

PROMOTING DECENT WORK FOR WOMEN HOME-BASED WORKERS IN VALUE CHAINS: *Cases from India and Nepal*

An Overview



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Network of Homebased workers in South Asia



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CONTEXT AND MOTIVATION

Over the twentieth century, industrial structure—once comprised mainly of small, competing firms—became dominated by large and often monopolistic corporations whose spread has gradually extended across the globe. One aspect of this continuing industrial evolution has been the emergence of global value chains that are coordinated by lead corporations. These have grown rapidly, particularly in the last two decades. Global brands seek out suppliers who can promise timely delivery, consistent quality and low cost, and orders are given to enterprises that offer such guarantees. A single product sold by a global brand may contain components from many different countries. The outsourcing of supply by global retailers is a key feature of the ready-made garments and agrifood sectors, and it has led to increased employment in many

developing countries.

Some smaller suppliers, in turn, outsource some tasks to home-based workers, but such outsourcing remains relatively invisible. Women home-based workers, in particular, face long hours, low wages, bad working conditions and are at the bottom of the hierarchy with a close link to poverty. Members of HomeNet South Asia (HNSA) suggested that a study on home-based workers linked to garment value chains could be useful in identifying strategies and approaches for improving outcomes for home-based workers.

Some organisations in India and Nepal have mobilised home-based workers and attempted to connect them on fair terms to both domestic and global brands.

This study responded to a request from member organisations, three of which were partners in the study.

HNSA is a regional network of home-based worker organisations spread across eight countries of South Asia: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. Founded in 2000, it is South Asia's first and only network for home-based workers. Through its initiatives, HNSA aims to build regional solidarity among home-based workers and their representative organisations; create platforms for learning and sharing; advocate for relevant policies; ensure visibility of home-based workers by strengthening their collective voice; create better economic opportunities; secure social security; and develop the capacities of grassroot-level organisations. These initiatives seek to empower women home-based workers and help them to improve their lives and livelihoods.

Country Context: Home-based work in India and Nepal

Informal employment dominates in both India and Nepal. The share of informal employment to total employment is estimated at 88.2 per cent for India and 94.3 per cent for Nepal. When agricultural work is excluded, informal employment for women stood at 75.5 per cent for India and 86.6 per cent for Nepal (ILO 2018). According to official data for 2017-18, home based workers in Nepal are 19.2 per cent of total employment. In Nepal, an estimated 30 per cent of all employed women are engaged in home-based work and 12.2 per cent of all employed men (NLFS 2017-18).

In India, data for 2017-18 shows that 9.1 per cent of total employed workers are engaged in home-based work: 16.4 per cent of the total women employed and 6.9 per cent of total men employed. However, the most recent analysis of labour force data suggests a declining trend. From a total of 27.54 million women engaged in home-based work in 2004-05 (19.2 per cent of the total employment), this has fallen to 17.19 million (16.4 per cent) in 2017-18. Over the same period there has been a slight increase in the percentage of men in home-based work (from 6.4 to 6.9 per cent of total employment) (Raveendran 2020).

Definition and challenges of home- based work

Home-based workers are informal economy workers who produce goods and/or provide services from their own homes or adjacent grounds or premises. They may be self-employed own account workers, who are in direct contact with the market for raw materials and customers, or they may be sub-contracted piece-rate workers, also known as homeworkers, who rely on intermediaries for getting work. When the location for work is the home, it creates a set of vulnerabilities. The invisibility that results from working within the home is associated with poor working conditions, denial of fair/minimum wages, and lack of social security. Home-based workers are isolated from other workers and have limited access to workers' organisations. The existing tools for compliance and audit are not appropriate for ensuring adherence to code of conduct at home-based work level. If these are moderated, this compliance can be ensured at homeworkers level as well. Lacking both visibility and voice, home-based workers are unprotected from market fluctuations, work orders tend to be seasonal and erratic, there is no clear employer and hence no access to workplace benefits. Women home-based workers are at an additional disadvantage because of their greater role and responsibility for household chores and child care, and in cases where men and women work together in an activity, women are often unpaid workers within the household.

For this study, women who work in centres near the home have been included in the definition of home-based workers. While these centres create a physical distance between

'work' and 'home' they retain flexible work arrangements and remain within easy walking distance. Women do the same work at the centre as they would have done at home using the same methods and tools. The centres observed for this study generally only had between 10 to 20 women working there, which encourages conviviality. Advocates of better conditions for home-based workers have long argued that when the home is also the workplace, it is important to include lighting, storage and space to work in as an essential part of home design. If women are able to work in small centres near the home, this creates an alternative possibility of spatial arrangements.

Research objectives

The specific objectives of the study included

- a. To identify social governance initiatives that promote decent work for home-based workers
- b. To access workers' voices and generate evidence-based data and information on the employment relationships and working conditions of home-based women workers who are supplying to global as well as domestic brands; and
- c. To identify and document 'good practices' that could help in improving working conditions and extending social security to women performing home-based labour in garment chains

Sample and Methods

This study focused on work in the garment sector. In different locations, different types of work are done by participants involved in the study. In Udaipur and Bikaner, the work done

at home consisted of embroidery and embellishment for finished garments; in Phulia, the focus was on women weavers who work from handlooms in their homes; in Kathmandu, women who knit woollen garments and women who weave from home were included. In each place, the study has been conducted in partnership with organisations working in the area. In Udaipur, the partner organisation was Sadhna, in Bikaner it was Rangсутra, in Phulia it was SEWA Bangla, and in the Kathmandu valley, SABAH Nepal and Sana Hastakala. While SEWA Bangla is a trade union, the other organisations are social enterprises: business enterprises with a social purpose.

The fieldwork was conducted over a period of six months in 2019. A purposive sampling method has been used. The partner organisations identified the key characteristics of different villages or clusters where home-based women workers were located, and a selection of villages/clusters was made jointly by the researchers and the partner organisations. Randomly picking clusters was not desirable as there were particular issues to be explored in each place. The sample selection was done so as to include a rural and urban component (where relevant), 'old' groups that are well established in the work as well as 'new' ones, and to include different social groups. In all areas except in Phulia, women had been organised into work groups. In a second stage of refinement, one or more of such work groups was chosen from each selected village/cluster.

The study has been conducted using a structured survey questionnaire along with qualitative methods (mainly in-depth interviews and focus group



Data collection with SABAH Nepal HBWs

discussions). The survey questionnaire was canvassed to each woman who was present and willing, in the selected groups. A small sample of home-based women workers who were not associated with the social enterprises were also surveyed in Udaipur and Kathmandu, to throw some light on

areas where membership of the social enterprises appears to have made most difference.

In addition to women home-based workers, interviews were conducted with group leaders, management of the social enterprises/collectives,

government representatives, and experts who were not connected to the enterprise in any way, but whose understanding of the sector was valuable for the study. In all, the survey was canvassed to 628 home-based workers and semi-structured in-depth interviews were conducted with 265 persons, including home-based workers and other stakeholders. While similar tools were used in all the sites of study, the community – or ‘working universe’ – from which the respondents have been drawn was varied. The villages and districts selected in Bengal, Rajasthan and Nepal had different social customs and norms, and different economic contexts. This has allowed a comparative study of how local contexts and culture influence women worker’s access to capital, collective spaces and understanding of labour. Conversely, it has also made clear the similarities or the commonality of experience between home-based workers across cultures and contexts.

Given the small size of the sample and the qualitative nature of the study, the findings do not lend themselves to large scale generalizations. Therefore, it is not claimed that the study is representative of all home-based workers located in Bengal, Rajasthan and Kathmandu Valley.

DIFFERENT MODELS OF INTERVENTION

The organisations studied have attempted not just to link home-based workers to global and domestic brands, but to give them voice and

visibility within the organisation. This section briefly describes the different ways in which these organisations have intervened with the aim of

securing livelihoods, providing social security, enhancing confidence, self-esteem and mobility among women home-based workers.

Sadhna (Udaipur)

Sadhna is a social enterprise with its roots in Seva Mandir, a leading development organisation, founded 50 years ago, which had a community development programme focused on women's empowerment and improved female agency. Sadhna's first phase began in 1998, when Seva Mandir started a livelihood programme for women with 15 artisans; in December 2004, Sadhna registered as a community owned Mutual Benefit Trust with a strength of 250 artisans. All its artisan members are thus co-owners of the enterprise. The second phase of growth as an independent organisation saw the opening of its first store in 2005; that year, it registered 379 artisan

members under the Provident Fund Scheme, giving them social security coverage. By 2006, it had grown to a strength of 618 members and registered as a member of the Fair Trade forum. In 2007, it recorded a turnover of INR 10,000,000 (USD 140,000).¹ The third phase started in the last few years with a clearer business orientation for continued further growth, renewed emphasis on developing contemporary designs, and on further strengthening the Business to Consumer (B2C) component. Today, Sadhna is a member of the Fair Trade Forum – India² and the World Fair Trade Organization (WFTO).

As shown in the Sadhna value chain

diagram (Figure 1), orders received from global or domestic brands, as well as production for its own retail stores, are centrally managed. There are two production centres where cutting, stitching, finishing and other parts of the production process are done. Sadhna members include around 100 artisans who work at these production centres on a regular basis. The remaining members work from home, doing embroidery and patchwork on stitched garments. All members, including home-based workers who are regular members of Sadhna, are members of the General Body. **Members play different roles in the management of Sadhna.** A group leader is selected from each group of home-based workers (this position is rotated every three years, and all members are eligible to be tested for the position - to ensure that she has adequate skills to be able to guide others). Responsibilities of the group leader include keeping the group together, giving and taking work from the members and helping them as needed, checking quality of products and ensuring that deadlines are met. The group leader is the connection between members and all departments in Sadhna, and is expected to attend Management Committee meetings, maintain the records and add new members to the group. All group leaders are part of the Management Committee. Two group leaders represent home-based workers on the Board of Trustees.



Better incomes of older home-based workers are supporting higher education of younger girls in the family. Location - Sadhna, India

¹ Exchange rates used for conversion between INR and USD: 1 INR=0.014 USD

² Fair Trade Forum – India (FTF-I) is the National Network for Fair Trade in India. It works with more than 200,000 producers – artisans and farmers – through more than 100 member organisations. World Fair Trade Organization (WFTO) prescribes 10 Principles that Fair Trade Organisations must follow in their day-to-day work and carries out monitoring to ensure these principles are upheld. (<https://wfto.com/our-fair-trade-system>). As a member of WFTO, Fair Trade Forum – India upholds these principles and works to ensure a dignified income and overall development of artisans, farmers and workers in the unorganised sector. See <http://www.fairtradeforum.org/>.

Rangсутra (Bikaner)

Rangсутra started its work in Bikaner because of historical ties to the URMUL (Uttari Rajasthan Milk Union Limited) Trust, established in 1983 to carry out development activities and work for social and economic change, initially with a health programme started for milk producers. The drought of 1987-88 brought home the need to also strengthen livelihoods to help protect households and communities from such shocks. The Founder and Managing Director of Rangсутra had been part of URMUL endeavours; she started Rangсутra with home-based artisans from three URMUL organisations that focused on textiles. Today, some URMUL groups continue to be suppliers to Rangсутra. While all of Rangсутra's initial artisan shareholders were from among those organised and mobilised by URMUL Trust, as the scale of its operations has expanded, shareholders now include artisans from other groups and villages and other parts of the country. Today, it has a total of 1500 artisans working with it in Bikaner and approximately 3000 across the country. Artisans, drawn from its supplier groups, sit on the Board of Directors.

Rangсутra started as a producer company and then evolved into first a private limited company before being registered as a public limited company in 2006, primarily to enable private equity and sustained expansion. From the outset, the Founder made deliberate decisions to ensure that Rangсутra remains, at its core, a producer-owned company. For example, she took out personal loans to invest in the company and kept aside some



Home-Based Workers working on products for global brand, at the Rangсутra village crafts centre

shares for artisans who would join later. Today, over two-thirds of the 3000 artisans who work with Rangсутra are shareholders in the company, and around 70 per cent are women.

Rangсутra sees itself as an organisation that tries to address social challenges through market mechanism and acts as a bridge between rural artisans and global consumers as a way of developing sustainable livelihoods and helping to revive India's rich craft heritage.

As shown in the enterprise value chain (Figure 2), Business to Business (B2B) orders received from global and domestic brands, as well as production for its own retail, are centrally managed. Rangсутra

distributes embroidery and weaving to home-based artisans directly connected with Rangсутra; all other parts of the production process are centralised. Because the global brand to which Rangсутra supplies requires adherence to a Code of Conduct, those who work on orders from the global brand do so in Village Craft Centres. There are currently seven of these; six accommodate 10-15 workers each, while one larger centre accommodates about 20-25 workers. Each centre has a Crafts Manager and there are two levels of supervisors to check quality and manage logistics. For orders received from the domestic brand and for own retail, women work from home. Work is also distributed to a number of sub-suppliers in the area and to home-based workers associated with these organisations.

SEWA Bangla (Phulia)

Self-Employed Women's Association (SEWA) is a globally recognized trade union of women workers in the informal economy that seeks to secure economic, social, and legal rights for its members. SEWA Bangla is its chapter in West Bengal and began work in Phulia in 2016. Its primary effort is to mobilise women and give them training in the value of organising and solidarity, as well as in leadership and financial literacy. **A notable achievement in Phulia was enabling women to be registered as weavers and hence acquire government 'Pehchan Cards' (ID cards), through which government schemes for training and other assistance can be accessed.** This came about in 2017, when SEWA Bangla conducted, on behalf of the government, the survey for the Fourth National Census of Handloom Weavers in Phulia. As a result, 5000 women were registered as weavers, unlike in earlier censuses, where they were either not counted as workers or were registered as ancillary workers.

Among its various activities, SEWA Bangla organises regular health camps and training to acquire skills associated with handloom weaving. A SEWA Shakti Kendra³ has been opened to provide information about and link its members to a range of government schemes.

In Phulia, there are complex



SEWA Bangla's intervention is creating a platform for dialogue among HBWs, master weavers and brands

relationships between weavers, sub-master and master weavers, and buyers, as shown in the diagram (Figure 3). In that sense, the production organisation can be described as a 'matrix'. At the lowest end of the chain is the woman who weaves handloom textiles in her home. She is usually connected to a sub-master weaver. The sub-master weavers, predominantly men but also some women, usually get orders from a master weaver, which they subcontract to other weavers. They are usually weavers themselves and also engage in trade. The role of the master weavers (at this time all men) includes procuring raw material, designing in consultation with brands, fixing piece rates, subcontracting work to sub-master weavers and then preparing the final product after the cloth has been woven. Master weavers, who may

own a production centre and may even own dyeing units, supply to cooperative societies, government outlets, independent boutiques, domestic brands, vendors, the local market in Kolkata, and export houses as well as selling in their own outlets or at government fairs. The cooperatives in turn sell their products to domestic brands and government outlets, as well as having their own outlets. The export houses supply to international brands. There are also instances when boutiques directly deal with weavers, bypassing the intermediaries and cutting through value chains.

SEWA Bangla has created a platform for dialogue between weavers, master weavers and buyers, to encourage a cooperative process of strengthening the worker rights of women weavers.

³ SEWA Shakti Kendra is a community empowerment centre opened by SEWA for providing information and support for its members to access SEWA programmes as well government schemes to which they are entitled.

SABAH Nepal (Kathmandu Valley)

SABAH Nepal started as a livelihood enterprise in 2008 with technical support from SEWA and HNSA, and financial support from the SAARC Development Fund (SDF). The aim was to develop a livelihood initiative to support women home-based workers. The SABAH model was inspired by the approach of SEWA in India, and was initiated in Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka. SABAH Nepal is registered as a 'profit not distributing company', meaning it can operate like any other business but is expected to reinvest the profit for the development of the organisation and for social

purposes. It is also affiliated with the Social Welfare Council of Nepal and is monitored by the Social Welfare Council Act. This gives SABAH Nepal a dual status as a business entity and a non-governmental organisation.

Initially, SABAH had a close partnership with SEWA and HNSA, with SDF support for five years. After this period, it was expected to be self-sustaining. In 2015, Nepal was hit by a devastating earthquake. Nearly 8000 people died, and others lost their jobs and livelihoods. Some of the Common Facilitation Centres set up by SABAH Nepal were reduced to rubble. SABAH Nepal actively engaged in processes of reconstruction of livelihoods. Several organisations came forward to offer

support, which it was able to use effectively. The collective effort to recover from the tremendous trauma built a strong solidarity among the women. During the gradual recovery from the earthquake, it has been able to expand considerably. Currently SABAH Nepal has around 3500 members.

The SABAH Nepal business model has three important nodes, as illustrated in the enterprise value chain diagram (Figure 4). The first is the Trade Facilitation Centre (TFC) in Kathmandu, which is responsible for capacity building, leadership development, entrepreneurship development, design development, resource management, brand building and market linkage. All business development support is done through the TFC. The second node consists of Common Facilitation Centres (CFC) that have been built in remote areas and villages. There are now eight CFCs covering 23 districts of Nepal. The CFCs distribute work orders to home-based workers and also provide a workspace for women living nearby. These are semi-autonomous bodies, structured as cooperatives, with each one catering to over 200 home-based workers. There are no fixed timings and women can work at the centres at their convenience. CFCs are encouraged to obtain work from local markets as well as produce for global retailers, the latter being managed by the TFC. The third node is called a cluster. Each cluster consists of a small group of members who at times gather in the community leader's home or any other convenient place where they can meet and work together, or work from their own homes. At present, there are 53 clusters.



SABAH Nepal has reinvented traditional weaves for international markets, with the help of professional designers. Picture Courtesy: SABAH Nepal

Sana Hastakala (Kathmandu Valley, Nepal)

Sana Hastakala (the literal meaning is 'small handicrafts') was established in 1989 with financial and technical support from UNICEF for the first two years. According to the project document, the aim was to establish a retail outlet for marketing the products of different producer groups, particularly the neediest, and provide support to enable quality production with initial emphasis on developing a strong domestic market. Within two years, the enterprise became self-sustaining and Sana Hastakala was registered as a non-profit organisation in Kathmandu in 1991. Following a workshop with handicraft producers to find solutions to the problems they faced, a training and information centre was opened. In 1998, Sana Hastakala started an in-house production unit; products were only sold in the domestic market and at exhibitions in India. Sana Hastakala Private Limited was established in 2001 with equity participation of Sana Hastakala to enable direct export. It was part of the initial meetings to form a Fair Trade network in Nepal and became one of the founding members of Fair Trade Group Nepal. In 2015, it became a WFTO Guaranteed Member, which allows the organisation to use the

WFTO logo. By this time, two-thirds of its total sales revenue came from exports.

Sana Hastakala receives orders from global buyers and also has its own retail outlets (see Figure 5). It sources from 67 producer groups against orders received. These groups are located in different parts of Nepal and

specialise in different craft products. It has a central production centre at Kathmandu for stitching garments. Overall, approximately 40 per cent of the artisans from whom work is sourced are home-based workers while 60 per cent work in factories. For this study, a group of women home-based knitters who make woollen garments were surveyed.



Sana Hastakala's good practices are empowering its HBW members. Picture Courtesy: Sana Hastakala

Enterprise Value chains

The enterprise value chain diagrams (Figures 1–5) show the ways in which home-based workers are integrated into the production process. Information about buyers and

sources of work is known to group leaders and supervisors although the study found that not all home-based workers were so aware. However, there is a high degree of transparency about the sources of different work orders. **Since all transactions are recorded and all workers**

registered with the social enterprises, it is possible for brands to know the constituents of the full value chain. This is an important factor to promote accountability and for auditing/checking on conditions in a value chain.

FIGURE 1: VALUE CHAIN OF SADHNA (2020)

VALUE CHAIN – SADHNA (2020)

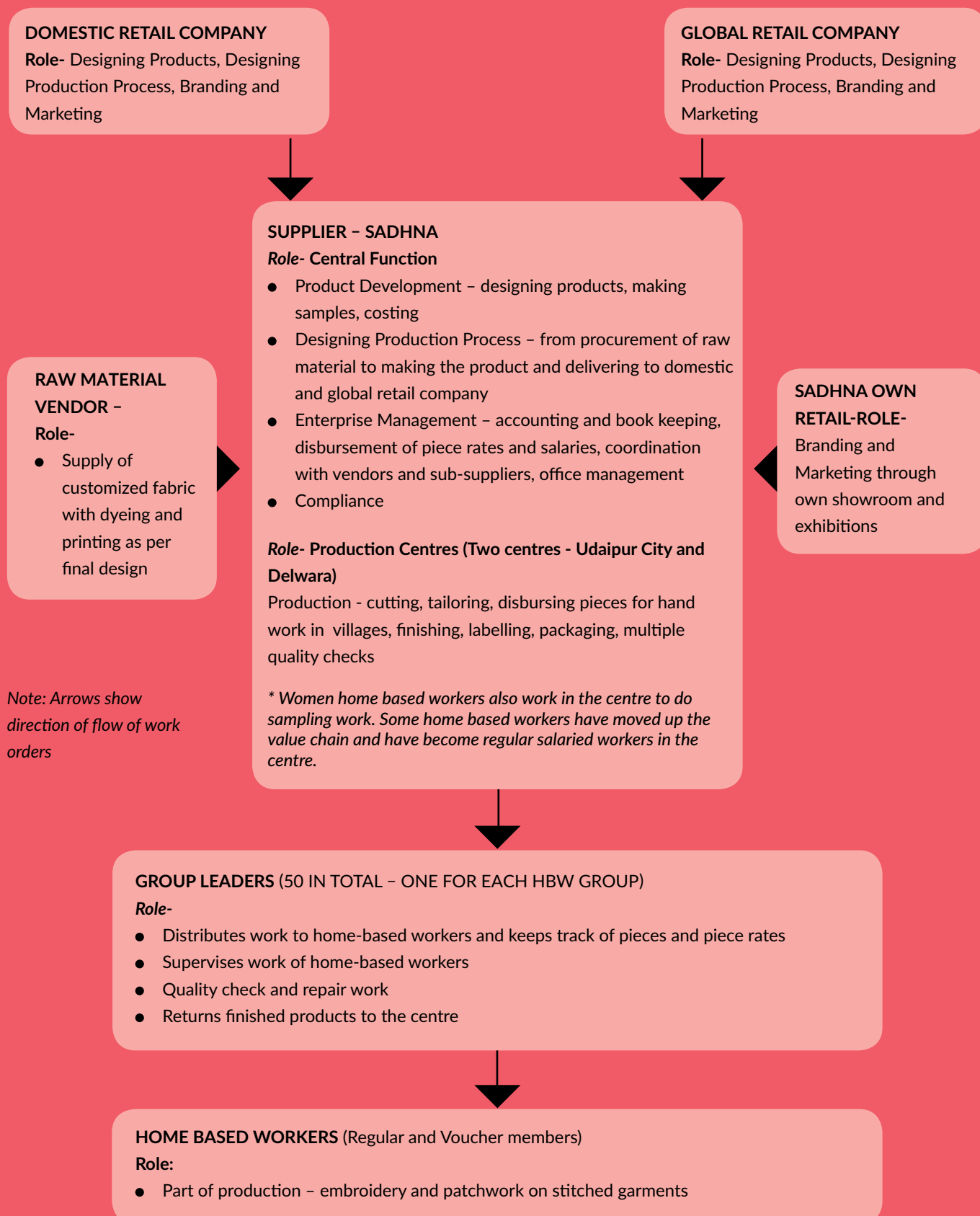


FIGURE 2: RANGSUTRA VALUE CHAIN

VALUE CHAIN – RANGSUTRA (2020)



FIGURE 3: SUPPLY NETWORK FOR WEAVER IN PHULIA

NETWORK OF HANDLOOM WEAVING PRODUCTS – PHULIA (2020)

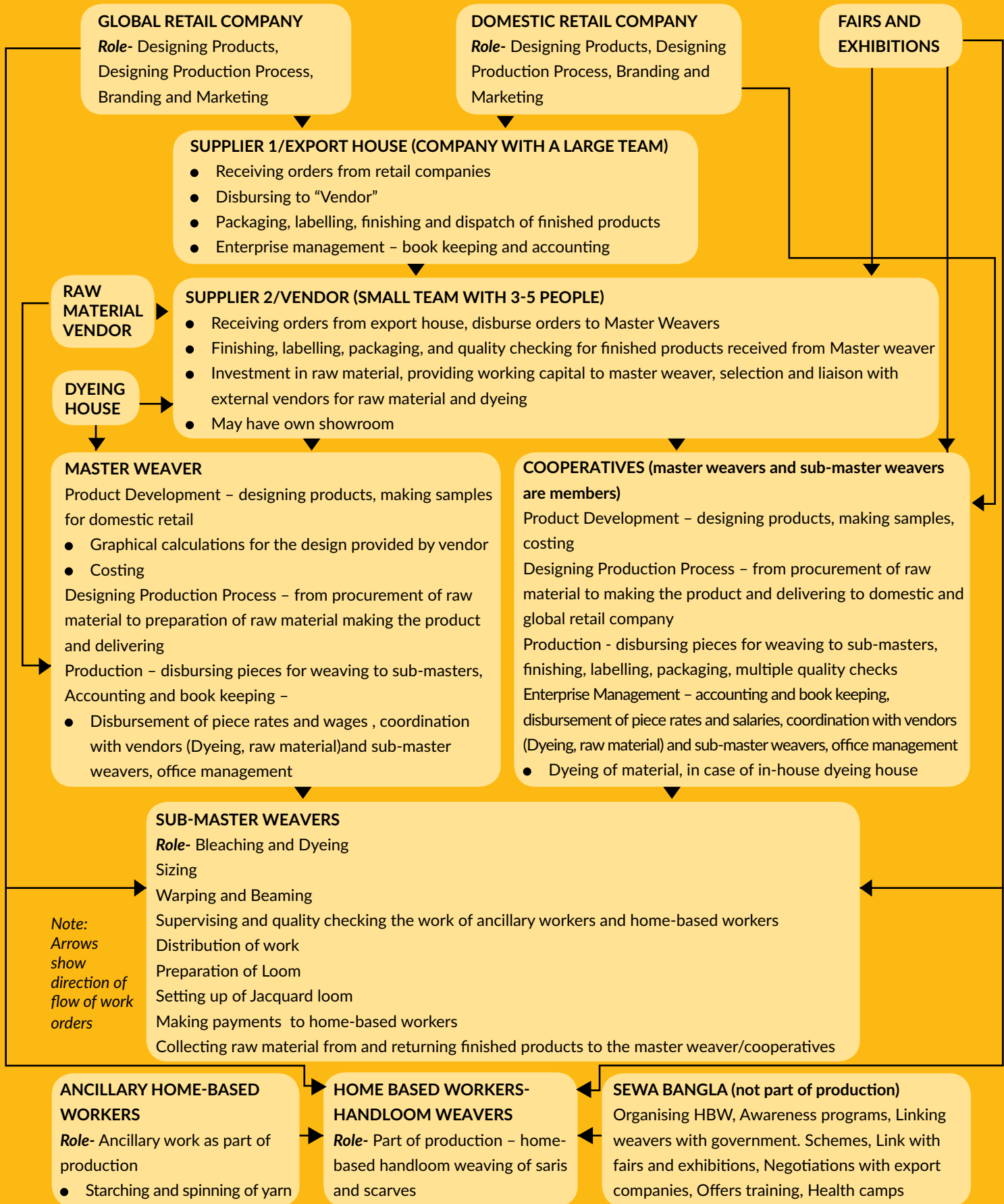
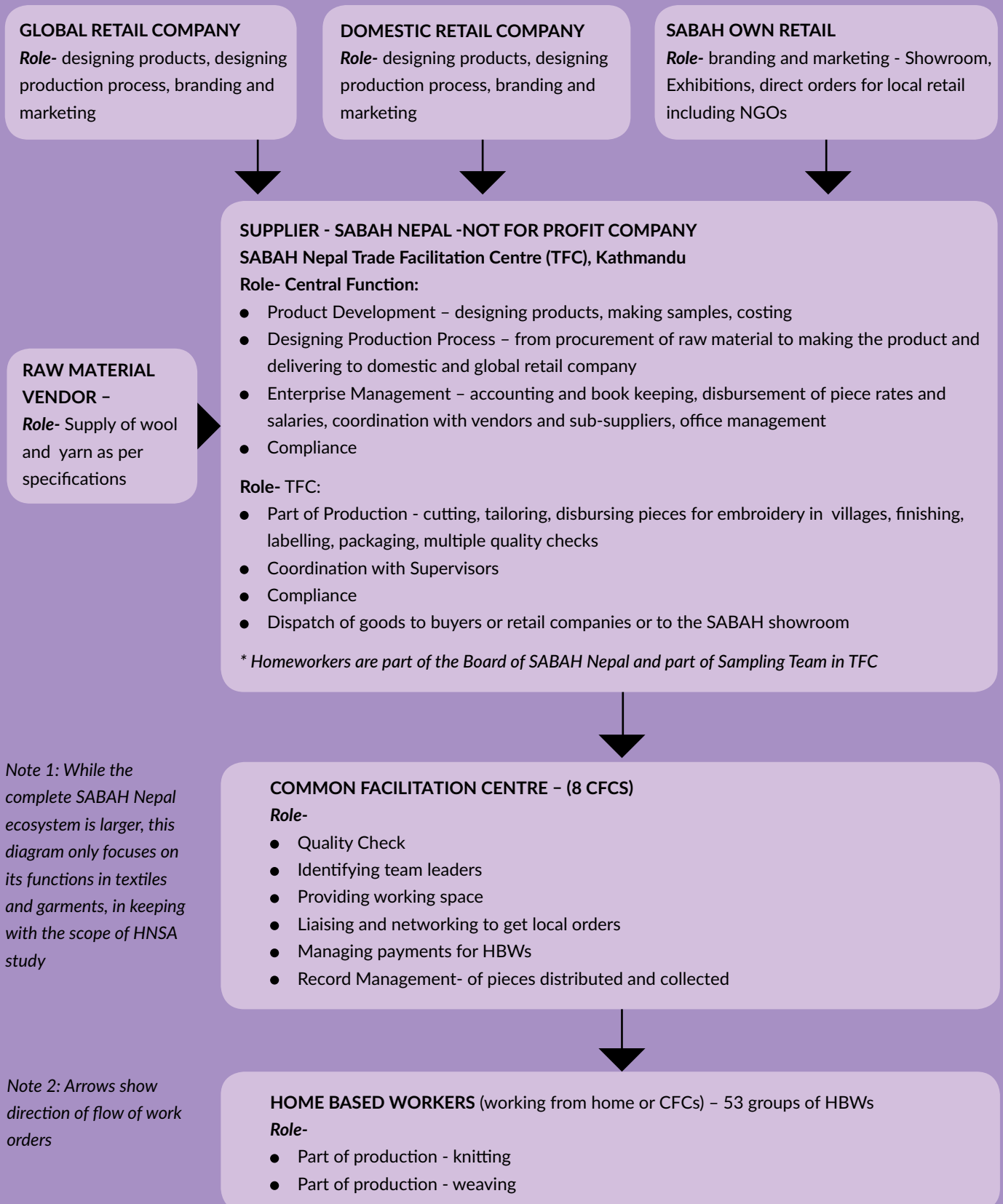


FIGURE 4: SABAH NEPAL VALUE CHAIN (2020)F

VALUE CHAIN – SABAH NEPAL (2020)

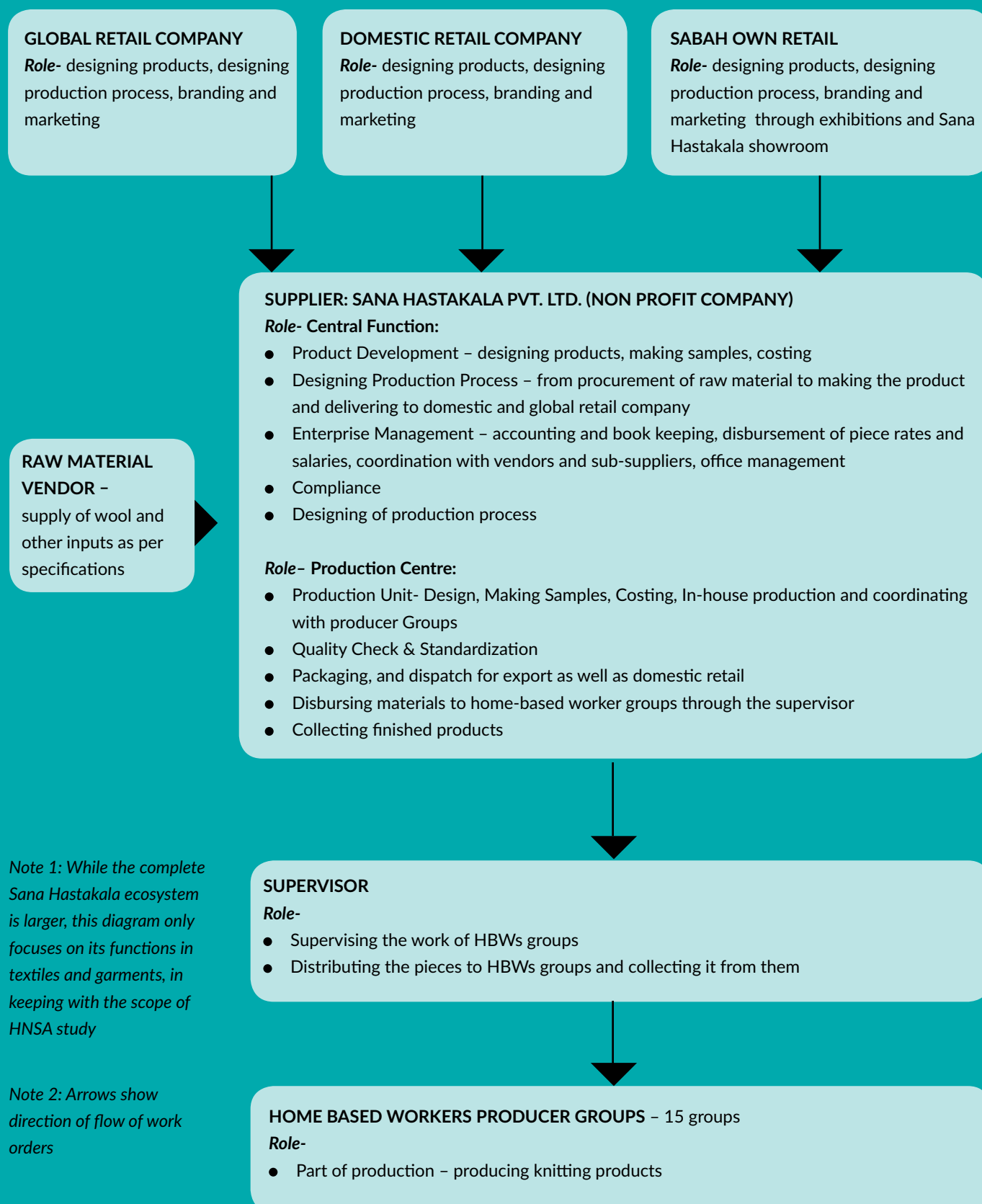


Note 1: While the complete SABAH Nepal ecosystem is larger, this diagram only focuses on its functions in textiles and garments, in keeping with the scope of HNSA study

Note 2: Arrows show direction of flow of work orders

FIGURE 5: VALUE CHAIN FOR SANA HASTAKALA (2020)

VALUE CHAIN, SANA HASTAKALA (2020)



Note 1: While the complete Sana Hastakala ecosystem is larger, this diagram only focuses on its functions in textiles and garments, in keeping with the scope of HNSA study

Note 2: Arrows show direction of flow of work orders

HOME-BASED WORKERS ACROSS FOUR STUDY LOCALES

The study assessed the situation of home-based workers in different locations, focusing on the four main dimensions of the ILO Decent Work⁴ agenda: job creation, rights at work, social protection, and social dialogue, with gender equality as a crosscutting objective. With regard to home-based workers, the following aspects have been highlighted:

- **Creating Employment Opportunities:** skills training, market access, and value chain work orders for home-based workers
- **Guaranteeing Rights at Work:** interventions to ensure fair piece rates, bonuses, and other worker benefits; ensuring no forced, bonded or child labour
- **Extending Social Protection:** access to social security, health care, occupational health and safety considerations
- **Promoting Social Dialogue:** steps taken towards organising workers, and advocacy and collective bargaining

Table 1 provides a summary overview along these dimensions for the four social enterprises studied, and for SEWA Bangla, which is a union. Data was collected to assess key indicators through a structured questionnaire; a range of outcomes is offered against each indicator.

About the data in Table 1

Since the study samples have been purposively selected, the data will



not be accurate for the whole group of home-based workers in each location. For example, the sample in Bikaner was not randomly distributed across all villages where Rangсутra provides work to home-based workers; rather it was concentrated in those villages where Village Craft Centres have been opened. There is a higher percentage of young unmarried women working at these centres, which explains the lower average age and lower percentage of married respondents in this sample.

The actual work that is done by home-based workers varies from place to place and is not always a traditional skill. While in Bikaner and Phulia, the embroidery and weaving skills have for the majority

of respondents been traditional skills learnt through family and community, in the case of Sadhna and SABAH Nepal, respondents had predominantly acquired the skill through training received from the social enterprises and other training centres. Thus, training has played an important role in these latter locations in equipping women to be able to do the work.

There are other differences across locations, such as the level of household dependence on earnings from home-based work. The share of earnings from home-based work to total household earnings is greatest among the weavers in Phulia, followed by home-based knitters in Nepal (Sana Hastakala). The

⁴ For the ILO Decent Work agenda, see <https://www.ilo.org/global/topics/decent-work/lang--en/index.htm>

difference in peak and lean season earnings is lowest in the case of Sana Hastakala, accompanied by little difference in average hours of work in the peak and lean seasons. For most households in the sample, the main source of household income was either agriculture or manual labour, with home-based work being the second largest source of household income. While piece rate earnings have been reported in the table below, in the case of Sadhna, women also earn through annual bonus payments, which can be as much as 35-40 per cent of their total earnings; as this is received once a year, this amount acts as a saving to be utilised by the artisans as they wish. In the case of Sana Hastakala, the overall production structure is different from the other enterprises, with around 40 per cent of the artisans from whom it sources being home-based while the remaining 60 per cent work in factories, which may also influence the enterprise overheads; and moreover home-based knitters produce the complete garment whereas embroidery workers embellish a product that is stitched at a production centre. Respondents both in Udaipur and in Bikaner reported getting regular payments and were paid through bank transfers. While payments are regular for the sample from Kathmandu as well, the proportion being paid in cash remains high and the shift to bank transfers has not yet been possible.

Only selected examples of social protection are listed in the table. Some examples of initiatives include accident insurance for Rangсутra workers; access to Provident Fund and Employees State Insurance for all



Picture Courtesy: SABAH Nepal

Sadhna members; access to Pehchan Cards for women weavers in Phulia; an enterprise provident fund created by SABAH Nepal; and annual health camps organised by Sana Hastakala.

While there is no social dialogue in the conventional sense in which home-based workers linked to social enterprises participate, these enterprises negotiate with buyers to get the best terms possible, and group solidarities have emerged. In Phulia, platforms for multi-stakeholder dialogue and sensitisation have been created.

About home-based workers not affiliated to social enterprises

A small group of home-based workers not linked to the social enterprises was surveyed in Udaipur and in Kathmandu. These do not form a 'control group', as in Udaipur the products made at home were very different from those made by

Sadhna member, and these were mainly workers in well-established family enterprises. While only a general comparison is appropriate between the Sadhna and non-Sadhna respondents, this study suggests that the advantage of being a Sadhna member, when compared to the non-Sadhna respondents, is seen not in the absolute level of earnings, but a) in the regular availability of work to a group that otherwise would find it hard to access work since it is not part of traditional craft networks; b) in the confidence and mobility gained from being part of a group, and c) in being enabled to access the PF, ESI and other government schemes. In Nepal, the unaffiliated group surveyed had already expressed an interest in joining SABAH Nepal. It could be surmised that being able to get work regularly throughout the year, and other benefits such as access to regular training and assistance in setting up micro-enterprises, are the motivating factors in wanted to join the enterprise.

TABLE 1: SUMMARY SURVEY FINDINGS: HOME-BASED WORKERS IN FOUR LOCATIONS

Indicator	India			Nepal	
	Bikaner	Udaipur	Phulia	Kathmandu Valley	
Name of partner organisation	Rangsutra	Sadhna	SEWA Bangla	SABAH Nepal	Sana Hastakala
Type of production (in this study)	Embroidery & embellishment of garments	Embroidery & embellishment of garments	Handloom weaving	Weaving and knitting of garments	Knitting of woollen garments
No. of Members (2019/20)	1500 (in Bikaner)	700	4000 (in Nadia district)	3500	1200
Registration	Public Ltd Co (2006)	Mutual Benefit Society (1998)	Trade Union (2016)	Not for profit company (2008)	Not for profit company (1989)
Years in operation	14	22	4	12	31
Size of sample (survey)	67 ⁱ	171 ⁱⁱ	64 ⁱⁱⁱ	122 ^{iv}	60
Sample Demographic Information					
Average age of respondents	33	38	36	39	40
No formal schooling (%)	49 %	26%	36%	14%	5%
Percentage of respondents who were currently married	76%	99%	98%	93%	90%
Average household size	6	6	4	5	4
Care dependency ratio ^v	0.43	0.45	0.29	0.42	0.36

Indicator	India			Nepal	
	Bikaner	Udaipur	Phulia	Kathmandu Valley	
Name of partner organisation	Rangсутra	Sadhna	SEWA Bangla	SABAH Nepal	Sana Hastakala
Rights at work: Work and earnings					
Location of work					
Work at home (%)	27%	100%	92%	50%	100%
Work at centres (%)	36%	0	6%	50%	
Work both at centre and at home (%)	37%	0	2%		
Prefer working from centre	88%	n/a	n/a	14 %	n/a
Average (Mean/Median) monthly earnings (INR/NPR)	INR	INR	INR	NPR	NPR
Lean season USD	2012/1500 29	522/500 7	1542/1500 22	3058/2500 37	8203/7000 100
Peak season USD	4662/4000 67	1279/1200 18	3022/3000 43	4756/4000 58	10471/10000 128
Mean hours of work per day					
Lean season	3	3	2	4	6
Peak season	8	7	6	6	7
HBW is the primary source of household income (%)	18%	5%	45%	9%	17%
HBW is the second largest source of household income (%)	82%	95%	33%	64%	79%
Ratio of HBW income to household income					
Peak	35%	13%	53%	25%	50%
Average	26%	9%	38%	21%	44%
Lean	15%	5%	24%	16%	38%

Indicator	India			Nepal	
	Bikaner	Udaipur	Phulia	Kathmandu Valley	
Name of partner organisation	Rangsutra	Sadhna	SEWA Bangla	SABAH Nepal	Sana Hastakala
Maintain work diaries/ records (%)	40%	39%	42%	60%	75%
Mode of Payment Paid in cash (%)		1% ^{vi}	100%	86%	53%
Paid through bank transfer (%)	100%	99%		6%	44%
Both				8%	
Receive regular payments (%)	100%	100%	48%	82%	95%
Have a bank account	100%	98%	86%	83%	90%
Days after delivery payments are made: (%)					
On same day			19%	4%	5%
Within 7 days			66%	7%	15%
Within 15 days			10%	6%	2%
Within 30 days	100%	100%	2%	52%	66%
Within 60 days				20%	8%

Indicator	India			Nepal	
	Bikaner	Udaipur	Phulia	Kathmandu Valley	
Name of partner organisation	Rangsutra	Sadhna	SEWA Bangla	SABAH Nepal	Sana Hastakala
Years in this work: Modal value	20	10	20	20	10
Mean	14	10	17	12	13
Skills					
Learnt craft from family/ community (%)	79%	19%	45%	29%	27%
Have taught the craft to others in family (%)	64%	37%	19%	41%	30%
Social Protection					
Highlights	Artisans working at centres are covered by group accident insurance	All members enrolled in PF and ESI schemes	Women weavers enabled to get <i>pehchan cards</i>	PF fund set up by SABAH Nepal	Annual health camps
Social Dialogue					
Highlights	Negotiation with buyers on behalf of HBW	Negotiation with buyers on behalf of HBW Group solidarity	Platforms for multi-stakeholder dialogue and sensitisation	Group solidarity and community strengthening through CFCs	Works only with Fair Trade buyers

- i The sample in Bikaner was not randomly distributed across all villages where Rangsutra provides work to home-based workers, rather it was concentrated in those villages where centres had been opened.
- ii The total sample in Sadhna had 205 survey respondents, which included some new (voucher) members and some non-Sadhna home-based workers. Data presented here is for regular members only.
- iii The Phulia sample included 44 SEWA Bangla members and 20 non-SEWA members, which have been combined here given that SEWA Bangla's interventions did not relate to work orders and market linkages, and because few differences were perceptible given the small sample and the short period of time that SEWA Bangla has been working in the area.
- iv The sample was selected so as to focus on women living near the CFCs.
- v Defined as the ratio of: Household members below 15 and above 65/all members between 15 and 65.
- vi One respondent said she was paid in cash and this likely reflects a temporary problem, as Sadhna facilitates opening of a bank account in each woman's name once they become regular members.

GOOD PRACTICE ELEMENTS: COMMON TO ALL CASES & SPECIFIC TO EACH CASE

Drawing on the framework provided by Barrientos (2019), the term 'private governance' is used here to refer to the co-ordination and distribution of resources along the value chain by lead firms; including the product, environmental and labour standards that are applied. Some companies have developed extensive codes of conduct with which all suppliers need to comply. Others, through membership of the Fair Trade forum, are committed to principles of fair trade and will source only from suppliers who are likewise committed to these principles. 'Public governance' refers to the rules, regulations and policies of the government, and relevant international agreements. Each country has laws that attempt to ensure decent working conditions for workers and requirements that enterprises need to comply with.

The ILO Convention No. 177 (C177) – Home Work Convention 1996 – can be seen as a milestone in bringing both the identity and the rights of homeworkers to the fore. C177 offers guidelines for policy, although it has yet to be ratified in India and Nepal. 'Social governance' refers to the ability of non-governmental organisations (NGOs), trade unions, community groups, and as a specific example, an organisation such as HNSA, to influence social norms, policies, institutions and markets through advocacy and campaigns. The ways in which such organisations have been able to extend concerns around labour standards and include home-based workers in value chains



Sadhna has created employment opportunities for women residing in remote villages around Udaipur and Delwara districts

is considered here as an aspect of social governance. In this study, the focus of the fieldwork was on the social governance innovations introduced in each place, which attempt to encourage fair trade and to support brands in making their value chains ethical. It is important to note that private and public governance determine the context and define the parameters in which social governance takes place.

Private Governance and Good Practices

There is an increasing consciousness among consumers in high income countries – “Who made my clothes?” – and thereby pressure on brands to follow ethical and/or Fair Trade practices. This has led to the articulation of company codes of conduct, corporate social responsibility initiatives, and other



Rangсутra's community crafts centres have brought livelihood opportunities to HBWs in remote villages of Bikaner

attempts to influence private governance within global value chains.⁵ A few examples of good practice in private governance from the perspective of home-based workers are given below.

- **Enabling ethical value chains:** Rangсутra follows the Code of Conduct of the global brand it supplies to. It has streamlined its production processes and organisation so as to be able to expand the scale of its operations while ensuring compliance with the Code. As a result, it is unique in having been able to ensure that the obligations under the Code of Conduct are fulfilled right down to the last link in the global value chain: the home-based workers. It has been able to do this by setting up Village Craft Centres where women come and work, and where all the required compliances are ensured.
- **Fair Trade for home-based workers:** Sadhna and Sana Hastakala are members of the WFTO. SABAH Nepal has developed an internal Code of Ethics drawing on Fair Trade principles. The Fair Trade movement originated as a civil society initiative and has traditionally sought to facilitate the engagement of small-scale producers in international trade (Barrientos 2019: 239). The enterprises studied here have extended the Fair Trade philosophy to link home-based women workers with large retail buyers. The negotiations between the social enterprises and the buyers take the form of what Barrientos (2019: 238) describes as 'collaborative contestation', or the ability to form coalitions of NGOs and/or trade union organisations
- to counter corporate power at local, national and global scales. Such contestation could be cooperative or adversarial. The engagement of the organisations studied here with buyers has taken a cooperative form.
- **Corporate social responsibility initiative:** A global brand sourcing from West Bengal has developed a programme offering credit support and community health services to a community of weavers in West Bengal. This programme is the brainchild of the brand's Social Consciousness Department which, among other initiatives, is paying attention to vulnerable populations outside of factory walls, especially the home-based weavers in rural India (Lim 2019). SEWA Bangla has been able to advance its goals of strengthening a union of informal women weavers and

⁵ For more on codes of conduct, see Lim (2020).

ancillary workers through its partnership with this company and the support it has provided for a range of activities involving weavers.

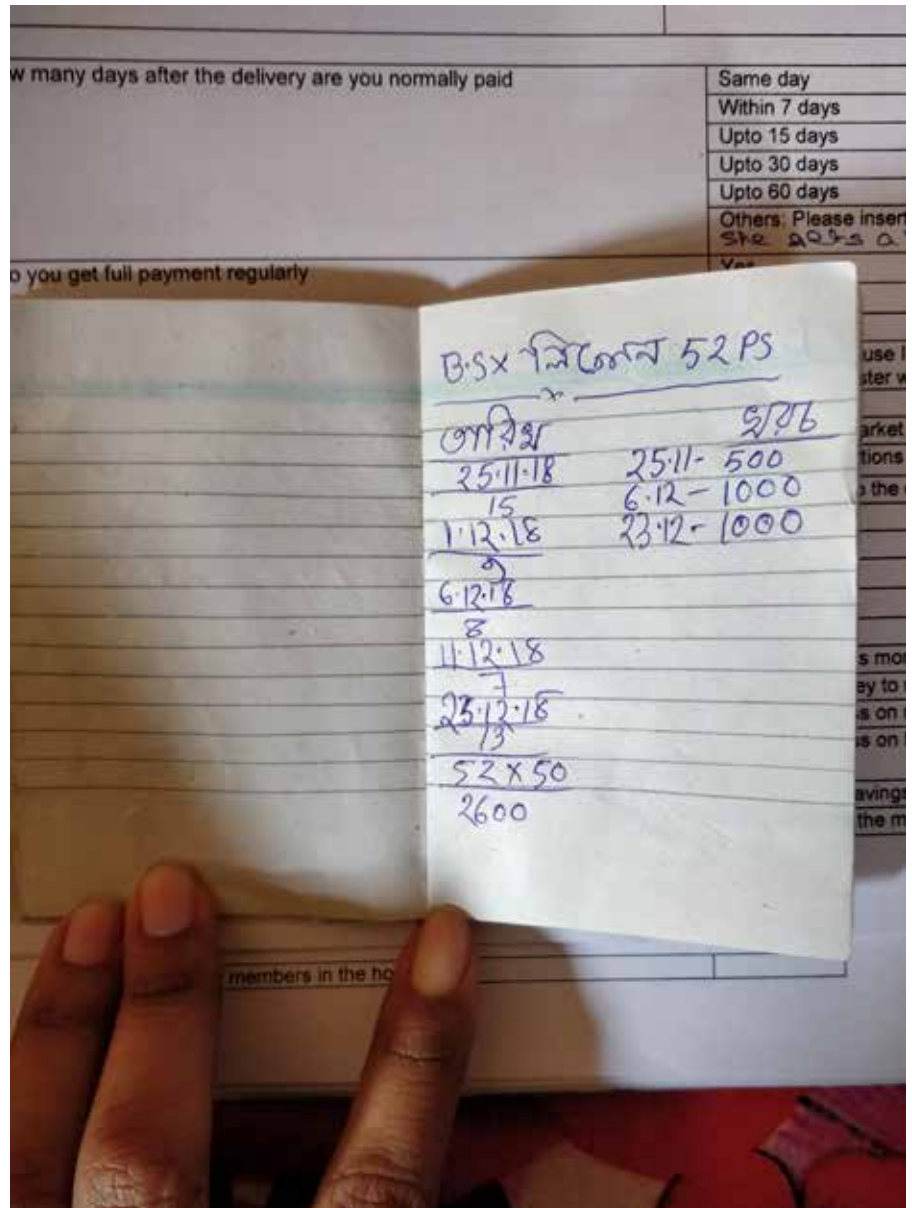
Public Governance and Good Practices

Government laws and regulations, as they apply to home-based workers and social enterprises, form the basic frame within which activities are conducted. The legal form of registration of the social enterprise determines the compliance requirements. Company codes 'are no substitute for national laws and, in fact, most of the codes indicate that suppliers and subcontractors are expected to comply with national and local laws and regulations at all times' (Lim 2019: p.38). Of course, it is important that the home-based workers themselves are aware of these laws and regulations that offer them protection.

Social Security Entitlements: Social security schemes of the government to which home-based workers are eligible offer an opportunity for social enterprises to benefit their workers. Social enterprises in this study have facilitated the required documentation and registrations needed to enable home-based workers to be covered under these schemes, especially those which offer access to health facilities and health insurance, and old age support. This was more evident in India.

Social Governance and Good Practices

The enterprises studied have used a range of strategies to bring about



With SEWA Bharat's intervention, HBWs have begun to maintain a written record of pieces and piece rates

positive changes for women home-based workers, summarised here.

Gender justice and women's empowerment: While the stated goals of the Indian and Nepalese enterprises in this study is to create employment generation opportunities, building solidarity among members has also empowered them. For instance, Sadhna members are clear: working with Sadhna over the years has enabled them

to negotiate gender norms around mobility and seclusion as well as become more self-reliant. Women have also been able to come together on spontaneous issue-based mobilisation and campaigns, even if these have been short lived. Some Rangсутra respondents reported that their enhanced earnings had inspired others in their households to take on care responsibilities. Further, some women reported that they used a large part of the money they earned



A SABAH CFC - creating convenient spaces for HBWs to work and learn

for their own expenses, suggesting a positive impact on female agency. The CFC model of SABAH Nepal has been instrumental in bringing women together and creating a platform where they can discuss social issues, including domestic violence. Apart from other forms of social protection, SABAH Nepal provides maternity benefits to its 'general'⁶ members, thus strengthening gender rights at work. SEWA-Bangla organises women weavers to press for their rights, and this has started a process through which women have gained confidence and are now able to raise wage-related issues with master weavers, as well as issues about their entitlements to schemes with government officials.

Social intermediation – Business with a social purpose: The social enterprises studied here are business entities with an 'ethos' that

distinguishes them from conventional business, that is, a commitment to working in a particular region or with particular groups that are disadvantaged socially and economically. This commitment has been kept alive either through very strong personal commitment of the founder, or through values continuously re-affirmed by members of the Board. Home-based workers themselves, while they depended on the enterprise for work, had a sense of ownership and belonging that came from being members or shareholders of the enterprise. For example, Sadhna was set up as a Mutual Benefit Trust; all women home-based workers who join become members of the General Body and can serve on the different management committees. The CFCs set up by SABAH Nepal are cooperatives. Rangсутra is a public limited company, and two-thirds

of the artisans it works with are shareholders in the company. All four enterprises subscribe to the ideology of a social enterprise, expressed in different ways: 'balancing profit with purpose'; 'addressing social challenges through the market mechanism'; or 'making markets work for the poor'.

Value chains and professional management: This study has been able to throw some light on the value chains of the enterprises studied. In all cases, parts of the production process have been centralised, allowing them to reap economies of scale. The functions that have been centralised include liaison with the buyer to get orders and repeat orders, product development (designing, making samples, costing); designing the production process (from procurement of raw materials to making the product and delivering

⁶ 'General' members are those who attend the General Assembly, have voting rights, are eligible to be nominated to the Board of Directors, and are entitled to benefits such as maternity benefit, health benefit and festival allowances.

to buyers); enterprise management (accounting and book keeping, disbursement of piece rates and salaries, office management); and portions of the actual production including cutting, tailoring, finishing, quality checks, labelling and packaging. In all places the overall management of the social enterprise was being handled by professionals. The number of staff and workers who make up the centralised production team range from being 5-10 per cent of the number of home-based workers. The distribution of cost/earnings across the different stages/functions of production varies across products and locations, but as a rough estimate, based on this study, the centralised parts of the production process and marketing (including management and design) accounted for around 40-50 per cent; piece rate payments to home-based workers for 20-30 per cent; and raw materials for 10-30 per cent of the value of the total order. It should be noted that the raw material costs are generally a higher proportion, and the share reported here reflects partial provision by the global or domestic brand.⁷

Outreach: The outreach to home-based workers extends over varying geographic areas, and in all cases has tried to draw in women from vulnerable groups and remote locations. Sadhna has reached out to tribal and rural women, and women living in slums, in Udaipur and Rajsamand district, and has succeeded in creating work opportunities for them. This target group has remained constant since



The Sana Hastakala team has adapted to Covid19 restrictions to re-boost their business. Picture Courtesy: Sana Hastakala

it was set up. In establishing Sadhna, while the need for a livelihood focus was clear, the choice of work was based on an assessment of what would be feasible. Since most women had some knowledge of stitching, it was possible to build their skills in applique, patchwork and simple embroidery. The increase in membership from an initial 15 artisans to roughly 700 today is a measure of the direct work opportunities that have been created. It should be noted that Sadhna did not mobilise women already engaged in home-based work: it encouraged women who were hidden within their homes and not engaged in income-generating activity to improve their skills and become home-based workers.

Rangсутra began with home-based workers from border villages in Bikaner and has continued to provide an expanding volume of work to this group, while it has also extended its reach to different states (although in

this study the focus was on home-based workers in Bikaner, and not all of the artisans linked to Rangсутra in other areas would qualify as being 'home-based').

SABAH Nepal has built a value chain extending to home-based workers in over 20 districts of the country, while Sana Hastakala is likewise linked to producer groups across Nepal. Each CFC linked to SABAH Nepal was connected with about 200 women home-based workers, many of whom were living in remote areas without any other access to information or distant markets, and who have been enabled to develop a new source of livelihood, become part of a group, learn about legal rights and have access to psycho-social counselling.

Managing market volatility – risk smoothing: In order to expand opportunities and contain market volatility, enterprises have attempted to develop multiple sources of work

⁷ These calculations are based on discussions with the organisations studied and need to be seen as indicative only.

for home-based workers. In addition to having successfully obtained large orders from global and national brands for B2B sales, all four of the social enterprises studied had their own retail outlets for B2C sales. In the case of SABAH Nepal, the CFCs have also been encouraged to develop local contacts and get orders independently from the local market. The CFCs have thus played a role in stimulating the local economy as well as providing a conduit for orders from global and domestic retail brands. SABAH Nepal also encourages its members to establish micro-enterprises for sustainable self-employment and provides some initial finance through the cooperatives. So far, about 10 per cent of members have successfully established micro-enterprises. Apart from training and finance, SABAH Nepal also helps these new enterprises by providing information about local markets, product pricing and outreach to customers in the initial start-up period. Diversification of markets has played a key role in mitigating volatility in orders and smoothing risks for women home-based workers.

Training and skill upgradation: One of the key interventions has been in training. Most of the enterprises have drawn in new members from among women who were interested in the work but may not have had much experience producing for distant markets. The enterprises have strict quality control mechanisms; training enables women to meet the required standards. Similarly, the significance and need for timely delivery is communicated effectively through training on the production process and expectations from the



SEWA Bharat facilitates participation of its member HBWs in government-organised trainings and certifications

buyers and customers that need to be met. Further, by giving value to traditional embroidery/weaves, the enterprises have enabled women to build on their known skills. There has been a level of 'screening' to ensure that women who joined the enterprise were able to do quality work and were also willing to commit time to it. The study also noted that with training and experience, some women home-based workers have been able to take on new roles with greater responsibility or higher earnings, such as being the group leader or the centre supervisor, being part of the sampling team, or

contributing to design development or moving into salaried positions within the enterprises. Mobility outwards has also been enhanced, and some women have set up as independent entrepreneurs.

For example, at Sadhna, an initial training is given by the most skilled artisans to all women expressing interest in joining the enterprise. These trainings are usually held within the village/ cluster, at a community centre or panchayat area or other common space. The basic skills around stitching and embroidery require just a one- time



Sana Hastakala HBWs create beautiful wool products for the export market. Picture Courtesy: Sana Hastakala

training, although skill levels will change with experience. The training includes teaching embroidery, patch work and applique, some of which may already be known to the women, as well as new designs. Women also learn the system of getting work and the expectations of the buyers and customers regarding quality and timely delivery that need to be met.

Becoming a member of SABAH Nepal requires only that the person has some knowledge of the chosen skill set. Training ranges from making simple products for personal use to professional training on knitting and stitching for making sweaters, caps, gloves, socks, bags, Dhaka

weave, as well as making shawls and other garments. Changing fashion trends require continual design development and corresponding training. Entrepreneurship and leadership training are also given. Master trainers may be from the enterprise or from outside; for example, in the case of Dhaka weave, the trainers are usually outsiders.

Training extends to guiding producer groups to comply with Fair Trade principles. Starting with three producer groups, today Sana Hastakala is connected to over 67 producer groups representing 1200 artisans (roughly 80 per cent of whom are women) from different districts

of Nepal; they produce around 2000 craft items under different categories. Sana Hastakala connects with producer groups that make different products, so as to avoid competition between groups, and also requires an assurance from these groups that they would comply with Fair Trade principles within a period of two years if not already doing so.

Rejuvenating traditional skills:

In some cases, the work that is outsourced to home-based workers has used traditional skills, reinforced by training and combined with new designs, thus it has succeeded in reviving the demand for these skills. This has been the case especially in Bikaner where traditional embroideries have been used, and in Nepal with Dhaka weave and allo.⁸

Exposure to distant markets:

Introducing women to consumer tastes and the nature of urban demand through participation in fairs and exhibitions in different locales has also helped to build the understanding of women home-based workers about the need for quality production and the tastes and preferences of urban consumers. Further, this exposure has contributed to transparency, as women have been made aware of the price of the final product in the market.

Building solidarity: Mobilising women into groups has enabled greater efficiency in distributing and collecting work, quality checks and other supervisory inputs. It

⁸ *Allo is a plant from which natural fibre can be extracted and made into garments and other products. SABAH Nepal has been able to develop a value chain within Nepal to source aloe and make different products, and create a wider market for these, although this was not included in the present study.*

also has had the effect of reducing the isolation of women working from home and increased their mobility outside the home. It has also improved their sense of identity as a worker and developed their overall confidence. Given the strong patriarchal constraints on women's mobility in Rajasthan, many women were confined to the house until they became members of self-help groups formed by Seva Mandir and started working with Sadhna. Similarly, community leaders at SABAH Nepal have mobilised women into groups, and as reported by them, these groups have become a space for sharing the problems faced by the women, including violence against women.

Organising the workspace: While most women continue to work from their homes, innovations in workspace were observed.

Rangсутra has set up Village Craft Centres to remain compliant with the Code of Conduct of the global brand, including by ensuring no child or forced labour,⁹ but still allow women flexibility to go home during the work day if needed. Toilets are provided, as is fire safety equipment, registers to note how many hours have been put in by each worker, first aid box, and there is no child labour or forced labour. Working from these centres is mandatory in the case of orders from the global brand, except for women with children under the age of five; Rangсутra has negotiated that they can be allowed to take the work home. From the production perspective this has enhanced



SABAH Nepal's members create Dhaka weave products in a SABAH CFC

efficiency and reduced rejections as any mistakes can be spotted and corrected right away. Centres also provide a safe space for storage of raw materials, tools, and finished goods. While it took time for the shift from home-based work to centre-based work to be fully accepted by the women, the higher level of earnings has meant that other household members have been willing to share the responsibilities of child care and other household responsibilities in order to allow women to work without interruptions, as reported by some respondents.

Similarly, the CFCs of SABAH Nepal provided a workspace to women who could work here if they wished to do so. CFCs have been built in remote areas and villages. There are no fixed timings and women who live within easy walking distance can work at the centres at their convenience.

When a new order is received, workers go to the centres to learn the sample and collect the raw materials. The centres act as a shared space that encourages socialising and learning new skills from peers; this reduces mistakes, as they can be immediately repaired with help from other members or the community leaders. With home-based workers, breaking social isolation is the first step in building solidarity and voice. The SABAH model of CFCs and clusters encourages women to come together for training and if they wish, for working, which helps to increase interaction and strengthen social networks among the women. For example, it was reported that during the wedding season, home-based workers who may not have known one another previously now come together for celebrations.

Extending social protection: This has

⁹ See Annexure 1 for details of the Code of Conduct. See the full report for a discussion on compliance measures taken by Rangсутra.

been done either by linking home-based workers to government social security schemes, which requires ensuring that the women have the required identity cards and helping them to register for the schemes; or through programmes developed for the home-based workers using the organisation's own resources. All Sadhna members have been enrolled for both the PF and the ESI schemes. Very recently, SABAH Nepal has created a Provident Fund for the home-based workers, contributing 10 per cent of the monthly earning while the individual home-based worker contributes another 10 per cent.

Protection from shocks has been a significant contribution. In 2015 Nepal was hit by a devastating earthquake which caused huge damage and loss of lives, and affected the workers associated with SABAH and Sana Hastakala. Both enterprises were deeply involved in reconstruction and revival of livelihoods post-earthquake. In India, women home-based workers linked to social enterprises were less affected by sudden policy changes such as demonetization in India in 2016, in comparison to home-based workers who did not have the umbrella of protection provided by a social enterprise.

An alternative approach— SEWA Bangla: As a union, the activities of SEWA Bangla offers an alternative approach to that of the social enterprises studied here. By organising women, giving them information and training, SEWA Bangla expects that over time women's voices will be heard in work negotiations. By 2019, SEWA Bangla had organised 4000 women weavers and ancillary



Sadhna has facilitated receiving of Bhamashah cards for its members

workers as members in the district of Nadia. In addition, SEWA Bangla has been sensitising their members who are sub-master weavers to address women's issues, as well as sensitising brands about the prevalent poor working conditions. For instance, SEWA Bangla has a "trade committee" comprised of 20 representatives, each representing 200 weavers from Nadia, which meets every three months to discuss issues such as minimum wages. Representatives of global retail brands, vendors who

supply to global brands, and master weavers have also joined some of these meetings at which wages and working conditions have been discussed. These trade committee meetings, which started in October 2019, have led the concerned global retail brand to pressure their vendors/suppliers to ensure master weavers provide minimum wages to weavers. SEWA Bangla has designed a format showing how records can be maintained by both weavers and master weavers.

CHALLENGES

Overall, this study has argued that the presence of social enterprises to mediate between home-based workers and domestic and global retail buyers has been a 'good practice'. But there are challenges to be faced too.

Seasonality: The mediation by social enterprises has enabled a reasonably steady flow of work to home-based workers, and this has been possible because they have secured orders from multiple buyers and have their own retail outlets. However, piece-rate earnings remain low and seasonality in work orders has been reduced, but not removed. The peak season for garment work orders coincides with the peak agricultural

season, adding to stress of work in those areas where agriculture is a major source of household income.

Global Brands and Payment Terms: All the enterprises have been able to settle into long term relationships with one or more global buyers who understand, for example, the small variations that are a feature of hand-crafted garments, and work together with the enterprise to manage design and quality so as to ensure that products are repaired as required and to avoid rejections. However, even such a cooperative approach has succeeded only with a few global brands. There remains limited room for negotiation of the value of the order and consequent piece-rates.

Domestic Markets and Competitive Pressures: Domestic markets can be more stable and better synchronised with handloom and hand-crafted products (e.g. consumer acceptance of minor variations such as in the shades of the dye). However, the popularity of handloom garments and embroidery among domestic buyers has led to increased competition from fast fashion brands who have incorporated hand work in various ways. Consequently, there has been a downward pressure on prices as well as an increased demand for new designs. While the domestic brands may be long term buyers, there is little or no surplus for the enterprise and earnings may not even fully cover overheads.

B2C and investible surplus: The B2C component has been highly valued by the social enterprises as it offers independence in design development, develops awareness of and loyalty to the social enterprise brand, and allows work to be distributed to workers in lean seasons when there is no work from brands. Expansion of B2C sales requires availability of resources to be invested in design development and streamlining of both back-end and front-end operations, and there is some trade-off between enhancing piece rates in the present and securing work for the future.

Home-based work and next generation aspirations: As noted previously, the majority of respondents were married adults and for most women, the attraction of home-based work is precisely that it allows them to take on paid work while leaving





them with some time flexibility to also manage their household and care responsibilities. However, the next generation of daughters in these families are better educated and aspire to a different kind of work. The challenge to social enterprises is how they might re-structure production processes to meet the aspirations of younger women.

Occupational health: There is a high incidence of some occupational health issues, particularly weakening eyesight and back pain, reported from all areas. Current interventions such as health camps and access to hospitals helps in treatment, but the challenge of prevention remains.

Generating investible resources: In the initial start-up years, the

enterprises received financial inputs in different ways. Sadhna started as a livelihood project of SEVA Mandir. Corporate funding has been received for training. While Sadhna has been able to make some surplus from its sales every year, it has found it difficult to make investments in design and designers. Rangsutra chose to register itself as a for-profit company which enables infusion of equity, and its substantial profits have allowed investment to be made to increase the scale of its operations. SABAH Nepal, in addition to its social business work, provides a range of services for a fee, and these and other partnership projects account for just under half of its annual income, enabling some cross-subsidisation and adequate investment in managerial capacities. While all the enterprises studied

here established themselves and became self-reliant over 2-5 years, finding resources for continuous upscaling and design development, and investing in staff and equipment, remains a challenge. Apart from these business costs, there are additional costs of social intermediation. All the enterprises have reached out to poor informal workers who are vulnerable and susceptible to shocks. Their need for livelihood support has to be complemented by other support programmes, such as access to savings and loans, social security in the form of health, insurance, child care, and access to basic services and housing, etc. In addition, enabling women to continue to work from home in remote and scattered habitations requires investment of time and money to mobilise and organise the women.

CONCLUSION

To conclude, this report has documented details of earnings, work patterns, employment opportunities, etc. for home-based women workers linked to global or domestic brands in the garment sector, namely in embroidery, knitting of woollen garments, and weaving. The study has also explored what are termed 'good practices' – that is, the strategies and innovative practices that have been put in place by the social enterprises, leading to an improvement in the conditions of work. **The strength of these social enterprises is that they have been able to reach out to women from poor households and/or living in remote areas, who may or may not have learnt**

traditional skills from the family; to impart new skills and/or strengthen older ones; and to integrate them into global or domestic value chains. The social enterprise is able to negotiate terms of work orders on their behalf.

Bringing women together as groups has also had the additional benefit of creating and sustaining solidarities. While the stated goals of the enterprises located in Rajasthan and Nepal is to create employment generation opportunities, their programmes have also had the added benefits of strengthening gender rights, which include negotiation of gender norms around mobility and

seclusion. Extra earnings have also had the additional effect of impacting positively on women's agency. Organising women around their work has contributed to women's empowerment by enabling women to voice their concerns.

Some persistent challenges, briefly summarised above, were also identified. One limitation of the study is that it did not attempt to map the value chain from the enterprise to the final buyer, nor could it explore perceptions and pressures that brands have to deal with. It is hoped, however, that the identification of challenges faced by social enterprises will help in shaping future strategies.

ACRONYMS

B2B:	Business to Business
B2C:	Business to Consumer
CFC:	Common Facilitation Centre (SABAH Nepal)
CSR:	Corporate Social Responsibility
ESI:	The Employees' State Insurance (ESI) Scheme is administered and regulated by an autonomous and self-financing social security and labour welfare organisation named ESIC, as per the rules and regulations given in the Indian ESI Act of 1948. Benefits include sickness benefits; maternity benefit; in case of death of an employee caused by any occupational hazard, ESIC pays 90 per cent of his/her salary to his/her dependents every month; disability benefit; funeral expenses compensation, physical rehabilitation, vocational rehabilitation, old age medical care, etc. The rate of contribution has been reduced from 6.5 per cent to 4 per cent of the wages in July 2019.
HNSA:	HomeNet South Asia
INR:	Indian Rupee
NGO:	Non-governmental organisation
NPR:	Nepali Rupee
PF:	The Employees' Provident Fund Scheme started in 1952 by the Government of India provides for Provident Fund, Pension and Insurance to employees. The primary purpose of PF fund is to help employees save a fraction of their salary every month for use at retirement, and part can be withdrawn before this for specified purposes. Employers and employees both contribute @12% of wages in contribution accounts.
SDF:	SAARC Development Fund
SEWA:	Self-Employed Women's Association
TFC:	Trade Facilitation Centre
USD:	United States Dollar
WFTO:	World Free Trade Organisation

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Fair Trade Forum – India (FTF-I): <http://www.fairtradeforum.org/>

Mahaguthi Craft with Conscience: <https://mahaguthi.com.np>

Rangсутra: <https://rangсутra.com/>

SABAH Nepal: <http://sabahnp.org/>

SADHNA: <https://www.sadhna.org/>

Sana Hastakala: <http://sanahastakala.com/>

Santipur Handloom Cluster, Directorate of Textiles (Handlooms, Spinning Mills, Silk Weaving & Handloom Based Handicrafts Division), Government of West Bengal: https://westbengalhandloom.org/htm/ihcdp_santi.html

SEWA Bharat: <https://sewabharat.org/across-india/sewa-in-west-bengal/>

ANNEX I

SABAH CODE OF ETHICS

Principles to be followed	Organisational response
Create opportunities for economically disadvantaged producers	SABAH Nepal is a community based social-business organisation which works towards creating opportunities and strengthening the livelihoods of financially deprived and marginalized home-based workers/artisans in Nepal.
Transparency and accountability	SABAH Nepal has been transparent in its management and commercial relations. It involves its employees, members and producers in the various decision-making processes of the organisation. The organisation is internally and externally transparent and participatory. Pricing is public and transparent with no hidden costs. There is public disclosure of all ingredients or materials used and their source location. There is complete disclosure of the names of suppliers
Fair Trade practices	SABAH Nepal is a 'profit not distributing' organisation, where the profits are reinvested for the socio-economic and environmental well-being of marginalized small producers. SABAH Nepal maintains long-term relationships with suppliers and service providers; ensures that suppliers and service providers are paid at the agreed time; offers credit or advance payment to suppliers and service providers that require it; and supports and invests in projects by suppliers and service providers.
Payment of a fair price	SABAH Nepal seeks to provide a fair wage for producers that can be sustained by the market. Piece rates are decided based on the price of the product in the market and the amount of time taken to complete the work. For dhaka weavers, the piece rate of a metre depends on the pattern and design. There is equal pay for equal work. Wages are based on performance, not gender or other social categories. Wages are paid that enable all workers to live comfortably within the community. An attempt is made to maintain a minimum wage of NPR 250 per day for 8 hours of work. The piece rate for dhaka weaving is higher than the market rate, on the basis of being a higher quality product. There is a pay ratio within the organisation of less than 5 to 1, and the highest paid worker earns no more than 5 times the lowest paid worker.
Child labour and forced labour	There is no child labour or forced labour. Members are all over the age of 18.
Commitment of non-discrimination, gender equality, freedom of association	Home-based workers are primarily women. SABAH Nepal gives leadership training to women and also provides for health and safety needs; a maternity allowance to pregnant mothers and a provident fund has also been started. The right to organise is assured. There are policies and procedures to prevent, report & respond to discrimination and harassment.

Principles to be followed	Organisational response
	<p>SABAH Nepal preferentially hires or includes people from disadvantaged groups like people with disabilities, urban poor, indigenous people, at-risk youth, minorities, rural poor, and religious minorities.</p>
<p>Ensuring good working condition</p>	<p>The organisation provides a safe and healthy working environment for employees and members; provides safe and healthy working conditions for all workers such as clean drinking water, on-site toilets and washing facilities, tools and work stations that prevent pain and injury, fresh air and adequate ventilation. Regarding safety measures SABAH Nepal ensures that workers who use equipment or machinery or who are in contact with hazardous materials wear appropriate Protective Gear. Workers are trained in basic first aid. The community leaders in the CFCs keep a first aid box and ensure first aid and safety equipment are easily accessible and regularly maintained.</p>
<p>Providing capacity building</p>	<p>SABAH Nepal provides capacity building, leadership training, vocational skill development and upgradation training to the home-based workers and encourages them to become entrepreneurs. It facilitates the establishing of bankable and sustainable enterprises by rural and marginalized women home-based workers, and provides access to finance from cooperatives to start new enterprises.</p>
<p>Promoting Fair Trade</p>	<p>SABAH Nepal takes part in different fair trade forums and also takes its home-based workers to these forums, which gives them the opportunity to learn and boosts their confidence. It provides customers with information about the organisation and the products made by the home-based workers.</p>
<p>Respect for the environment</p>	<p>SABAH Nepal tries to minimize the environmental impact of production and trade as much as possible. Products are developed to minimize environmental impact. SABAH Nepal recycles pre-consumer waste, and uses 100% plant-based, renewable materials. Product are made from organic certified materials or ingredients which can be recycled in at least 80% of communities with recycling facilities and decomposes with no toxic residue. It has a solid waste management plan and solid waste is separated at all facilities to enable recycling of paper and cardboard, fabric and textile waste, plastic, glass, metal wastes. Water reduction techniques such as rain water harvesting, on-site water treatment are used. Energy reduction techniques such as natural lighting during daylight hours and energy efficient CFL or LED bulbs and solar heating are used. There is reduced use of fossil fuel for transport and priority is given to local suppliers and market.</p>

ANNEX II

Sadhna is a member of the Fair Trade Forum – India, and the World Fair Trade Organisation (WFTO) and has been able to implement most of the Fair Trade Principles as shown below.

FAIR TRADE PRINCIPLES AND SADHNA'S ORGANISATIONAL RESPONSE

Fair Trade Principle	Organisational Response
<p>Create opportunities for economically and socially marginalized farmers and artisans. Fair trade is a strategy for poverty alleviation and sustainable development achieved through long-term trading partnerships.</p>	<p>Sadhna's membership is mostly composed of women from socially and economically disadvantaged groups. The livelihood programme offers supplementary household earning through work provided on a regular basis to women artisans, who can work from home.</p>
<p>Develop transparent and accountable relationships with artisans and farmers to ensure that relationships are open, fair, consistent, and respectful.</p>	<p>Sadhna's members form the general body and management committee and are on different committees dealing with setting of rates, incentives, etc.</p>
<p>Build capacity of farmers, artisans, and their communities. Fair Trade Forum members invest time and resources to help producers build their businesses and create sustainable value chains.</p>	<p>Sadhna facilitates its members' presence in regional and national fairs and exhibitions, offers trainings of various sorts in collaboration with corporates and government platforms.</p>
<p>Promote fair trade by raising awareness about fair trade, educating customers and producers, and inspiring other businesses to adopt fair trade practices.</p>	<p>Sadhna celebrates World Fair Trade Day by conducting a rally and setting up stalls in a public place to create awareness among customers and the general public.</p>
<p>Pay promptly and fairly by discussing costs and pricing openly and honestly so that producers are able to earn a fair wage.</p>	<p>Payment is received in full and through bank transfer usually within a month. Pricing and costing are discussed in the Costing Committee and shared in the Management Committee Meeting of the group leaders. A further 30.5 per cent of earnings on a monthly basis is channeled into social security schemes directly by the organisation.</p>
<p>Support safe and empowering working conditions that are free of discrimination and forced labour. Healthy workplaces empower producers to participate in decision-making.</p>	<p>Sadhna ensures that no forced labour is practiced in its group and members are free to leave if they want to. Sadhna also works with women from OBC, SC and ST communities, thus mitigating against caste and community-based discriminations.</p>

Fair Trade Principle	Organisational Response
<p>Cultivate environmental stewardship by encouraging responsible use of resources and eco-friendly production. FTF members reduce, reuse, reclaim, and recycle materials whenever possible.</p>	<p>Sadhna works on textile based products, uses only natural fabric, and upcycles the left-over fabric from apparel to make accessories and other lifestyle products.</p>
<p>Ensure the rights of children by never using exploitative child labour. FTF members support children's right to security, education, and play and respect the UN Convention on the Rights of the Child.</p>	<p>Sadhna does not employ children and there are no instances of child labour. It has encouraged and facilitated education of members' children from the outset.</p>
<p>Respect the cultural identity of the farmers and artisans and celebrate diversity. Fair trade products and production methods respect the traditions of the local communities.</p>	<p>For some members, the work offered by Sadhna is a traditional craft, while others have trained for it. Sadhna does not ask its members to work in ways that upset their local customs and traditions. On the contrary, home-based work, as offered by Sadhna, can be integrated into their daily routines.</p>

ANNEX III

CLAUSES IN THE CODE OF THE GLOBAL BRAND AND COMPLIANCE BY RANGSUTRA

Clause	Organisational Response for all work orders from this brand
Prevention of child labour	Artisans are not allowed to bring children to centres, nor to take work home (unless child is 5 years old or younger, as negotiated with the brand).
No forced and bonded labour	There is no forced or bonded labour.
Prevent severe environmental pollution	<p>No harmful pollutants are discharged or released into the environment.</p> <p>Waste is duly collected and disposed of.</p> <p>Natural light and ventilation is present at community centres.</p> <p>Local building materials are used for sustainability.</p>
Prevent workers from exposure to severe safety hazards	<p>Fire Safety Equipment is provided at the centres.</p> <p>Workers are provided training on usage of fire safety equipment.</p> <p>Assembly points in case of fire are clearly marked.</p> <p>Two emergency exits have been marked in all centres.</p> <p>Highly toxic or chemical materials are not required or stored in these centres.</p> <p>A first aid box is present in a visible place in each centre.</p>
Maintain a transparent and reliable system for records on working hours and wages	<p>A system for calculation of wages for all workers has been devised with recording of work done and time spent at the centre.</p> <p>A workers' book is maintained by the craft manager, where in-time and out-time of the artisans is strictly noted, for calculation of working hours (artisans are free to go in and out as many times as they like, however making a note is essential).</p> <p>Piece rates are set so as to enable workers to earn minimum wages for a full day's work.</p> <p>Workers receive their salaries monthly, directly in their bank accounts.</p>
Provide accident insurance covering medical treatment for work related accidents to all workers	All artisans working on global brand orders are part of a group health insurance plan.

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