



IMPACT OF COVID-19 ON WOMEN HOME-BASED WORKERS IN SOUTH ASIA February 2020 to August 2021

As per the ILO, home-based workers (HBWs) are those who produce goods and services from, in, and around their own homes; they may be self-employed and/or subcontracted piece-rate workers, and most of them are women. Although they remain largely invisible, home-based workers are engaged in several branches of the industry and many are integrated into both domestic and global supply chains. They represent a significant share of employment in some countries, particularly for women, especially in South Asia. For instance, in Nepal 1.5 million home-based workers represent 22 percent of total employment, over 58 percent of these are women. In Bangladesh 10.5 million home-based workers represent over 17 percent of the nation's total employment, of these about 82 percent are women. In four South Asian countries - India, Nepal, Pakistan and Bangladesh, where data is available - there are 67.5 million home-based workers of whom 35.3 million (53 percent) are women ([WIEGO-ILO Statistical Brief, 2021](#))¹.

HomeNet South Asia (HNSA) conducted a study to understand the impact of the crisis triggered by COVID-19 on women home-based workers in the South Asia region. It covered the period from February 2020 to August 2021 for which data was collected over two rounds - the first concluded in August 2020 and the second in August 2021. Twelve locations in seven countries were covered with the participation of thirteen organisations of women home-based workers². This study has benefitted from a similar study that Women in Informal Employment: Globalizing and Organizing (WIEGO) is conducting on informal economy workers on a global scale.

A large percentage of women home-based workers across the South Asia region earn from work generated in garment-related supply chains including tailoring, weaving, stitching, embroidery, embellishing garments, and packaging. Several others are involved in making food products and handicrafts. COVID19 changed the world and its economic reality for these women home-based workers.

By August 2020, even though the COVID scare and restrictions imposed to curb its spread had caused widespread distress, the general feeling was that the worst was over. Expecting vaccines to become available over the following six to eight months,

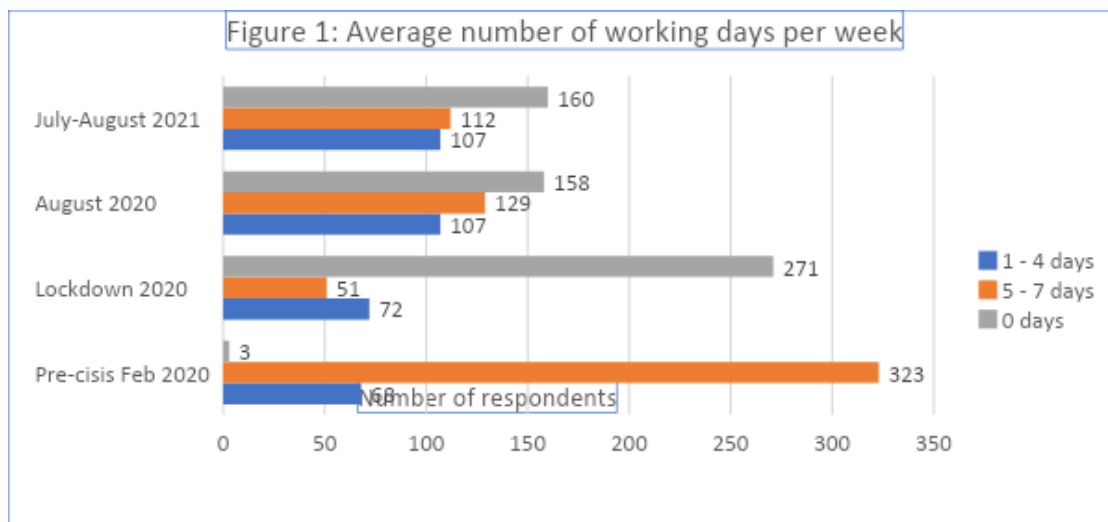
¹ Bonnet, F.(et.al.), Home based workers in the World: A Statistical Profile, January 2021, WIEGO-ILO

² Findings from the first round of investigation are available at:

<https://hnsa.org.in/resources/impact-covid-19-women-hbws-south-asia>

hopefulness prevailed. The ensuing COVID-19 infections returning in waves, with new variants, and spreading to areas that had been relatively untouched by the virus initially, was unforeseen across the world at large. In many parts of South Asia the “second wave” that hit after February 2021 was much more virulent, almost crushing the hospital infrastructure under the weight of a large number of infected people and causing many fatalities.

Every rise in infection was followed by imposition of restrictions on movement. Even though over time these became more localised to disease hot-spots, the unending uncertainty severely slowed the pace of economic revival. Global and local garment supply chains that generate work for a substantial number of HBWs in the region remained disrupted since the appearance of COVID-19 in Europe in early 2020; European and North American brands have not been placing orders in the same volumes as before. Demand for products sold to tourists did not bounce back as international travel has been almost completely restricted. In many cases producing goods at home has become less convenient and less productive given the increased time that women have been spending on household and care work during the pandemic. Work available to women home-based workers reduced drastically and in general has remained depressed since COVID-19 struck (See Figure 1).



In trying to deal with these difficulties, several home-based workers were forced to start considering alternative and supplementary work, targeted at tapping local markets. Some skilled knitters in Kathmandu tried their hand at making velvet slippers, others took on agriculture work as a stop-gap arrangement. Some in Dhaka sold cooked food and tea to supplement income. Also, in the absence of work orders through intermediaries and contractors, several piece-rate workers tried looking for work on their own, shifting to own-account activities such as tailoring for individual customers or selling vegetables from home. In Phulia and Lahore the reverse happened where

several own-account workers were forced to move to less lucrative work on a piece-rate basis.

Still, work and income recovery slackened or reversed for home-based workers in the region. In none of the study locations respondent earnings were equal to or more than the pre-crisis levels (see table 1); in 6 cities there was a drop in earnings from August 2020; in 3 of the 6, where earnings increased since last year, they were still less than two-thirds of the pre-crisis level; and in the remaining 3 they were between 81 per cent and 92 per cent. Mumbai and Tirupur stood apart in the very low earnings recovery witnessed in these locations during the entire pandemic. Extremely severe movement restrictions over long periods of time and almost complete dependence on global garment chains for work were the likely causes of this.

Table 1: Average weekly earnings as a percentage of pre-crisis (Feb 2020) earnings

	Jun/Jul-21	Aug-20
Ahmedabad	53%	31%
Colombo	7%	25%
Dhaka	41%	27%
Fulia	39%	13%
Kandy	10%	53%
Karachi	27%	27%
Kathmandu	38%	53%
Lahore	92%	42%
Male'	92%	58%
Mumbai	6%	12%
Thimphu	81%	50%
Tirupur	13.8%	14.4%

Depressed product demand, prices, and piece-rates in trades women HBWs were involved in before the pandemic, made it difficult to earn sufficiently to cover even essential needs. Except for the respondents in Thimphu and Male', where social assistance coverage is wide and the response to the crisis has been very effective, hunger continued to plague several home-based worker families, and children's education was badly affected - many were forced to start earning. Moreover, while the already limited and uneven government relief reduced further as vaccinations took priority, rising prices of essentials were reported from several study locations. As a result, in the struggle to survive, assets depleted and debt has ballooned. The average unpaid debt as a percentage of estimated annual income is between 50 percent and 90 percent for 5 locations; between two to three times in 3 locations; and a very high 6 and a half times in Mumbai.

While home-based worker producer cooperatives are at the risk of crumbling for severe lack of work and markets even after reorganising their core activities through the COVID-19 crisis, HBW organisations in general and their networks have continued to play a crucial role. This has included improving access to relief and assistance, helping to rethink work strategies, providing psycho-social counselling, and strengthening local linkages for concrete action on social protection³ for women HBWs, even as the organisations themselves adjust to changing conditions. Trade unions and cooperatives, even though not specialised in arranging for work, have been trying all sorts of ways to connect members with work opportunities and building appropriate skills for livelihood alternatives. As a result, membership of most of these organisations has expanded even without their regular mobilising efforts. Also, several countries in the region witnessed a push in the progress to identify and register home-based workers for social protection such as in Pakistan, Nepal and India along with the recognition of HBW organisations as the key interlocutors for home-based workers.

While the extreme adversity stretched the capacity of home-based workers organisations in all directions in support of their members, it also strengthened their confidence in dealing with crisis situations. It has revealed their deep understanding of the needs of members, who are marginalised and largely invisible, as well as their persistent commitment to address them. In this continuing crisis, the study findings suggest there could not be a better moment for governments in the region to step-up and legislate for home-based worker protection, put in place home-based worker-friendly policies, and create an effective and practical delivery mechanism. And in doing so, it also emphatically points to greater need for support to and engagement with the organisations/networks of home-based workers; policies and delivery mechanisms cannot be designed without the participation of HBW organisations. In addition to this main message, the study recommends urgent, emphatic and prioritised action on the following.

Table 2: Recommendations

Purpose	Recommendation
To alleviate current distress triggered by the protracted crisis	<ul style="list-style-type: none"> ▪ <i>Identify and register HBWs as vulnerable in national social registers to enable them to access relief and assistance</i> ▪ <i>Write-off utility expenses such as electricity and water, fully cover children's education expenses including device and internet costs</i> ▪ <i>Channelise financial support through unconditional cash</i>

³ Social protection—that is, policies and programs designed to reduce poverty and vulnerability by promoting efficient labour markets, diminishing people’s exposure to risks, and enhancing their capacity to protect themselves against hazards and interruption or loss of income—can improve the capacity of individuals, thereby contributing to the goal of inclusive, equitable, and sustainable economic growth”(Handayani, ed. 2016).

	<p><i>transfers, subsidies, and moratoria on interest payments</i></p> <ul style="list-style-type: none"> ▪ <i>Engage home-based worker organisations and their networks in design, planning and delivery of this support</i>
To support work and income related needs of crisis-hit HBWs	<ul style="list-style-type: none"> ▪ <i>Reset and reprioritize business support services, including: upskilling and reskilling; interest-free loans to set-up small businesses; timely, targeted, and easily accessible working capital; set-up and strengthen child-care centres</i> ▪ <i>Develop supportive laws and policies for cooperatives and producer companies of home-based workers</i>
To improve emergency relief and public health response mechanism	<ul style="list-style-type: none"> ▪ <i>Set-up an emergency response mechanism under the national disaster management system to cover any immediate needs such as food, cash, or health support</i> ▪ <i>Develop strong and effective social protection systems that systematically and specifically cover HBWs</i> ▪ <i>Work in collaboration with organizations/networks of home-based workers in designing and implementing home-based worker-friendly policies and systems; and in planning and delivery of relief</i> ▪ <i>Research and document crisis experiences of home-based workers to feed into planning for resilience</i>