



Home-Based Workers in Pakistan: Statistics and Trends

By Sajjad Akhtar and Joann Vanek¹
December 2013

Main Findings and Recommendations

This report presents statistics and trends on home-based workers in Pakistan, based on data from the Labour Force Survey for two points in time, 2005-06 and 2008-09.

The percentage of workers involved in home-based work in Pakistan is small compared to other South Asian countries. Home-based workers were 6.6 per cent of non-agricultural workers in 2005-06 and 5.3 per cent in 2008-09. Both men and women home-based workers declined in absolute numbers and as a per cent of non-agricultural workers in urban and rural areas during the period 2005-08. In both periods, around 40 per cent of women in non-agricultural employment were in home-based work. By contrast only around 2 per cent of men in non-agricultural work were home-based. In Pakistan, home-based workers are overwhelmingly women. In 2005-06 over two-thirds of home-based workers were women and by 2008-09 their share had increased to 75 per cent. Between the two periods, the number of home-based workers increased only among women in rural areas but the increase was small.

Among home-based workers, the majority of men were own account self-employed: 68 per cent in 2005-06 and 64 per cent in 2008-09. Own account work was also the main status in employment category for women but at lower levels (40 per cent and 43 per cent in the two periods). Women were twice as likely to be dependent homeworkers or piece-rate workers as

¹ This paper is based on research commissioned by HomeNet South Asia and WIEGO. Funds were provided from a grant to HomeNet South Asia under the Inclusive Cities Project funded by the Bill and Melinda Gates Foundation. Sajjad Akhtar is an international consultant. Joann Vanek is the Director of the WIEGO Statistics Programme.

men; women home-based workers also were more likely than men to be contributing family workers. Only 1 per cent or less of men and women in home-based work were employers.

Manufacturing was by far the largest industry sector of employment for home-based workers. Among women home-based workers, 83 per cent were in manufacturing in 2005-06, increasing to 91 per cent in 2008-09. Among men home-based workers, 45 per cent were in manufacturing in 2005-06 increasing significantly to 54 per cent in 2008-09. Employment in manufacturing for women is mostly home-based. In both periods, about 80 per cent of the women in manufacturing were home-based. By contrast only 4 to 5 per cent of men involved in manufacturing were home-based.

The basic dimensions of age and marital status reflect the constraints in Pakistan that limit women's employment and make home-based work the most acceptable type of employment for women. The levels of home-based work among men across age and employment categories are consistently low, while among women the levels are much higher and more varied. At least one-third of women workers at all ages are home-based. The pattern by age conforms roughly to a U-shaped curve where home-based work is a larger percentage of women's total employment at the youngest age groups, drops to the lowest levels at ages 25 to 39, and then rises at ages 60-64. There is little variation by age for men except at 60 and above, when home-based work as a proportion of total employment rises to 5 and then 10 per cent of total employment. Home-based work represents a larger percentage of total employment for single women (who are mainly young) and divorced and widowed women, although for each marital status at least 40 per cent of women workers are home-based.

The small numbers of home-based workers identified in Pakistan in comparison to other countries in South Asia suggest that survey strategies for collecting data on home-based workers need to be reviewed and possibly redesigned.

Definitions

Home-based workers are the category of workers who carry out remunerative work at home or in adjacent grounds or premises, whether as self-employed or as paid workers. Homeworkers are those home-based workers who carry out paid work for firms/businesses or their intermediaries, typically on a piece-rate basis. Homeworkers in Pakistan are usually supplied the raw materials.

The Labour Force Surveys conducted by the Pakistan Bureau of Statistics use a 12-code classification to categorize the employment status of respondents. *Employees* include: 1) regular paid employee with fixed wages; 2) casual paid employee; and 3) paid worker by piece rate or work performed. The categories of self-employment are: 4) paid non-family apprentice; 5) employer; 6) own account worker; 7) owner cultivator; 8) sharecropper;

9) contract cultivator; 10) unpaid family helper or contributing family worker; 11) member of producers' cooperative; and 12) other.

The Labour Force Survey also uses a seven-code classification to identify the location where the respondent carried out the work. Among the seven categories, the following two categories were used to filter home-based workers and homeworkers: 1) at his/her own dwelling; and 2) at the family or a friend's dwelling.

Based on the standard industry classification, only workers in non-agricultural activities were treated as home-based workers and homeworkers. For the purpose of this study, workers above the age of 15+ with employment status codes 5-12 and 3, working in location 1 and 2 and engaged in non-agricultural activities were filtered as home-based workers. Among home-based workers, those with employment status category 3) are treated as homeworkers or dependent home-based workers.

Home-Based Workers and Homeworkers

During the three year period from 2005-06 to 2008-09 the number of home-based workers declined from 1.699 to 1.439 million and the proportion of non-agricultural workers decreased from 6.59 to 5.27 per cent (table 1). The majority of home-based workers are women: in 2005-06, women's share was 68 per cent in comparison to 32 per cent for men; in 2008-09 women's share had increased to 75 per cent in comparison to 25 per cent for men. Home-based work was also a more important source of employment for women than for men. In 2005-06, women home-based workers comprised 43.22 per cent of women in non-agricultural employment but only 2.32 per cent of men non-agricultural workers; in 2008-09 the percentage for women fell to 39.93 and for men to 1.47.

Table 1: Home-Based Workers in Millions and as Per Cent (in brackets) of Non-Agricultural Workers by Sex and Rural-Urban Location, Aged 15+, 2005-06 and 2008-09

Population Segment	Rural/Urban/Total	Home-Based Workers	Home-Based Workers	Home-Workers	Home-Workers
		2005-06	2008-09	2005-06	2008-09
Women	Rural	0.633 (48.82)	0.652 (49.82)	0.233 (17.95)	0.297 (22.68)
	Urban	0.529 (38.01)	0.424 (30.60)	0.187 (13.43)	0.121 (8.75)
	Total	1.162 (43.22)	1.076 (39.93)	0.420 (15.61)	0.418 (15.51)
Men	Rural	0.338 (3.00)	0.242 (2.04)	0.052 (0.46)	0.047 (0.4)
	Urban	0.198 (1.67)	0.121 (0.95)	0.031 (0.26)	0.013 (0.10)
	Total	0.536 (2.32)	0.363 (1.47)	0.083 (0.36)	0.060 (0.24)
Worker	Rural	0.971 (7.74)	0.894 (6.76)	0.285 (2.27)	0.344 (2.60)
	Urban	0.728 (5.50)	0.545 (3.86)	0.218 (1.65)	0.134 (0.95)
	Total	1.699 (6.59)	1.439 (5.27)	0.503 (1.95)	0.478 (1.75)

The decline in home-based workers both in absolute numbers and as a per cent of non-agricultural workers and among women and men is also reflected in urban rural areas, but not for women in rural areas. Among women, home-based work increased slightly in rural areas between the two periods. However the marginal increase in numbers of women home-based workers in rural areas did not offset a substantial decline in urban areas. The decline of men's home-based work was greater in urban than in rural areas.

Around one-third of home-based workers were homeworkers (i.e., piece-rate workers, also designated as dependent home-based workers). Homeworkers were 15.6 per cent of women non-agricultural workers and less than 1 per cent of men non-agricultural workers in 2005-06. Between the two periods the number of homeworkers increased only among women in rural areas, from 233,000 to 298,000.

Home-Based Work by Status in Employment

The majority of men in home-based work are own account self-employed: 68.3 per cent in 2005-06 and 64.08 per cent in 2008-09 (table 2). Only around 15 per cent were in the two other main status in employment categories: paid worker and contributing family worker. While own account self-employment was also the main status in employment category for women, it comprised a smaller proportion of women than men home-based workers: 40.44 per cent of women in home-based work were own-account self-employed in 2005-06 and 42.59 in 2008-09. Substantial numbers of women also worked as paid workers and contributing family workers. For women, work as a piece-rate worker was almost as important as own account self-employment, comprising 36.12 per cent of women home-based workers in 2005-06 and 38.85 per cent in 2008-09. Very few women or men home-based workers were employers.

Table 2: Percentage of Non-Agricultural Home-Based Workers Aged 15 +, by Status in Employment and Sex, 2005-06 and 2008-09

	Year	Paid worker by piece rate or work performed	Employer	Own account worker	Contributing family worker	Others	Total
Women	2005-06	36.12	0.06	40.44	23.08	0.30	100.0
	2008-09	38.85	-	42.59	18.29	0.27	100.0
Men	2005-06	15.52	0.83	68.30	14.40	0.96	100.0
	2008-09	16.57	1.20	64.08	16.18	1.96	100.0
Worker	2005-06	29.61	0.30	49.24	20.34	0.51	100.0
	2008-09	33.23	0.30	48.02	17.76	0.70	100.0

Branch of Economic Activity/Industry

For both women and men, almost all home-based work was clustered in three main sectors of economic activity: manufacturing; wholesale and retail trade; and services. The largest sector by far was manufacturing (table 3). Among women home-based workers, 83.44 per cent were in manufacturing in 2005-06 and by 2008-09 the percentage had risen to 90.82. Among men home-based workers, 45.28 per cent were in manufacturing in 2005-06 and the percentage rose significantly to 54.66 per cent by 2008-09.

Table 3: Percentage of Home-Based Workers Aged 15+ by Industry Group and Sex 2005-06 and 2008-09

Industry	Women		Men		Worker	
	2005-06	2008-09	2005-06	2008-09	2005-06	2008-09
Mining and quarrying	0.07	0.03	0	0.19	0.05	0.07
Manufacturing, electricity, gas and water supply	83.44	90.82	45.28	54.22	71.39	81.58
Construction	0.27	0.14	4.11	6.17	1.48	1.67
Wholesale and retail trade; repair; hotels and restaurants	3.38	2.44	18.28	19.27	8.09	6.69
Transport, storage and communication	0.16	0	1.75	1.78	0.66	0.45
Financial intermediation	0.04	0	0.29	0	0.12	0
Other services	12.64	6.57	30.28	18.37	18.21	9.55
Total	100	100	100	100	100	100

Corresponding to the increase in manufacturing, the share of home-based work for women fell in the other sectors, especially services. For men, the share of home-based work in services fell substantially from 30.28 per cent in 2005-06 to 18.38 per cent by 2008-09.

The previous tabulations looked at the distribution of home-based workers across various industry groupings. Shifting the perspective to home-based workers as a proportion of all workers in each industry category shows the relative importance of home-based work in each industry group (table 4). In each industry sector, home-based work comprised a larger share of workers for women than for men.

In the sector where most home-based women workers are employed – manufacturing – most employment is home-based. Between the two periods, home-based manufacturing increased from 79.7 of the manufacturing work of women to 81.12 per cent. By contrast only 4 to 5 per cent of men involved in manufacturing were in home-based manufacturing and their share declined during the period. In another important sector of home-based work for women – wholesale and retail trade and services – the share of home-based work increased significantly from 21.33 per cent in 2005-06 to 55.42 in 2008-09.

Table 4: Percentage of Home-Based Workers Aged 15+ to Total Non-Agricultural Workers in Industry Categories, by Sex, 2005-06 and 2008-09

Activity Status	Women		Men		Worker	
	2005-06	2008-09	2005-06	2008-09	2005-06	2008-09
Mining and quarrying	77.87	37.88	0	1.13	2.10	1.61
Manufacturing; electricity, gas and water supply	79.70	81.12	4.88	3.94	19.58	18.49
Construction	9.22	3.67	0.79	0.69	0.89	0.73
Wholesale and retail trade; repair; hotels and restaurants	21.33	55.42	1.53	1.41	2.08	2.63
Transport, storage and communication	6.17	0	0.36	0.25	0.42	0.24
Financial intermediation	2.81	0	0.32	0	0.40	0
Other services	12.19	30.84	3.01	10.61	4.69	14.30
Total	43.25	39.93	2.36	1.48	6.68	5.27

The few women in mining and quarrying were mainly home-based in 2005 but the proportion declined from 77.87 per cent in 2005-06 to 37.88 per cent in 2008-09.

Homeworkers were also concentrated in manufacturing (table 5). Among women homeworkers, 94.5 per cent were in manufacturing in 2005-06 and the percentage increased to 97.2 in 2008-09. The percentage for men declined from 63.6 to 57.9 per cent during the period. Among men homeworkers, the per cent in construction and wholesale and retail trade sectors increased significantly while the per cent of both women and men homeworkers in services fell substantially.

Table 5: Distribution of Non-Agricultural Homeworkers, by Industry and Sex, 2005-06 and 2008-09

Industry group	2005-06			2008-09		
	Women	Men	Worker	Women	Men	Worker
Mining and quarrying	0.2	0.0	0.2	0.1	0.0	0.1
Manufacturing	94.5	63.6	89.4	97.2	57.9	92.3
Electricity, gas and water supply	0.0	0.0	0.0	0.0	0.9	0.1
Construction	0.3	15.2	2.8	0.4	20.8	2.9
Wholesale and retail trade	0.4	1.9	0.6	0.5	5.9	1.2
Transport, storage and communication	0.1	1.2	0.3	0.0	1.8	0.2
Other services	4.5	17.8	6.7	1.8	12.7	3.2
Total	100	100	100	100	100	100

Age

In all age groups at least one-third of women in non-agricultural employment were in home-based work and in the youngest age group, 15-19, over 50 per cent of employed women were home-based (table 6). By contrast only a very small percentage of men were home-based workers at any age.

Table 6: Percentage of Home-Based Workers Aged 15+ to Total Non-Agricultural Workers, by Sex and Age, 2005-06 and 2008-09

Age group	Women		Men	
	2005-06	2008-09	2005-06	2008-09
15-19	62.7	61.2	2.0	1.9
20-24	45.1	37.7	1.8	0.9
25-29	32.6	35.7	1.4	1.2
30-34	34.5	34.1	1.6	1.5
35-39	37.4	39.4	2.3	1.5
40-44	42.6	41.6	2.2	1.0
45-49	40.7	30.3	2.3	1.6
50-54	32.4	21.3	3.5	1.2
55-59	46.3	22.8	3.2	1.2
60-64	44.7	45.8	5.0	4.2
65+	32.5	22.3	10.1	5.3
Total	44.5	40.5	2.3	1.5

For women the pattern by age conforms roughly to a U-shaped curve where home-based work was a larger percentage of total employment at the youngest age groups, dropped to the lowest levels at ages 25 to 39 and then rose to ages 60-64. There was little variation by age for men except at ages 60 and above, when home-based work as a proportion of total employment increased to 5 and then 10 per cent of total employment. For men and women who need to work at older ages, home-based work may provide their only option.

Marital Status

In Pakistan, religious and cultural values constrain women's employment – both their freedom to work and the types of employment they are able to take on. Home-based work is the “acceptable” choice for women who need employment to reduce economic hardship and insecurity. Young, single women in Pakistan would be expected to have relatively high rates of home-based work as a proportion of total non-agricultural employment, as would divorced and widowed women. Home-based work was a larger percentage of total employment for these groups than for married women (table 7). For 2008-09, while single women still had relatively high rates of employment in home-based work, the most striking statistic related to

widows, 66 per cent of whom were employed in home-based work. There was little variation for men by marital status in the likelihood of employment in home-based work.

Table 7: Percentage of Home-Based Workers to Total Non-Agricultural Worker Aged 15+, by Marital Status and Sex, 2005-06 and 2008-09

Marital Status	2005-06		2008-09	
	Women	Men	Women	Men
Single	47.0	2.0	42.5	1.3
Married	39.7	2.4	37.7	1.5
Divorced	48.0	5.0	35.5	3.2
Widowed	42.3	0.0	66.0	1.5
Total	43.2	2.3	39.9	1.5

About WIEGO: Women in Informal Employment: Globalizing and Organizing is a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. WIEGO draws its membership from membership-based organizations of informal workers, researchers and statisticians working on the informal economy. For more information see www.wiego.org.

About HomeNet South Asia: HomeNet South Asia (HNSA) is the sub-regional network of organizations of home-based workers. It operates in Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. HNSA works towards building regional solidarity among home-based workers, especially women workers, empowering them to lead a life of dignity, free of poverty by obtaining decent work and social protection, within a rights framework. HNSA strives to make home-based workers and their issues more visible; to help organize them; to improve their working and living conditions; to promote and advocate for formulation and implementation of national, regional and international policies for home-based workers, and to promote access of home-based workers' products to local, national and international markets. For more information, visit www.homenetsouthasia.net or email homenetsouthasia@gmail.com