology</b>	Whether aware of how technology can recognise you personally from your voice, like a fingerprint or an iris scan
		Whether aware how machines and computers can speak like a person and you can interact with them using your voice only or for example with voice and keypad
		Awareness that you can record your voice and send an audio message
		Comfort with using these technologies
		Are you comfortable with someone assisting you with these technologies in order to enable you to share data and information to be shared with you?
		Are you aware that it is possible to share information through other technologies e.g., SIM, WhatsApp?
		Are you comfortable using these technologies?
		Are you comfortable with someone assisting you with these technologies in order to enable you to share data and information to be shared with you?

Findings from phase 2 of the survey are included below in *Findings: Part 2*.

### Sampling and data collection

For this small scale, in-depth survey of women homeworkers and other informal workers in Delhi-NCR and Ambur, data were collected using semi-structured interview questionnaires. During phase I, different tools were developed for women homeworkers, informal unit workers, contractors and other supply chain actors. Focus group discussions and informal discussions also facilitated supplementary data collection during this phase. During the second phase, data were collected from homeworkers, a contractor and civil society representatives. The second phase data collection process was completed via telephonic interviews during the second phase due to lockdown in India owing to the second wave of COVID-19. As we were unable to gain access to workers and contractors because of the pandemic, we consulted other stakeholders with a practitioners' understanding of the situation homeworkers face. These included CSO/TU representatives, community leaders and community workers.

	Type of worker	Method of engagement			
		Delhi			Tamil Nadu
		Interview	FGD	Informal Discussion	Interview
<b>Phase 1</b>	Women Homeworkers	20	4	3	5
	Informal unit workers	3			
	Informal workers in factories			2	
	Contractors	2		1	
	Total number of workers/supply chain actors engaged	35			5
	CSOs/TUs	2			

<b>Phase 2</b>	Women Home-based Workers	3			
	Contractors and subcontractors (men and women)	1			
	Women informal factory workers				
	Informal factory owners*				
	Proxy representatives of the above groups, where not able to engage them in the available time	4			2

The team also arranged feedback opportunities with a number of other stakeholders, discussed in a companion study under this present project:<sup>10</sup>

- 2 suppliers<sup>11</sup> and 3 brands over the course of phases 1 and 2.
- 4 CSOs (SEWA, SAVE, SABAH Nepal, HNSA)
- 2 MSIs (Mekong Club and Fair Wear Foundation)

For both phases data collection of Data Collection in Delhi, Traidcraft was able to draw on knowledge and logistical support from two local CSOs in the Kapas Hera area, Community for Social Change and Development (CSCD); and also Ideal Youth for Revolutionary Changes (IYRC).

The timeline for the first phase of data collection was October 2020 – March 2021 and May 2021 – June 2021 for the second phase of telephonic consultations.

### Ethical considerations

Traidcraft Exchange followed a strict ethical protocol for this study. Safeguarding interests of homeworkers was a priority for the research team. Before seeking any information from homeworkers or any other stakeholders informed and iterative consent was taken after explaining them the purpose and scope of this study.

As a significant part of the data collection happened after the pandemic, all COVID-19 safety protocols were followed to ensure safety of the respondents and the research team.

### Limitations

Due to the COVID-19 pandemic, the data collection had to navigate several difficulties. Some key limitations are described below:

- During the first phase, data collection was delayed due to the onset of COVID-19. Even as the travel and mobility restrictions were lifted, many homeworker families had migrated back to their hometowns as they had no income left. The data collection for phase I could not be resumed until late January – early February 2021.

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<sup>10</sup> Findings from interviews during phase 1 and phase 2 with formal supply chain stakeholders are included in the report titled 'Potential Solutions to Reduce Vulnerability and Improve Resilience for Homeworkers and Other Informal Workers in Apparel Sector Supply Chains', by Nick Spencer of Incudeas.

<sup>11</sup> A third supplier was consulted around needs and priorities but not the proposed solution (ie phase 1 only)



- Phase II was delayed due to the devastating second wave of the pandemic in India during April and May 2021. As the strains were highly contagious and strict lockdowns were in place, the research team could only conduct telephonic interviews, which may not be as effective as interviews conducted in person with community members.
- In practice, this meant leaving out a good deal of complexity. The inability to hold face to face workshops represented constrained the capacity of the Traidcraft Exchange team to gauge homemaker buy-in. This is partly because the understanding that needs to be facilitated among end-users (homeworkers and other informal workers) necessitated a level of engagement that simply was not possible to achieve with clarity in remote interactions (via phone or other means). Further, the sample size was considerably limited due to the pandemic and the effect that it has on numbers it was possible to reach out to.
- While piloting the II phase data collection tools, the research team realised that some questions were too complex and new for stakeholders for to explain over a phone call and therefore, those questions were only asked to the proxy interview candidates, partly to do with difficulties with facilitating homemaker understanding during the short phone conversations that were feasible during the phase 2 study. This particularly pertained to areas to do with the user experience of the system, and data management and sharing. It also meant that the kind of participatory stakeholder engagement that progresses from facilitating user awareness and understanding of a particular component to eliciting their views on the component in question, could not be arranged. This meant that it was not possible to enable workers to move beyond sharing views to commenting on, analyse and where possible, evaluating ideas suggested. Achieving this would require, in the view of the Traidcraft Exchange team, one or more face to face workshops to explore in adequate depth and, critically, enable the possibility of *informed* consent regarding functionalities and potentialities that workers may not have the pre-existing familiarity of.
- In the absence of pressure from higher up the supply chain, (tier I manufacturers, brands) the contractors who worked more closely with the factories were not ready to speak to the research team.
- Homeworkers were initially hesitant to provide data on household income and expenses. In many cases, the women initially stated that they did not know these figures since their husbands managed household finances. With some persuasion, some women attempted to make rough estimations, which were documented in the questionnaire. However, it is important to recognise that these are estimations only.
- All the interviewees in Tamil Nadu were from the same neighbourhood. All homeworkers interviewed received work from the same contractor and so their experiences did not reflect a wide range of variation. It was difficult at the time to identify and make contact with homeworkers from different clusters to capture the experiences of a wider subset. Findings may therefore not capture this diversity.

## FINDINGS: Part I

### A. Homeworkers and other informal supply chain actors in the garment sector, Delhi NCR

#### 1. Background

##### 1.1 Introduction

Kapas Hera - a peri-urban colony in Southwest Delhi, situated near the Delhi-Gurugram border - is mostly inhabited by migrant workers. As documented by Traidcraft Exchange in a study called '[At Risk of Forced Labour?](#)', published in 2020, based on field work in 2019, workers in this area are subject to a range of labour rights risks, including forced labour as defined by the International Labour Organisation. However, within the particular sample engaged with, there was no evidence of a positive association between informality per se and forced labour risk; in fact, there were significant risks among factory workers. The study found that:

“The broadest spread of distinct risks is found among both men and women factory workers in export-oriented factories. These risks appear at least in part to be associated with production targets that drive demanding labour regimes which, through the deployment of implicit or explicit threats, provide little or no room for anything but compliant worker behaviour. At the same time, significant but different risks, including overtime, are also discerned in informal factories and production units, though here another key concern was lack of regularity of work. Whether serving export or domestic markets, these informal workspaces were found to offer limited or no room for resolution of any complaints. Low wages, including below minimum wage payments, were in evidence in these informal factories and production units. Homeworkers, all female, who - by and large - expressed a lack of alternative employment options, are paid chronically low wages: in all cases below the minimum wage, and approximately 2/3 of cases less than half the minimum wage for unskilled work.”

Traidcraft Exchange, 2020:2

Most of these workers are directly or indirectly associated with the export-oriented garment manufacturing industry of Udyog Vihar, Gurugram (Haryana, India). Owing to its proximity to Udyog Vihar, workers in Kapas Hera are known to be associated with both global as well as domestic fashion supply chains. These workers can be divided into several categories – formal factory workers, informal manufacturing unit workers, piece-rate factory workers and piece-rate home-based workers.

While the total number of homeworkers in Kapas Hera is not known, based on a local CSO's conservative estimate there are at least a thousand women home-based workers who perform essential tasks on fashion garments such as thread cutting for finishing, making and attaching tassels, sewing eye hooks, sewing buttons, inserting strings in trousers, embellishment with pearls and sequins etc. The fact that their numbers are unknown is reflective of their vulnerability as an invisible workforce, whose rights and entitlement as workers are nobody's responsibility. These workers are hired on a piece-rate basis by contractors or sub-contractors who themselves get this work from garment manufacturing factories in Udyog Vihar. There are no formal contracts between workers and contractors. The supply chain is highly complex

and – from the perspective of lead buyers and consumers – often invisible due to a multiplicity of opaque tiers and a lack of transparency. Therefore, these workers remain vulnerable to exploitation and unrecognised for the valuable contribution they make not only to global and domestic value chains but also within their families and communities as productive workers.

In a study conducted by HNSA in 2016, it was found homemaker wages were lower in Delhi among the sampled workers than in Tirupur and in Kathmandu, which were other study locations<sup>12</sup>. From a forced labour perspective, the presence of wages well below minimum wage levels can be said to constitute a risk of *abuse of vulnerability*. This risk is underscored by their lack of contracts, which renders wages less visible both to the contractor and especially to those higher up the chain, whilst ensuring that it is also difficult, as untracked payment, for it to be checked and monitored by any regulatory agencies. Another, very recent, study, showed that the majority of homeworkers in Delhi and other northern Indian cities in Uttar Pradesh and Rajasthan, working in value chains of global apparel brands, sheds significant light on forced labour risks. The study finds that a total of 73.4% of workers in northern Indian cities, and 79.8% of workers in Delhi, said that they would ‘*rather leave but cannot*’ (Kara 2019)<sup>13</sup>; this, especially as it coincides with very low wages, well below the minimum wage, suggests a potential exploitation of their poverty and of dependence on this particular work. The study also found that female homeworkers are not just paid below the minimum wage: they are also paid less than half of what their male counterparts receive, suggestive of a gender-based dimension to this exploitation, and evidence of an abuse, in this measure, of their vulnerability as women from a particular class and economic background.

As a result of the pandemic’s impact on global supply chains, women homeworkers in Kapas Hera started experiencing a downfall in orders from garment and textile factories beginning January 2020. By March-April 2020, homemaker households experienced a significant decline in income, to an extent that there was not even enough money to buy food items, which resulted in many of these families leaving for their villages in their home states, where they borrowed money from friends, family, local moneylenders and other informal sources to survive. Those who stayed back in Kapas Hera had to also seek informal loans to buy essential items such as food and medicine. These informal loans were taken with as well as without interest.

During phase 1 of the present study, undertaken between October to March 2020, Traidcraft India interviewed 20 women home-based workers and interacted with others in group discussions. The team also interacted with other key stakeholders such as contractors and sub-contractors, local CSOs and trade unions, informal manufacturing unit owners (also known as “Fabricators”) in Kapas Hera, to derive the findings described below.

## 1.2 Profile of respondents

All of the female workers interviewed for this study are inter-state migrants, mostly belonging to Bihar and Uttar Pradesh. All homeworkers migrated to the National Capital Region at least 5-10 years ago and have lived here in rented accommodation (not necessarily in Kapas Hera throughout). All of these women are married and have children. The average family size was 4-5 members with only one primary earning member, usually the husband. In most of the

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<sup>12</sup> Working in the Shadows: Women Home Workers in the Global Supply Chain, September 2016, HomeNet South Asia <https://hnsa.org.in/sites/default/files/Working%20in%20the%20Shadows%2C%20Nepal.pdf>

<sup>13</sup> Kara, S., Tainted Garments, Blum Center for Developing Economies, University of California, Berkeley, January 2019 <https://blumcenter.berkeley.edu/publications/tainted-garments/>

cases, the spouse is also associated with the fashion and textile industry in Udyog Vihar – some in production, while others work as security guards, drivers etc. The age of our respondents ranged between approximately 24 to 45 years of age. Out of the 20 people interviewed 13 belonged to the 'General' caste, the remaining 07 were *Dalits* or Scheduled Castes (SC) and Other Backward Classes (OBC). Women homeworkers in Kapas Hera are generally not organised – meaning, they are not associated with any existing trade unions or workers collective. However, a local organisation called the Centre for Social Change and Development (CSCD) has recently begun efforts to organise these women, along with other female garment workers, into a membership-based collective. With the exception of 2-3 women, most of our sample is not functionally literate.

Homeworkers in Kapas Hera, generally, perform work that can be categorised as low-skilled or 'unskilled' but is essential to fashion garments and other textiles. The nature of their employment is dynamic – they could be switching between formal and informal employment or between different types of informal employment in a few weeks, months or years. For example, a woman may be working as a factory worker but could switch to homeworking for a few months or vice versa depending on the availability of work and her personal needs.

## 2. Key Findings on Issues Faced by Women Homeworkers in Kapas Hera

### 2.1 Access to and nature of work

At the time of interviews, 11 out of 20 respondents did not have any piece-rate garment work available. Those who are not working is because of not being able to find any work or are dissuaded by a very low piece rate (25 paisa/quarter of an Indian rupee per piece). Those who had worked were forced to accept these extremely low wages in light of extreme widespread poverty and the pandemic affecting the volume of work available to homeworkers in Kapas Hera. Even until January 2021, the volume of work was less than half of what it used to be before the pandemic, as told by several homeworkers and a few others including civil society members and contractors.

The most common type of work available to women in Kapas Hera is thread-cutting. In addition to thread cutting, they do a range of other ancillary but essential tasks such as embellishment, putting strings in trousers, stitching buttons and decorative braiding; putting tassels on clothes and baskets, stitching eyehooks and *moti* work were few other activities that were mentioned by HBWs and other key informants.

Homeworkers in this Kapas Hera also experience an added difficulty of finding work. Since they are not part of a collective, they can only find work through personal connections, which is not always feasible. Only 2 women out of 20 had work available for 21-30 days in a month; most of our sample (12 women homeworkers) worked for less than 10 days in a month. According to women homeworkers, the workflow has always been irregular but the COVID-19 pandemic has made it even more precarious. When working most of these women work for up to 4 hours a day.

It is generally not possible for homeworkers in Kapas Hera to know which brands or suppliers they are doing this work for because there are usually no brand tags on clothes when they are

given to homeworkers (though there are exceptions). A lot of these women also did not even know the name of the contractor/sub-contractor that provides them work – making supply chain transparency from the perspective of the homeworker near impossible.

The entirety of our sample could not say which brand/supplier they make these products for. However, 4 women spoke with a certain degree of confidence that they made clothes for foreign companies. Respondents who answered that foreign companies sell their products are mainly assuming that based on the design of clothes. Some workers have also heard that the garments need to be “shipped” or that these products go to foreign countries from contractors, other workers who work in export-oriented factories in Udyog Vihar – which is where most of their work comes from.

*See Annexure I for aggregated data of 20 homeworkers’ responses to all questions under this category*

## 2.2 Working conditions and social risks

Homeworkers, since they are making very little money through their work in the textiles and garment industry, may also occasionally take up other jobs such as domestic work or cooking at weddings etc. It is also not necessarily the case that a homeworker will be working regularly; it depends on the volume of work available and whether or not at that particular point in time the homeworkers need to or find it convenient to take up home-working. Low piece rates are a major challenge for home-based workers.

During the interviews, we asked women homeworkers in Kapas Hera about the piece rate that they normally receive – most women answered in a range and we have recorded the upper limit for this study. Only 5 women homeworkers out of 20 said that they have ever received more than 1 rupee per piece. 50% of our sample (10 women) reported making up to INR 20 for a day’s work. Almost all of our respondents spent this money on household items and child-related expenses.

It is important to note that a few homeworkers thought that the piece rates in Kapas Hera have not increased in over two decades.

On how much time it takes to complete one piece of textile/garment, the most common answer was 10-15 minutes but it could take more depending on the size of the piece and the type of work (for instance, thread cutting would probably take less time than *moti* work) being done on it. All 20 women homeworkers interviewed had children of varying ages; they were asked if their children help them in their work – 14 women said ‘no’, 4 said ‘yes’ and 2 said ‘sometimes’. One homeworker commented that her children sometimes help with the pickup and delivery of finished products. A few homeworkers said ‘no’ here mostly because their children are too young to help, older children, especially girls, often work alongside their mothers, as observed during the many visits made to Kapas Hera for this study. One woman said that she can only make a decent daily earning through homework (INR 70) if her daughters help. If this can be considered child labour or not will require further inquiry.

Delay in payments to homeworkers by contractors is very common. During our informal discussions, women have mentioned issues such as contractors not taking their calls or constantly putting them off when they would demand their wages. However, contractors and sub-contractors say it is because the factory where they get work from doesn’t pay them on time either and therefore, many times they have to borrow funds or use their savings to pay homeworkers. Women in Kapas Hera receive very low wages as homeworkers and therefore

the preferred frequency of payment can be weekly, bi-weekly, monthly or even quarterly but not daily.

Issues of threats, violence, wage deductions and harassment were not commonly reported by this sample. However, civil society representatives and community leaders say it is because women do not want to lose their livelihood, hence they keep quiet about such issues and might not report them in just one or two meetings. These women homeworkers were found to have no access to a formal channel of grievance redressal, except for a few influential people in the community who may or may not be able to help them in case they need help with work-related matters.

50% of the sample reported OHS-related issues such as eye strain due to poor lighting at home, backache due to an improper sitting arrangement and lack of space, difficulty and danger in working around young children at home etc.

Since women homeworkers in Kapas Hera are neither organised nor do they know who they are doing this work for, it is not practically possible for them to demand better working conditions. *Who can they demand these better working conditions from?* – is a question that remains unanswered for homeworkers in Kapas Hera. If they demanded better wages from the contractor who brings them piece-rate work, they worry that they will be replaced with someone willing to work for lesser wages. *“There is always someone in an area like Kapas Hera who is willing to work for lesser money,”* commented a homeworkeer. Based on interactions with homeworkers and civil society representatives in Kapas Hera, this seems to be due to widespread poverty and a general lack of livelihood opportunities for women as well as social norms and household responsibilities that prevent women from going out to seek employment elsewhere. There are numerous women in Kapas Hera and neighbouring areas who are unable to take up other employment and so are likely, at the very least, to be open to homeworkeing but are often discouraged and distressed by abysmally low piece rates.

### Harassment and other issues

Many women are not comfortable discussing issues such as verbal and sexual harassment in the first meeting with the interviewers. It is worth noting here that the few women who did accept being verbally harassed by contractors said that it is fairly common for contractors to shout at women or threaten to deduct their wages when they aren't able to finish work under unreasonable deadlines. Some women also said that if they make a mistake then it's acceptable for the contractor to yell at them. Local civil society representatives feel that many women do not talk about facing harassment because they fear it will negatively impact their livelihood.

Homeworkers, who also sometimes go for piece-rate work in export-oriented garment factories in Udyog Vihar, talked frequently about facing verbal and sexual harassment by production floor supervisors there. Unreasonable targets, having to stand for 8 hours while working in the factory, being denied bathroom and water breaks during peak production time and getting only INR 200-250<sup>14</sup> for a full day's work were some of the other complaints raised.

*See Annexure II for aggregated data of 20 homeworkers' responses to all questions under this category*

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<sup>14</sup> Minimum wage in Haryana (where these factories are located) for unskilled work is INR 292.31

### 2.3 Connectivity and commercial transactions

The great majority - 16 out of 20 - homeworkers have access to a mobile phone and it was mostly their own and not shared with any other family member. Out of the 16 women who had a mobile phone, 9 had a simple feature phone while 7 owned a smartphone. Women with children of school-going age have started acquiring smartphones to facilitate remote education for their children as the mode of school education has shifted to digital mediums in India, post-pandemic.

Most of these women claimed to be able to answer and make calls on their own. However, only 7 said that they can send an SMS either by themselves or with support, mostly from their school-going children. Most women with a smartphone did not know how to access the internet or use internet-based applications such as WhatsApp or Facebook. It was mostly younger women, ranging from 24 to 30 years of age who expressed a certain degree of familiarity and comfort in using smartphone technology.

The preferred way of receiving payment for homeworkers is in cash. The most common reason cited for this by homeworkers is not having enough money to put in the bank in the first place, lack of financial literacy and consequently the fear of getting defrauded, difficulty in accessing the formal banking system and wanting more control of their finances. Despite this, 75% of our sample had basic savings account in a bank – most of these accounts, however, were *Jan Dhan*<sup>15</sup> accounts but women homeworkers had very limited knowledge about its services and benefits.

In all homeworker households interviewed for this research, all family members purchase grocery items from local ration shops or government ration shops under the PDS system. All purchases were made in cash or credit. The majority of homeworkers reported often having to buy household consumables on credit as they do not have enough money to pay the grocery store. Due to this, sometimes the grocery store charges them more than the Maximum Retail Price (MRP)<sup>16</sup>. Some homeworkers and local NGO representatives mentioned how sometimes the landlords in Kapas Hera can pressure tenants to only buy household consumable from a specific grocery shop, which may be owned by the landlord or their relatives.

*See Annexure III for aggregated data of 20 homeworkers' responses to all questions under this category*

### 2.4 Availability of identity documents

All women homeworkers interviewed had an Aadhaar Card<sup>17</sup>; 75% of them had a Voter Identity Card and about 50% had a PAN<sup>18</sup> card. Only 25% had an address proof for their current address in Delhi-NCR which creates problems for workers in accessing state-sponsored social security schemes (for instance, only 4 households had access to a ration card which is only valid/made for their home state).

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<sup>15</sup> Pradhan Mantri Jan Dhan Yojana is a financial inclusion program of the Government of India, that aims to expand affordable access to financial services such as bank accounts, remittances, credit, insurance and pensions.

<sup>16</sup> Maximum Retail Price is the highest price labelled on the product which can be charged by the seller of that product set by the Under the Consumer Goods (mandatory printing of cost of Production and Maximum Retail Price) Act, 2006, consumers cannot be charged more than the MRP mentioned on the packing of the products.

<sup>17</sup> <https://uidai.gov.in/>

<sup>18</sup> This is a unique number issued by the Income Tax Office of India.



Their inter-state migratory status and consequently a more complicated bureaucratic process is a challenge in acquiring these documents, as mentioned by some of the homeworkers. However civil society organisations in the area are trying to support migrant workers in acquiring identity documents and accessing social security schemes.

*See Annexure IV for aggregated data of 20 homeworkers' responses to all questions under this category*

## 2.5 Household income and debt

In early 2021, 15 respondents (women homeworkers) were asked questions about household income and debt. Most homemaker households have experienced a drop in their family income ever since the pandemic. Monthly household incomes have not only reduced but have also become irregular as the pandemic has substantially reduced business activity and made it less predictable. Out of 15 respondents, 2 households (4-5 family members) were managing on less than INR 5000 per month since the onset of the COVID-19 pandemic in January 2020. Out of the remaining 13 households, 4 had a monthly income of under INR 10000; 8 had a monthly income of under INR 15000 and only one household had a monthly income of over INR 15000.

Homeworkers were asked if their total monthly income is enough to cover all of their household expenses – 11 out of 15 women said that their family does not make enough to fulfil all of their monthly household needs. These needs included food items, child-related expenses, medical expenses, rent, water and electricity charge etc.

Since most homemaker households were unable to manage their monthly expenses with their current income, we inquired how they were managing the outstanding expenses. 12 out of 15 women reported having to borrow money from various informal sources such as friends, family etc. These loans were both with or without interest.

Alarming levels of indebtedness were found among homeworkers in Kapas Hera. 9 women reported having an outstanding a debt of INR 10,000 – 50,000 and 2 women reported a debt of over INR 100,000. These loans were taken to meet daily household expenses, emergency medical expenses and for occasions such as weddings and funerals. Most women were apprehensive about seeking loans from a formal financial institution and all women were unaware of government's loan schemes.

It is certain that the pandemic has made matters worse for informal worker households and increased financial hardships but homeworkers in Kapas Hera reported having similar problems (very low income, inability to meet basic household expenses, indebtedness) even before the pandemic.

*See Annexure V for aggregated data of 20 homeworkers' responses to all questions under this category*

During a focus group discussion with homeworkers in Kapas Hera, a homemaker commented, "We used to get paid 25 paisa/piece for thread cutting work in 1998 which is when I started doing this work to buy things for my children. It is 2021 now and the rates have not increased". 03/06 women from this group claimed to have been cheated of their wages – the contractor/sub-contractor stopped taking their calls or kept delaying the payment. The withheld amount ranged from INR 25 to 150. None of them was aware of the concept of minimum wage and their other rights as workers.

Through a participatory exercise we were able to identify the following work-related problems for women homeworkers in Kapas Hera (issues ranked based on priority; 1 being the highest priority):



1. Working on a piece for an hour and making INR 2 (very low piece rate)
2. Piece rate hasn't increased in years
3. Difficulty in finding work
4. Contractors often disappear without paying
5. Lack of proper working environment at home (low lighting, lack of space, no proper sitting arrangement)
6. No bargaining power with the contractor
7. Lack of information on who they are making these products for – whose accountability is it if they are not paid/paid less
8. No extra payment for urgent work – sometimes contractors demand that the work is completed within a short period of time but there is no extra compensation/overtime wages.

An influential local community mobiliser/opinion leader was also interviewed to get an overview of challenges faced by homeworkers and other informal workers in Kapas Hera. She listed the following challenges:

- Increased workload due to COVID-19 (home-based work, child care and other household responsibilities and feeling responsible for providing for their families)
- Extremely low piece-rate wages and no employment benefits available to home-based workers; lack of accountability from the contractor and supplier
- Lack of job security, social safety nets and financial stability
- Frequent issues with the contractor – non-payment or delay in payment of wages; no one to complain about these issues to
- Harassment faced by female workers at informal manufacturing units and an overall lack of grievance redressal mechanisms
- The normalisation of poor working and living conditions to an extent that workers are completely alienated from their rights and do not even complain
- Domestic violence
- Cases of child sexual abuse are rampant. Children of working parents are vulnerable to predators whenever their mothers are out picking pieces to work on or making deliveries or working in factories etc. Lack of child care facilities is challenging for working parents

After listing the work-related challenges, homeworkers were encouraged to think of possible solutions to these problems. The focus group collectively arrived at the following solutions:

#### Solution 1 – Collectivisation and Capacity Building of its members

The group collectively decided that a possible solution to their work-related issues and lack of awareness on their rights and entitlements is collectivising. This solution was especially highlighted as an answer to lack of bargaining power with the contractors, difficulty in finding work and possibly a platform for demanding better piece rates.

#### Solution 2 – Improved Access to Social Security

Women believed if they had better access to social security (health security, food security, income security and support with children's education), they would not be so desperate to accept work under such exploitative terms – they will have a choice, which they currently don't.

In addition to the abovementioned, alternative livelihood opportunities, having more information on who they are making these products for (which is complicated information to acquire as contractors do not share information of this nature with homeworkers even when it is explicitly demanded by them) were listed as possible solutions by homeworkers

### 3. Key findings on issues faced by other informal unit workers

Informal production units, also termed as sweatshops, informal factories, fabricators or *karkhaanas*, have anything between 5-30 workers. Typically unregistered, they engage workers on a piece rate basis. They sometimes – but certainly not always - serve as intermediaries between first and second tier factories and home-based work. Contractors, operating at various stages, play a critical role in holding different parts of the chain together. It is enabled by the availability of high numbers of (largely male) migrant labour, most notably from Bihar and Uttar Pradesh, including recent (under 2 years) and long-term (more than 10 years).<sup>19</sup>

Three informal unit (fabrication unit) workers were also interviewed for this study in Kapas Hera. All three workers interviewed were from different units – two of these units were located in Kapas Hera and the other in Gurugram.

Informal units hire both male and female workers, generally on piece-rate. The units vary significantly in the number of workers: one has 10 people (all men), another has 50 people (of which 10 women) and the other has 100 people (of which only 5-6 were women). The units also vary in terms of items produced: they include men's wear and ladieswear. Two of the units serve the domestic market only and one of them specialises in a certain type of Indian dress (*sherwanis*). Some workers may be paid into their accounts, whilst others are paid in cash.

The three-fabrication unit piece-rate workers we spoke to were all inter-state migrants from Uttar Pradesh and Bihar. Two return home during the year (one twice a year – spending an average 20 days in Bihar, the remainder in Delhi, and the other for 7 days in the year). All workers commented that the volume of work is not as much as it used to be before COVID-19

One of the workers in a domestic-oriented unit was able to say where the orders come from. Other workers were not aware of the location or the nature of companies that (may) subcontract work to the unit. One of the workers were aware that the products retailed on Amazon and other online platforms; one knew they go to a 'showroom'; the other was not aware of what happened to products after they leave the unit.

All three workers are piece-rate workers, so work without contracts and with no overtime allowance, and no social security. One worker mentioned that hours are 10-9 pm (6 days per week). All had bank accounts but all three receive cash payments. Two of the workers mentioned that payment happens on the 10th of each month; and also mentioned being able to avail advances on the 25th of each month

Monthly wages range between around INR 10000 to 16000 (sometimes more) per month. Weekly work hours vary from 42 hours per week to 60 hours (in a busy week). Facilities for sanitation and hygiene are available in each unit.

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<sup>19</sup> Labour regimes in the Indian garment sector: capital-labour relations, social reproduction and labour standards in the National Capital Region, Alessandra Mezzadri and Ravi Srivastava, October 2015, Centre for Development Policy and Research

There is also no worker association in any of the units or collective bargaining platforms in any of these units.

All three workers have their own smartphones. All three make payments for groceries only in cash. All three have an Aadhaar card and only one has a 'labour card'. Access to social security schemes is also very low – only one reported accessing any sort of welfare schemes (*Jan Dhan Yojna*).

None of the workers is aware of the idea of a local CSO or a trade union. One worker mentioned that he seeks support from someone who is from a village close to his own back in his home state when he needs it.

In comparison to homeworkers, the informal unit workers get better wages and a slightly better flow of work but have their own set of issues – some similar to homeworkers (lack of a formal contract, irregular flow of work, lack of access to social security benefits etc.) and some of their own such as non-payment of overtime wages, excessive hours of work during peak production seasons. These informal units also do not provide a safe working environment for women – a community mobiliser from Kapas Hera had reported many women informing her about facing harassment in such units and therefore, they prefer to work from their homes, where they feel relatively more comfortable and also have the flexibility of working hours.

## 4. Contractors and Community-based Sub-contractors

### 4.1 Understanding contractors

Contractors are middlemen who bring work to homeworkers from suppliers, generally from factories and fabricator units in Udyog Vihar. Sub-contractors get work from contractors and fabrication unit owners to distribute further among women homeworkers in Kapas Hera, Dundahera and other nearby areas.

An interesting feature of the Kapas Hera homeworking ecosystem (and possibly in other areas too) are the husband-wife pairs who work together as contractors and as sub-contractors as well (So far, we have been able to identify 3 such pairs but based on our interactions with homeworkers there are certainly more). Contracting in the garment industry is largely a male-dominated role – generally, women who work with their husbands in the role of a contractor deal with women home-based workers and sometimes with the supplier/fabricator units but the decision-making power remains largely with the husband.

One of our respondents in this category – the husband (age 33) and wife (age 25) work together as contractors since 2015 for thread cutting work to be done by homeworkers. Their business is registered under the wife's name as the husband is a government employee. The wife gets work from the fabrication/supplier units in Udyog Vihar, distributes the work among women homeworkers in her neighbourhood and pays them. They have a pool of around 50 homeworkers but due to a decrease in the volume of work since the pandemic, they are only able to provide work to 20 women as of February 2020.

According to the contractors, they have no say in fixing the piece rate, it's the supplier who decides the rate and they cannot negotiate. Contractors claim that 50% of whatever piece rate they get goes towards paying the homeworkers. Payments are often delayed by the supplier and in such a situation the contractors have to pay the homeworkers either from their savings or by borrowing money from informal sources. They also shared that if the homemaker makes a mistake, then the supplier deducts their payment but they cannot do the same to the homeworkers as their wages are anyway quite low. Mistakes such as over-cutting, not cutting all the threads and staining the clothes given to homeworkers are common.

It is important to note that during the interview as the wife started sharing issues relating to harassment by the factory/fabricator unit management staff, her husband ended the interview.

#### 4.2 Role of community-based sub-contractors

Due to a very short turnaround time for home-based work, bigger contractors and fabricators who deal directly with the supplier often delegate work further to multiple smaller sub-contractors – who then give it to the home-based workers. Local CSO representatives talk about a network of community-based sub-contractors (generally women) who delegate piece-rate work among homeworkers. *“The margin of profit for these sub-contractors is much lower than that of contractors who get work directly from export factories”*, says one person we spoke to who is an experienced labour rights activist associated with a local CSO called Community for Social Change and Development.

The pick-up and delivery arrangement between sub-contractors and home-based workers can vary. The sub-contractor could deliver and pick up pieces from the homemaker’s home or vice versa. Sub-contractors usually accept payments from the contractor and makes payment to the home-based workers in cash only. Although a few may receive payment electronically as well. These subcontractors may or may not be a legally registered identity. The garment industry supply chain in Kapasehra is dynamic, a contractor could also act as a sub-contractor when needed.

During our interaction with some of these sub-contractors, we were informed that even now both the volume of work as well as the piece rates have reduced to half of what they used to be before COVID-19. The deadlines are often very short and unreasonable but the market is so competitive that if they demand a better piece rate from the supplier/contractor, the work will be given to someone else.

A female sub-contractor informed us that incidents of sexual harassment are quite common for her as well as for other women in this industry. Bigger contractors, fabricators and supplier unit staff members often make inappropriate sexual remarks while discussing work with her and she isn’t sure exactly what she can do about it. Due to the normalisation of such incidents, lack of awareness around gender rights and societal norms, cases of sexual harassment and abuse are often dealt with in an ad hoc manner.

## 5. Impact of COVID-19 on homeworkers in Kapas Hera

The COVID-19 pandemic disrupted many global supply chains in 2020, and the global apparel industry was no exception. There was widespread cancellation of contracts and also deferral of payments, and sanctions for shipment delays.<sup>20</sup> Where factories are now reviving, it is the formal spaces that have been first to resume, leaving those in informal tiers of supply chains far more likely to be out of work. However, workers in “regular salaried work” have also been very hard hit, reflecting the precarity of formal work driven in part by its increasing informalization as well as by other factors such as irresponsible behaviour of many buyers within global value chains and inadequate support from government both for industry and for workers. It is clear, then, that for many of India’s citizens, the pandemic has manifested itself as much more than about loss of livelihood. Many households were pushed into a situation of

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<sup>20</sup> <https://onlinelibrary.wiley.com/doi/10.1111/dpr.12539>

hunger and destitution. Whilst value chains struggle to revive, the inadequacy of existing social protections has been exposed.

According to homeworkers in Kapas Hera, they started experiencing a reduction in the volume of orders as early as January 2020. By the time India announced a nationwide lockdown towards the end of March 2020, homeworkers in Kapas Hera were barely receiving any work. The situation was dire as their spouses, who are the primary income earners of the family, also lost their jobs.

Lack of availability of social assistance made the situation desperate for many homeworker households. Our research found that only 8 out of 20 women received the direct benefit transfer of INR 500 for three months by the Government of India; only 3 out of 20 could access food grains through the Public Distribution System (PDS); only 1 household received cooked meals from the Delhi state government and only 2 households received groceries through their children enrolled in government schools under the Mid-day Meal Scheme.

With the loss of livelihoods in the cities due to the pandemic, lack of social security nets and their migratory status many households in Kapas Hera (as in other urban centres) fled the National Capital Region and went back to their hometowns to ride out the crisis. This “reverse migration” crisis of India, caused by the sudden lockdown to curb the transmission of the COVID-19 virus was reported as a human tragedy by the international media. This entire episode was indicative of just how vulnerable and precarious the life of an informal migrant worker is, and how inadequate were existing social safety nets within their home locations.

As of February-March 2021, most of the migrants in Kapas Hera were back, seeking livelihood opportunities and a better life for their families but most of them reported both the piece rates and the volume of work being reduced to almost half of what they used to be prior to the pandemic. Most homeworker households are still struggling to make ends meet, with even the primary breadwinner struggling to find stable employment. Issues such as inability to pay for healthcare, increasing indebtedness, inability to pay for children’s education and food insecurity were reported by homeworkers during and after the lockdown.

## B. Homeworkers in leather footwear supply chains, Tamil Nadu

### 1. Background

Ambur in Tamil Nadu is one of the biggest leather clusters in India. According to a report<sup>21</sup>, about 6 per cent of the global finished leather supply is manufactured in this state. It is home to a large number of tanneries and footwear factories. Tanneries and factories provide direct employment to thousands of men and women. In addition to this, many women homeworkers are also engaged by the factories through intermediaries or sub-contractors to stitch shoe uppers.

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<sup>21</sup> [Walk-a-Mile-in-Their-Shoes India-english3.pdf \(cividep.org\)](#)

Historically, the workforce predominantly comprised of members from scheduled caste communities (such as the Chakkiliyans and the Paraiyans). Today Muslim workers have also joined the workforce in large numbers<sup>22</sup>. Women account for a significant proportion of workers both inside and outside the factory.

Most workers engaged at the leather tanneries and shoe factories work there in extremely precarious conditions and constantly face risks of occupational hazards and injuries. On the other hand, since homeworkers are not employed by the factories directly, they do not receive recognition as workers with entitlements. Extremely low piece rates, lack of social security and irregular flow of work are the main issues faced by homeworkers.

From March 2020 onwards, the Covid 19 pandemic and subsequent lockdowns had a devastating impact on informal workers and their households, as all factories shut down operations as per government directives. In many cases, this led to a complete loss of income during this period, in these households. Individuals borrowed money to buy basic food and household supplies. Borrowed money was also used to pay rent, utility bills, children's educational expenses and medical expenses, among other things.

Following the lockdown, many people relied on informal sources for loans. As per a study conducted by Cividep in December 2020<sup>23</sup>, several people borrowed money from relatives and friends, some borrowed from local money lenders while others borrowed from microfinance institutions. Some people reported taking groceries on credit at local shops. People also pawned jewellery in exchange for money to tide over the financial crisis. While most people have a bank account with cash deposit and withdrawal facilities, some also have access to ATM cards. In certain cases, ATM cards of women are accessed by male members of the family (father, brother) since women do not access the bank or ATM centre themselves.

## 1.1. Introduction

To understand the working conditions of homeworkers in other geographical locations and supply chains, Traidcraft India undertook a small-scale study with few homeworkers in the leather footwear supply chain. In February 2021, 5 interviews were conducted with homeworkers in the Vaniyambadi region using the same tools as for homeworkers the garment supply chain of Kapas Hera to be able to draw a comparison. A summary of the findings can be found below:

## 1.2 Profile of Respondents

All five interviewees are between the ages of 30 – 43 years. Four interviewees identified themselves as being Hindu and belonging to the category of most backward castes (MBC) while one interviewee identified herself as being a Hindu from the backward caste (BC) category. 4 of the 5 interviewees reported that they moved to their current residence after marriage between 3 and 22 years ago. 1 interviewee was born in the same neighbourhood. All interviewees had two or more dependents. 4 out of 5 interviewees had over 2 dependents.

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<sup>22</sup> [Walk-a-Mile-in-Their-Shoes India-english3.pdf \(cividep.org\)](#)

<sup>23</sup> <http://cividep.org/wp-content/uploads/2020/12/A-Study-on-the-Impact-of-the-COVID-19-Induced-Lockdown-on-Leather-Sector-Workers-in-Tamil-Nadu-Cividep-India-Dec-2020.pdf>

## 2. Key findings on issues of homeworkers in Ambur

### 2.1 Access to and nature of work

All interviewees had been engaged in hand stitching leather shoes for between 2-8 years. The types of work undertaken by them included stitching shoe uppers, stitching belts on uppers, twine shoe stitching and stitching leather gloves.

Two interviewees suggested that they work for 10 days a month. Others suggested that when there is work, they work throughout the week, but many months go by without work as well. When work is available, hours of work varied for each of the respondents. Two homeworkers worked for up to 8 hours a day and two worked for 6-7 hours a day and one reported working for 4 hours in a day. All interviewees reported working inside their own house or on their front porch. One interviewee reported sitting with her neighbours and working together.

All interviewees received work from the same source. All pairs are offloaded at a fellow homeworkeer's house who distributes it amongst those wanting to work. Three interviewees reported that the pairs came from a particular factory, although they were not able to identify the specific unit. One interviewee also mentioned that the pairs came from a certain company and a factory in another city in Tamil Nadu. Three interviewees mentioned that in the past they had been told to stitch carefully and without dirtying the pairs because they were being sent to foreign brands.

### 2.2 Working Conditions and Social Risk

Piece rates for stitching a pair range from INR 7 to INR 15 and the time taken to stitch each pair range from 30 to 60 minutes. Interviewees estimated their daily earnings to be between INR 100-150. All 5 interviewees reported that their children never helped them finish their work. They also reported never having been deceived about the rate of pay.

Their earnings were spent on household expenses, vegetables, medicines, children's education, emergencies and savings.

When asked whether the interviewees had anyone to talk to about problems at work, 4 interviewees mentioned the name of a fellow homeworkeer, while one interviewee mentioned the name of their contractor.

All interviewees reported that the person who gives them work had never been violent or aggressive, had never made threats and does not harass them while working. The interviewees had not faced any bad consequences for failing to complete work on time. The work was simply handed over to someone else to complete in these circumstances. However, wages were deducted for pairs which contained mistakes, unless they were redone correctly for no additional pay. Only one interviewee reported having taken an advance of INR 400 from the contractor, which was deducted against future work. None of the others had been issued an advance before.

All interviewees found their home environment comfortable to work. However, one interviewee mentioned the lack of proper lighting. This prevented her from working after sunset.



### 2.3 Connectivity and Commercial Transactions

All interviewees had access to a mobile phone. However, none of the interviewees has a phone of their own. The phone belongs to their husband in all 5 cases. 4 out of 5 interviewees have access to a simple phone while one interviewee's husband owned a smart phone. All 5 interviewees knew how to receive calls. Other than the interviewee with the smart phone, others also knew how to use their simple phone to make calls. The interviewee with access to a smart phone did not know to make calls. None of the interviewees knew how to send a sms on their phone. All interviewees reported being on prepaid plans and occasionally reported network troubles especially during the monsoon. But interruptions to service was not a major concern.

None of the interviewees used any form of social media. They were not aware of the internet and did not access any websites. They were also not connected to the internet through other devices owned by neighbours etc.

All 5 interviewees had a bank account where they could deposit and withdraw money. 4 out of 5 interviewees also had an ATM card. All interviewees reported that their bank was approximately 0.5km from their home.

Household purchases were made in Vaniyambadi, approximately 3 km from their home, at the weekly market or in local shops. In 4 out of 5 cases, husbands of homeworkers made these purchases. In all cases, purchases were made with cash.

### 2.4 Availability of Identity Documents

All 5 respondents had an Aadhaar card, Voter ID card, Ration Card, a bank account and an LPG cylinder connection. Only 2 had a PAN card.

### 2.5 Access to Social Entitlements and Schemes and other Support Systems and Services

All 5 interviewees indicated that they had received INR 2500 from their local ration shop (PDS) during the Covid lockdowns. 4 out of 5 interviewees also reported having received INR 1000 from the Labour Welfare Department during this period under an emergency relief scheme.

The village Panchayat meeting was mentioned by 2 interviewees when asked about forums to discuss household or community problems. None of the interviewees mentioned the presence of any local CBO or NGO in the area.

Interviewees mentioned the Vaniyambadi Government Hospital, the local Primary Healthcare Center (PHC) and the government mini clinic when asked about access to healthcare services. They said these facilities provided them with free healthcare.

### 2.6 Household Income and Debt

All three interviewees reported having two earning members in their family including themselves. Interviewees reported their monthly income to be between INR 5-7000 per month.

All interviewees had difficulty accurately estimating their monthly expenses. All interviewees lived in their own house, therefore did not spend any money on rent. Interviewees reported spending between INR 2-600 on water each year. They similarly reported spending INR 100-200 on electricity per month. One interviewee was not able to estimate the monthly grocery expenses, the other two estimated between INR 3-4000 per month. Children related expenses



were estimated between INR 1-5000 per month. Health related expenses were reported to be between INR 500-1000. One woman reported having no medical expenses since free healthcare was available at the government hospital.

One interviewee mentioned that she does not take any loans because she finds it very difficult to pay them back, while the other two had taken loans from local money lenders and informal financial institutions. These women had a current debt of between INR 20-30000. They were not aware of the rate of interest, though they mentioned that their husband would know.

The interviewees estimated between 3-10 other homeworkers to be in their neighborhood. None of these women currently have work. None have had work since the Covid lockdowns. All interviewees get paid in cash once in a month.

## FINDINGS: Part II

### Preliminary consultations with homeworkers and other stakeholders

#### Context

In May-June 2021, 10 consultations were held over phone calls with representatives from both areas surveyed as part of the second phase of the study.

- From Delhi, 2 homeworkers from Kapas Hera, 1 homemaker who is also a community mobiliser for a local CSO, 1 female community-based sub-contractor in Kapas Hera and 3 proxy consultations with CSO representatives who have extensive experience of working with homeworkers and other informal workers in supply chains
- 1 consultation with HNSA
- From Tamil Nadu, 2 of these CSOs who have considerable familiarity with the leather sector in the Ambur area of the State

Due to the second wave of the COVID-19 pandemic, which had a devastating impact in India, it was not possible to conduct in-person consultations with workers (many migrant worker families had left Delhi-NCR and headed home as they were out of work and unable to support themselves in Delhi). Therefore, we conducted telephonic interviews and also spoke to CSO representatives who were able to act as proxies for homeworkers based on their understanding of informal workforce's issues and their conception of workers' best interests. These CSOs were SEWA Bharat-Delhi, HomeNet South Asia, Cividep India and Community for Social Change and Development.

The questions for these phase 2 consultations were designed based on the initial research and ideation work of project partners, through which potential strategies for making supply chains transparent and resilient and improving conditions for informal workers were sketched out.

The key areas to be explored during these consultations were identified as follows:

1. The perception of homemaker towards collectivisation (noting that there were different experiences of collectivisation among workers and proxies consulted: from zero in certain cases to considerable experience in others)

## 2. The scope for technology to support a worker's collective

### Detailed findings

- **Do homeworkers understand what a homemaker collective is and would they be interested in joining one?**

The two homeworkers consulted had a certain idea of what a collective is (important to note here that they are already associated with a local CSO for women workers). The community mobiliser consulted remarked that maybe all women do not understand what a collective is but they are capable of understanding.

We received a mixed response from CSO representatives – two CSOs based out of Delhi (one based in Kapas Hera in the southwest, the other operating in the northeast) provided a positive response. They believed it's because of the pandemic that communities have realised the need and importance of a support group (many CSOs have actively supported communities during the second wave of the COVID-19 crisis). They believe women will feel secure and find "recognition" as workers in a collective and it is worth giving them an opportunity to join such a group of working women.

One proxy interview candidate commented that it will require a lot of rapport building with the homeworkers to join the collective and actively participate in collective organised activities. A lot would also depend on the cultural context, for instance, it was brought to our notice that women in Ambur (TN) are generally aware of collectives. They have been exposed to the SHG model. TN is a pioneer in launching SHGs, and many women are part of such groups. They are very familiar with savings groups. But issues like gender, organising, leadership and rights could be very new topics for some women workers as they started organising.

Overall, we anticipate that women workers would be interested in joining a collective if they see tangible value in it such as access to government-sponsored schemes, ease in accessing work, community-based support etc. (considering COVID-19 has increased poverty levels, it's important they see some short-term benefits).

- **Are you open to register with the collective? Do you have any reservations about registering as a homemaker on the collective?**

Three homeworkers interviewed responded positively to the question of registering as a homemaker. One homemaker who is also a community mobiliser with CSCD also commented that homeworking wages in Kapas Hera are very low, women will register to bargain for better wages – recognition as workers through the collective might help in negotiating for increased piece-rate and other support for homeworkers. She further said, "*if there is nothing to gain by registering, there is also nothing to lose for these women*". She also believes that being part of such a group would help women socialize; this is an important value add for those who otherwise, being migrants, may not have a support system in a big city and this will increase their self-confidence.

The contractor was asked if they would be open to registration with the collective as a contractor – she replied that she isn't very sure and would require more information to make this decision. She is specifically interested in knowing how this could impact her livelihood.

A CSO proxy respondent cautioned that women will be open to registration but we have to be careful that it doesn't impact their ability to get work – *“their contractors and people higher up the supply chain should not see it as a threat. If that is not the case, registering will not be a problem”*. Access to social entitlements was flagged as a major motivation for women homeworkers to register as a homemaker with the collective.

A homemaker mentioned how a spouse's negative attitude can be a possible reservation. She had faced a similar problem when she initially connected with CSCD but in her experience, she persisted and it was eventually accepted by her spouse.

- **Any risks perceived about collectivisation, likely attitudes of their family, husbands, other community members?**

Conservative families and spouses were perceived as likely risks. Three homeworkers interviewed said that they perceived no such risks. However, once remarked, *“Conservative families may not like it initially but if the collective brings value, it will be okay. Times have changed. If women are empowered and supported attitudes of family members won't matter”*.

In one CSO's experience of collectivising women workers, some women having to seek permission from their husbands/family is a challenge. In such a case they speak with the family/husband and try to convince them by explaining the benefits of joining a worker's collective (other CSOs had a similar experience). Those women who have young children might not be able to take the time for regular meetings and other activities or they may not be allowed to go out of their homes as traditional gender roles dictate that a woman's primary duty is towards her children & family. In Kapas Hera, landlords also create problems as it is not in their interest for women to be empowered and being backed by a group.

Lack of trust was quoted as another significant risk by a CSO respondent In their experience, women did not easily trust a new organization or a new set of people which prevents women from participating. Staying in touch with the community over some time can help build trust.

Some communities such as Muslim women could also initially hesitate in participating in a combined group due to cultural and religious differences but such issues are resolved over a period of time on their own with steering from community leaders.

It was also pointed out by proxy candidates that if a collective protests against influential people, its members could be discouraged by family members and pressurised into leaving the group.

- **Will you be comfortable if contractors and unit owners were also a part of this collective?**

Trust building would be essential here and a strategic approach will have to be taken by the leaders of the collective such as maybe not inviting contractors to all the meetings of the collective.

Having men join the collective was flagged as a possible issue by the female contractor consulted for this exercise. In the past, she has faced issues with men in the industry. She says it is okay for men (contractors/workers/unit owners) to be associated with the collective but their behaviour must not make women uncomfortable.

A proxy respondent commented that it will be good to have “*honest*” contractors in the collective as they may be instrumental in getting work orders.

Another interesting response from a respondent which provides a nuanced insight into our query of involving of contractor– *“It depends on the power dynamic between these actors. In the collective we are forming we have had sub-agents as part of the group. Sub-agents are usually women from the community who help the main agents distribute work, whereas agents are usually men. Sub-agents also attend our training programs and organising these events etc. Main agents are close to factories and feel insecure when we talk about rights and wages and hence cannot be part of the collective. Also, this won’t work because even in small meetings women find it difficult to speak when there are male leaders around. In the context of a collective, this would be detrimental. So better to have separate spaces and when some negotiation needs to happen these spaces can be brought together temporarily.”*

• **What functions of the collective would be useful for homeworkers?**

		Which of the following services would be useful to you as functions of the collective?
1	Access to human rights <sup>24</sup>	<ul style="list-style-type: none"> <li>- Information about their rights as workers,</li> <li>- their rights as citizens, the rights of their children</li> <li>- Health information</li> <li>- Support with access to health services or healthcare</li> <li>- Legal aid on sexual harassment</li> <li>- Improved access to social protection schemes</li> <li>- Any other (e.g., supply chain-related grievance procedures?)</li> </ul>
2	Access to market and livelihoods support	<ul style="list-style-type: none"> <li>- Mentoring for producers</li> <li>- Skill development training</li> <li>- Receiving work through a collective for workers/a local CBO and Market linkages</li> </ul>
3	Access to financial services	<ul style="list-style-type: none"> <li>- Saving with an SHG</li> <li>- inter-loaning within an SHG</li> <li>- Financial literacy</li> </ul>
4	Access to digital services	<ul style="list-style-type: none"> <li>- Digital connections</li> <li>- digital literacy</li> <li>- an internet connection (sometimes if urgent and important)</li> <li>- digital assist services</li> </ul>

A CSO representative from Ambur, TN had the following comments about the abovementioned functions of a worker’s collective:

On functions under access to human rights: *“Social protection schemes would be the most valued, health services and healthcare would be high on the priority list. Information about rights would be next. Legal aid on sexual harassment would be of least priority for homeworkers.”*

On functions under access to market and livelihoods support: *“In our context, we have found workers have expressed the desire to learn new skills, receiving work through the collective would be the next priority. Mentoring would be the least priority.”*

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<sup>24</sup> These questions will be explained with reference to the framework that was developed for this phase 2 section

On functions under access to financial services: *“Homeworkers would prefer inter-lending within the SHG. As an NGO with the experience, we would recommend financial literacy. There is a proliferation of MFIs in Ambur which has led to many issues”*

On functions under access to digital services: *“A lot of govt services have been digitised now. All govt services are available through the ‘e-sevai’ portals. People have to use these facilities for ration cards, make changes etc. They use privately owned internet centres to access these schemes. So, if the collective provides such services, it will be very helpful. Especially after covid when schools and colleges have moved online it has become important to have internet access. If the collective provides a very good internet connection, this may attract many people.”*

Another CSO representative thought all of the functions mentioned are relevant but cautioned against the financial services. In her own words, “Bringing in money transactions and loans will destroy the collective. People will only think of money then and there have been many bad experiences where a collective only function as a loan recovery body. It destroys solidarity and shifts the focus away from the important things.” The contractor consulted said that she would feel comfortable saving money with the collective as she is afraid of getting scammed. However, organisations such as SEWA are successfully managing credit societies where women workers are provided with financial services. This particular function will require efficient management and supervision from the leaders of the collective. A homemaker informs us that some women in her building save money together (INR 500 per month) and loan it to others when required based on interpersonal trust. A lady who is slightly wealthier than others acts as an ad hoc treasurer of this informal savings and loaning group.

On digital services, the community mobiliser consulted feels it’s very relevant now because many women have a smartphone as their children’s education has moved online. Despite having access to a smartphone, many women do not use it because they lack digital literacy.

- **Scenario 1. Payment**

**You have not been paid by a contractor for the past 6 months. Would you want to make a call through the collective for support (to speak to the contractor or the factory)? (provided that your identity was not revealed to the contractor or factory)**

**If not, why not?**

A homemaker said that she will seek advice from the collective on how to approach this situation as she does not trust the factory or the contractor. Another homemaker said that she would be okay speaking with the factory directly if her identity is not revealed. The third homemaker said if the contractor isn’t responding at all then she will seek help from her husband first, and some other people in the community and only then approach the collective. She might try contacting the police too. About contacting the factory, she said, *“We do not know which factory is giving work so how can the factory be approached?”*

A Kapas Hera based local NGO says that anonymity and support from the collective will be very helpful in such a scenario as most women there are migrants and feel extremely vulnerable in such a situation. Another representative thinks some women might not even have an issue revealing their identity and sometimes it might even be required.

Another feedback received here from CSOs is that approaching the factory might be risky if the collective isn’t strong enough. Another CSO representative comments that a

homeworker might not reach out to the collective for this, even if the money comes late. There is a risk of losing their livelihood and creating tension between community

The contractor we spoke with says that she doesn't mind approaching the factory for withheld payments by other contractors. She shared that she was currently facing a similar issue – a contractor owes her about INR 40,000 for previous work orders and is now refusing to pay her. She called a mid-managerial level staff of the factory involved but had not received her payment at the time of interview. She added that the contractor is verbally threatening her. She is in touch with a local CSO regarding this and is planning to talk to the senior staff at the factory.

These perspectives indicate that local community members are prepared to invest a certain amount of trust in local CSOs to support resolution of issues of this kind.

- **Scenario 2. Reporting a case of sexual harassment**

**Would you be comfortable reporting a case of sexual harassment to the collective (by someone in the family, or workplace, or community, or outside), provided your name is not given?**

Both homeworkers responded that they will be comfortable approaching the collective. The homeworker who is also a community mobiliser further suggests that women may be able to trust the collective on this issue but they need awareness on the issue of sexual harassment and whom they can approach if they need help. She also recommends that community mobilisers can be the first point of contact as they know these women personally. The contractor interviewed also felt comfortable approaching the collective on such matters.

Some CSO representatives think that since sexual harassment is a taboo within the communities, they might not share it with anyone immediately as it happens due to fear of victim-blaming. Anonymity might help. Awareness of their rights is a key enabler on grievance redressal on sensitive issues like sexual harassment.

- **Scenario 3. Factories and companies (Indian and international) visibility of supply chain.**

**Sometimes it is useful for factories and companies to know what their supply chain looks like: i.e., how many homeworkers there are. Are you happy to share this information as long as:**

**- no private information is shared with them e.g., they know that there are HWs working on garments, just not know that it is you particularly**

**- your work is not affected at all (i.e., you still get orders from the same factories and companies)**

Two homeworkers said yes to this question and the homeworker who is also a community mobiliser said she would personally like to help but cannot speak for other women as they are all different have their thinking.

CSO representatives from Kapas Hera think through the collective many women will support the process of supply chain mapping. Another CSO commented that workers don't show a lot of resistance to being visible. As long as they continue to get work and they get good pay and flexibility, they would not mind being a visible part of the supply chain. However, another respondent feels that homeworkers generally don't know much about the supply chain and may not be able to share such information.

The contractor interviewed seemed apprehensive about participating in the supply chain mapping process – she is worried this could somehow affect her business.

- **Scenario 4. Factory interested to offer work**

A factory is looking for homeworkers to undertake some work in the coming season. They are looking for 20 homeworkers and require some information so they can verify that they have the workers they require. What information would you be happy to share? (e.g., skills, number of years homeworking, type of work done, etc..)

Who would you be happy to share very detailed information with and hold your data (i.e., full ID (info that would enable the person to contact you or locate you if they want to)

All homeworkers said yes to this question but one remarked that she would not if she is required to work from the factory premise as she has heard from others that women are not treated nicely in Udyog Vihar factories.

CSO representatives seem to think this might not be an issue with homeworkers at all as long as they are able to work from their home.

- **Who would you be happy to share very detailed information with and hold your data ?**

(i.e., full ID (info that would enable the person to contact you or locate you if they want to) with Brands/Buyers, Supplier, Contractors, Other NGOs, Media, Collective, Government etc

The contractor thinks it's okay unless it affects her livelihood but will need more information on who is holding that information and for what purpose before sharing.

CSOs feel workers will have different levels of comfort regarding sharing and their data and it is held by different actors. They will need to be made aware of the different pros and cons of sharing personal data so that they are able to provide informed consent.

An Ambur-based CSO feels that the government will be most trusted. The NGO or collective would be next. Others would not be trusted by homeworkers.

- **Are you comfortable with data you have shared is used to share with the government e.g., at a regional or national level? (noting that the data will include no personal details and you cannot be specifically linked to it)**

CSOs feel workers may be comfortable with it but they will need to see the potential benefits of it. It was also brought to our attention that most homeworkers may not be easily able to understand the implications of data sharing.

- **Are you comfortable with data you have shared being on the internet and in the public domain – for example like Census data? (noting that the data will include no personal details and you cannot be specifically linked to it)**

It shouldn't be a problem as long as it doesn't contain personal information. An Ambur based CSO feels that homeworkers may not understand the implications of their data being shared

and may not be able to easily answer this question. However, in their opinion, more recently, after the coming of the CAA/NRC Act, there is some resistance from minority communities about sharing their personal information because they are worried about how it will get used by the government and others.

- **Who would you trust to manage your data for you?**

Apprehension was seen towards trusting banks, suppliers, brands, contractors and the government. Most respondents felt comfortable about sharing their data with NGOs, trade unions. Family, husband and community leaders as well as contractors were described as to be dependent on the kind of relationship they have with the worker.

However, some feel that the government would be most trusted, followed by NGO/TU/Collective.

- **As well as sharing your own data, are there things you would like to know about other actors in your supply chain (For example, would they like to know who they are working for? For example, Brand, Tier 1 Manufacturer, Contractor?)**

Some women might want information especially around wages and benefits and who they can call to get their work-related grievances addressed. A homeworker wanted to know *why her wages were so low*; another one answered yes to this question but wasn't sure what information is relevant for her to have. Some women are only interested in their work and making a livelihood and do not have a strong desire to obtain information about other supply chain actors. Other information that homeworkers may like to have, based on these consultations, is about the brand/supplier they are working for and where and for how much their products are being sold.

It is also important to explain to the homeworkers how information on other supply chain actors is relevant to them.

- **Is there any information you definitely don't want to share with anyone? E.g., AADHAAR number**

Aadhaar card, bank account number were mentioned as some information women might not want to share.

- **Are you comfortable with your data being stored and used by others? If so, are there any conditions you would like to place on the data use and storage (i.e., it can only be used by those who want to preserve homeworker livelihoods and improve their conditions of work)**

Most homeworkers would not mind their data being stored if they are convinced that it is being used for good. However, a lot of training will be required for homeworkers to understand data storage and usage.



- **Are you aware of how technology can recognise you personally from your voice, like a fingerprint or an iris scan?**

Most homeworkers will understand this using Aadhar Card's example

- **Are you aware of how machines and computers can speak like a person and you can interact with them using your voice only or for example with voice and keypad?**

Some understood this – as they use IVR tech while booking LPG cylinders. However, it is not easy for all women to use

- **Are you aware that you can record your voice and send an audio message – have you ever done that?**

Many women could be aware of this (only those with access to smartphones in their household) as they use WhatsApp or they have seen their children using it. Many women cannot type messages and therefore use voice notes to communicate on WhatsApp. They could do it themselves or with help from their children or other family members.

- **Are you comfortable using these technologies?**

Homeworkers may find it challenging initially to use new technologies due to a lack of familiarity and knowledge but that is easily rectifiable with training. There is an appetite to learn, which is very positive.

- **Are you comfortable with someone assisting you with these technologies in order to enable you to share data and information to be shared with you?**

Very positive response to this question in all consultations – some think it is highly relevant post pandemic.

## Summary of findings

Through consultations with different stakeholders, it became quite clear that unorganised homeworkers might be interested in joining a collective if they see tangible value in it such as support in accessing government-sponsored schemes, ease in accessing work, improved wages etc. (considering COVID-19 has increased poverty levels, it's important they see some short-term benefits). A mixed response was received on whether or not the homeworkers would be interested in registering by providing certain information to the collective. Negative attitudes of family members and people higher up the supply chain seeing the collective as a threat was seen as a possible reservation in formally registering with the collective. Improved access to work and social security, more bargaining power and opportunity for socializing with other community members were mentioned as motivation for homeworkers to register.

Almost half of the respondents said that they perceived no significant risks associated with collectivisation. Those who said yes perceived conservative families, lack of trust between the collective and the worker, women not having time for regular meetings of the collective, women

from minority communities hesitating to participate in a mixed group and pressure from landlords and other community members were perceived as likely risks.

Support in accessing social security was described as a priority function of the collective. Mixed responses were received for the data sharing scenario I (whether or not homeworkers would like to approach the factory in the event of the contractor not paying her for over 6 months with her identity protected). As for the data sharing scenario II, most respondents felt homeworkers need to be made aware of the issue of sexual harassment as it is a taboo within the community and victim-blaming is quite common before they can approach the collective for reporting a case of sexual harassment. Mixed were responses received on data sharing scenario III (homeworkers participating in the process of supply chain mapping); mostly the concern was that homeworkers do not really know much about the supply chain – which brand or supplier they are making products for is usually not known to the homemaker. Mostly, positive responses were received on data sharing scenario IV. Homeworkers might not have a problem sharing detailed information if they are able to receive work from factories to do in their homes.

CSOs believe homeworkers would be happy to share detailed personal information with the government and NGOs. They may not be happy to share this information with brands, suppliers, media, banks etc as they might not trust them. They may also be comfortable with their data being shared with the government in an aggregate form but they will need to see the potential benefits of it. Sharing of homemaker data on a public website should be fine by homeworkers as long as their identity is protected and data is presented in an aggregate form.

For managing their data, the consensus was that homeworkers will trust NGOs and Trade Unions. Apprehension was seen towards trusting banks, suppliers, brands, contractors and in some cases the government as well. Whether or not they trusted their husband (or other family members) the contractor and community leaders was said to be dependent on the kind of relationship they have with homeworkers.

Information on wages, where is the final product made by homeworkers sold, which brand/supplier they are working for and grievance redressal process came up as some of the key information that homeworkers would want about other actors in the supply chain. However, some women may not be interested in any information at all – they only want decent wages and regular work.

In terms of information that women workers might not want to share with anyone, Aadhaar card and bank account numbers were mentioned. Most homeworkers would not mind their data being stored if they are convinced that it is being used for good. However, a lot of training will be required for homeworkers to understand data storage and usage.

Most homeworkers understand how technology can recognise them using their fingerprint or iris scan using Aadhaar Card's example. Some are even familiar with IVR technology because of its use in booking LPG cylinders. Women who have access to smartphones and WhatsApp are familiar with audio messaging. Overall, the feedback was that women lack training and confidence to use smartphones and other similar technology. However, this can be corrected with digital literacy training and capacity building. Very positive response received for training on digital literacy – the consensus is that it would be useful and homeworkers will be interested.

## Concluding reflections

Homeworking provides subsistence income to many households in India. As described by many of the homeworkers interviewed for the purpose of this study, the money they earn through their work is mostly spent on household and/or childcare. They also reported that it will be difficult for them to work outside of their homes due to household responsibilities and other sociocultural reasons. As a broad effort towards vulnerability reduction, it is therefore important to ensure systems are in place that protect homeworker livelihoods, empower these women, strive towards their visibility and improved working conditions in supply chains. One key challenge is that workers face a lot of issues because they are not organised and therefore not represented. This contributes to their lack of voice and also a lack of agency to address workplace related difficulties they face. In this regard, it is pertinent to note transparency as an aspiration of homeworkers too.

Clearly, it is not simply that homeworkers are not seen and recognised within the supply chains of which they are a part, but also that they have very limited visibility of these chains. This lack of transparency for homeworkers frustrates their ability to even begin to identify who is responsible for conditions they experience, such as low pay.

At the same time, homeworkers seem to exhibit relatively high levels of trust towards local CSOs and there is clearly precedent (borne out by numerous examples of homebased worker organisations in the region, such as those that form part of HomeNet South Asia) for membership-based homeworker organisations. The key area that this research initiative sought to probe in phase 2 was the scope for more powerful supply chain actors – both suppliers and brands – participating in these in a collaborative way that respects the interests of different stakeholders. A key concern of Traidcraft Exchange, based on its work with homebased worker organisations and with brands, is the need to ensure that in such collaborative processes – which could involve for instance significant levels of data-sharing on vulnerable workers in a locality – that homeworker and other vulnerable worker livelihoods are not affected. To this end, Traidcraft Exchange recommends a set of guidelines that are in line with international standards such as the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector to ensure that in the context of deployment and of any technology assisted system and allied vulnerability reduction initiatives, these livelihoods are preserved (see Annexure II). Respecting livelihoods of these workers is a good way of ensuring that any business that is involved does so in a way that conforms not only with this OECD Guidance but also with the UN Guiding Principles on Business and Human Rights, which incorporates a commitment on businesses to ‘do no harm’ within as a consequence of their business choices.

More broadly, there is a clear need for active efforts on behalf of a range of other actors, including state authorities, to support recognition of homeworkers and other marginalised workers featured in this study. Steps to recognise them and support them with various forms of social protection are in the interests of the worker and also of businesses keen to reduce their sourcing risks.

Overall, it is apparent that homeworkers face a number of challenges in the context of their work. However, it is also imperative to remember that for many, there are few other livelihood options. Overall, the consultation has suggested that there is some homeworker receptivity to some of the elements of the technology-assisted solution proposed via this project.

## Annexure I

### Aggregated responses under survey questionnaire category 'Access to and nature of work'

Questions	Number of Responses	Remarks
Are you currently working?	Yes: 11	Those who are not working is because of not being able to find any work or are dissuaded by very low piece rate
	No: 9	
Types of work done and pieces produced	Mostly thread cutting/finishing	Embellishment, putting strings in trousers, stitching buttons and decorative braiding; putting tassels on clothes and baskets, stitching eyehooks and <i>moti</i> work were few other activities that were mentioned by HBWs and other key informants
How often do you work?	Less than 10 days a month: 12	The availability of work is irregular – has always been irregular but it is worse now due to COVID-19
	11-20 days a month: 6	
	21-30 days a month: 2	
Hours of work in a day (excluding household responsibilities and child care)	1-2 hours: 4	
	2-4 hours: 11	
	4-6 hours: 3	
	6-8 hours: 2	
	More than 8 hours:	
	No:	
Do you know what companies sell your products?	Yes:	
	No: 20	
Do you know if these companies are Indian or foreign?	Foreign: 4	Respondents who answered that foreign companies sell their products are mainly assuming that based on the design of clothes they work on.  Some workers have also heard that the garments need to be "shipped" or that these products go to foreign countries from contractors, other workers
	Indian: 1	
	Both: 1	
	Don't know: 14	

		who work in export-oriented factories in Udyog Vihar – which is where most of their work comes from
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## Annexure II

### Aggregated responses under survey questionnaire category ‘Working conditions and social risks’

Questions	Number of Responses	Remarks
What is the piece rate (INR) you normally work at?	0.25/piece:	<p>- The piece-rate depends on the size of the piece and the type of work that needs to be done.</p> <p>- Most HBWs answered in a range, <b>responses were recorded based on the maximum piece-rate that they have ever received.</b></p> <p>- <b>Few homeworkers say that the piece rate has been same since the last 5-7 years whilst the cost of living has increased significantly</b></p>
	0.50/piece: 1	
	0.51 - 01 rupee/piece: 14	
	More than 01 rupee/piece: 5	
How long does it take for you to make one piece generally?	Could take anywhere between 10 minutes to an hour depending on the piece; 10-15 minutes was the most common answer	
Have you ever been deceived about the rate of pay?	Yes: 0	One homeworker mentioned that the contractor was paying her INR 50 less than she had been promised (INR 200 instead of INR 250). He said that he would pay later but, on two occasions, did not.
	Related issue e.g., withholding of wages: 1	
	No/ no comment: 19	Delay in payments and non-payment of wages is more common than wage deception in case of HBWs we have spoken to in Kapas Hera.
How much do you generally make for a day’s work? (INR)	0-20: 10	Calculated based on how many pieces they make in an hour and the piece rate they get
	20-40: 3	
	40-60: 2	
	More than INR 60: 5	
If you have children, do they help you with this work?	Yes: 4	- One homeworker said her children sometimes help with pick up and drop off; Few homeworkers said ‘no’ here because their children are too
	No: 14	

	Sometimes: 2	young to help, older children often work alongside their mothers  - One homeworker said she can only make a decent daily earning through homework (INR 70) if her daughter helps
What do you do with the money that you earn?	All respondents spend the money they earn on household expenses/ their families	
Have you ever faced any threats/violence/aggression from the person who gives you work?	Yes: 3	- 02 out of the 03 homeworker who answered yes to this question said the contractor is sometimes verbally aggressive if she does something wrong or cannot finish the work on time and threatens deduction of her money.  - One of them takes work from her landlord who is a contractor and since she has not been able to pay rent, she has to repay it through her wages and the landlord-cum-contractor can also get aggressive to an extent that he starts throwing her things out of the house
	No: 17	
Have you faced any harassment while working?	Yes: 1	One homeworker said her neighbour harasses her saying, 'why are you doing work for Rs 0.75 – leave it'; also, <b>most women are not comfortable sharing this kind of information upon a first meeting.</b> The homeworker who answered with a concrete yes to this question describes her contractor as an aggressive person who verbally harasses her about not being able to meet unreasonable deadlines
	No: 19	
What are the consequences of making mistakes or not being able to complete work on time?	No consequences: 15	Very strict and unreasonable deadlines were raised as a concern by a few workers during this stage of the interview.
	Verbal warnings: 5	
	Deduction in wages:	
	Others:	
	Yes: 3	

Are your wages ever deducted?	No: 17	- Happened twice to one homeworker, last in Oct 2020 - Happened once to a homeworker, she was only paid half of what was promised by the contractor - The homeworker whose landlord is also her contractor adjusts the pending rent against her wages often
Is any advance amount given for work?	Yes:	Contractors or sub-contractors never give HBWs any advance, even if they asked for it
	No: 20	
Is there anyone you can reach out to seek support, in case of any problems related to work?	Yes: 8	- Those who responded yes to this question were referring to their relatives/ a friend/ influential community leaders/ and a local women's rights-based organisation  - One home-worker mentioned being able to reach out to her sub-contractor (female) for any work-related issues
	No: 12	
Are you facing any health-related and/or workspace related problems due to the nature of your work?	No/Not sure: 9	Those who said yes mentioned eye strain due to poor lighting at home, backache due to an improper sitting arrangement and lack of space, lack of space, difficulty in working around children at home etc.
	N/A: 1	
	Yes: 10	

### Annexure III

#### Connectivity and commercial transactions

Questions	Number of Responses	Remarks
Do you have access to a mobile phone?	Yes: 16	
	No: 4	
If yes, is it your phone?	Yes: 15	
	No: 1	
Type of phone	Smartphone: 7	Most women know how to make and answer phone calls. Even if they do not own a smartphone, there is one available in their vicinity that they may be able to use, if needed
	Feature phone: 9	
Can you send an SMS?	Yes/With support: 6	
	No: 9	
Can you use other communication platforms such as WhatsApp or Facebook?	Yes: 6	All women who said yes were 24-30 years old
	No: 14	
Can you access the internet by yourself or through a family member/neighbour/anywhere	Yes: 4	
	No: 16	

else in the vicinity of your home?		
Do you have a bank account?	Yes: 15	Those who answered yes to this question, mostly have a <i>Jan Dhan</i> Account
	No: 5	
Where do you purchase household consumable items from?	Everyone purchases groceries from a nearby grocery store and/or govt ration shop	- Majority of homeworkers interviewed mention often having to buy household consumables on credit, when they do not have enough money, from a nearby grocery store. Often, because of buying on credit, the grocery shop charges them more than the Maximum Retail Price (MRP) - Some homeworkers and local NGO representatives talked about how sometimes the landlords can force tenants to only buy household consumable from a specific grocery shop, which may be owned by the landlord or their relatives
Who purchases said items?	Self: 8	
	Spouse: 7	
	Self and Spouse/ all family members: 5	
What methods of payment do you generally use?	Cash: 20	
	Online modes of payment:	
	Both:	

#### Annexure IV

##### Availability of identity documents

Questions	Responses
Aadhaar Card	All 20 women
PAN Card	11 out of 20 women have a PAN card
Voter ID Card	15 out of 20 women have a voter ID card (mostly on their hometown address)
Any other	Of the 20 respondents, only 4 had a ration card for their family and only 5 had an LPG connection passbook in their spouse's name
Current address proof	Only 5 women out of 20



## Annexure V

### Household Income and Debt

Questions	Responses	Remarks
Total monthly household income (INR)	Less than 5,000: 2	
	5,000-10,000: 4	
	10,001-15,000: 8	
	More than 15,000: 1	
Does your total monthly household income cover all your monthly expenses?	Yes: 3	
	No: 11	
	Not sure: 1	
If not, how do you manage outstanding household expenses?	12 out of 15 women have had to borrow money from various sources to meet household expenses. Only one had a loan from a formal financial institution (taken for her husband's treatment), otherwise, most of them borrow money from friends and family (with or without interest)	
How much debt are you currently in? (INR)	10,000 – 50,000: 9	
	50,000 – 100,000: 1	
	More than 100,000: 2	

## Annexure VI

### Consortium Guidelines for preserving livelihoods through the work that may result from the 'Resilience in Value Chain and Vulnerability Reduction' Project supported by the Bill and Melinda Gates Foundation via the Alan Turing Institute

Homeworkers are among the most vulnerable workers in supply chains. Underpaid and underrepresented, they often lack the voice and agency that is crucial to effective negotiation on key labour and welfare issues. Many are drawn from migrant communities, which leaves them without political representation in their host locations. Often unrecognised by governments as well as brands, they are frequently considered expendable labour during supply chain audits, or otherwise not noticed at all. For many homeworkers, almost all of whom are women, caring responsibilities preclude them from taking up work outside the home. This makes homebased work a vital means of income and an opportunity for economic empowerment.

Many brands still have a clear anti-homeworking position, insisting instead that work takes place in registered or more visible factories. But this position overlooks the unpredictable nature of supply chain procurement, the widespread practice of short lead times, and consumer demand for cheap fashion - all of which contribute to conditions in which 'putting out' work to homeworkers is in fact a key supply chain management strategy.

In this scenario, it is important that the human rights of homeworkers - upheld in the Constitution of India and in the international human rights frameworks affirmed by the UN Guiding Principles on Business and Human Rights - are respected. Over recent years, several good practices and guidelines have been developed. These include [OECD Due Diligence Guidelines on Garment and Footwear](#), which provides advice on responsible sourcing from homeworkers. In India, the [National Guidelines on Responsible Business Conduct](#) also affirms the need for Indian businesses to respect and promote human rights and labour rights. Multi-stakeholder initiatives such as the [Ethical Trading Initiative](#), of which many UK-based companies are members, make clear that homeworkers should have the same rights as other workers.

As a project Consortium, we recognise that respecting homeworkeer and other vulnerable worker<sup>25</sup> rights means upholding the principle of do no harm. More specifically, it means adhering to the following principles in the context of engagement businesses, and other stakeholders with leverage over the supply chain(s) in focus:

1. *At the level of research*, we seek to ensure that it is conducted in such a manner that does not cause any loss of livelihood to homeworkers.
2. *At the level of design*, we seek to ensure that the solution envisages a scenario in which homeworkeer livelihoods, and those of other vulnerable workers to whom they are connected to such as local contractors, are respected
3. *At the level of external engagement*, we seek to ensure that businesses and other stakeholders:
  - a) commit to respecting and preserving homeworkeer and other vulnerable worker livelihoods in all supply chain settings in which they may feasibly deploy any data, designs or tools that the Consortium shares.
  - b) commit to allowing the practice of homeworkeer in specific supply chain settings in which they may feasibly deploy any data, designs or tools that the Consortium shares
  - c) in the case of lead firms (eg brands) are provided with relevant knowledge resources and contact points for technical support around the development homeworkeer policies<sup>26</sup> in the short to medium term, in case not already developed by the business; and in the case of all supply chain actors, other tools that may be agreed to be useful to ensure preservation of homeworkeer livelihoods.

To effectively implementing these policies, it is important that the parties the consortium is collaborating with also recognise and adhere to the guidelines set out above.

Project Partners

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<sup>25</sup> These may include various supply chain workers - such as informal unit workers, sub-contractors, contractors and piece-rate, contractual and daily wage factory workers - whose livelihood could potentially be put at risk in the context of a collaborative deployment of a technology-assisted solution in which data on worker identities and conditions was made available to other supply chain stakeholders.

<sup>26</sup>

Incudeas