



Home-Based Workers in India: Statistics and Trends

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Main Findings and Recommendations

This brief presents numbers and analysis of home-based workers in India from 1999-00 to 2011-12. It is based on data collected by the National Sample Survey Organisation (NSSO) through the Employment-Unemployment Surveys in 1999-00, 2004-05 and 2011-12.

Home-based work as a source of employment for both women and men continued to grow in numbers across the 12 years, although the magnitude of home-based workers as a percentage of non-agricultural workers was somewhat less in 2011-12 due to a decline in the share of rural workers. The majority of home-based workers are still in rural areas despite a reduction in their share and a gradual shift from rural to urban areas, especially among women home-based workers. Throughout the period, manufacturing continued to be the most important branch of economic activity for the employment of both women and men home-based workers; however significant changes also occurred. There was a shift from home-based work in manufacturing to trade, and within manufacturing a shift away from tobacco, textile and wood products to food and beverages, wearing apparel and other manufactured products.

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India has been at the forefront in the development of data on workers that are a major component of employment in the country's informal economy, such as home-based workers. However, even in India, as the study below shows, improvements are needed in the methods to collect data on home-based workers. For example, the 2004-05 and 2011-12 Employment and Unemployment Surveys did not have data elements for identifying sub-contracted homeworkers as a distinct category of home-based workers. Further, increasingly there is a problem in classifying home-based workers who are not self-employed but are wage workers. Steps need to be taken to improve the collection of data on these workers.

Definitions

Home-based workers are the category of workers who carry out remunerative work in their own homes or adjacent grounds or premises. Some home-based workers are independent self-employed workers who take entrepreneurial risks. Other home-based workers are dependent on a firm or its contractors for work orders, supply of raw materials and sale of finished goods. This second category of home-based workers is referred to as sub-contracted workers, also known as homeworkers. Since they are not directly supervised by an employer and provide their own workspace and equipment, they are often classified as self-employed. At the same time, they are dependent on a firm or its contractor for work orders, raw materials, and sale of finished goods, and thus sometimes classified as wage workers. In reality, sub-contracted home-based workers – or homeworkers – occupy an intermediate status in employment between fully independent self-employed worker and fully dependent employee.

Sub-contracted workers were identified in the NSSO through a two stage process. The first stage classification was by place of work, for which the options for recording of data included own dwelling in the 55th and 61st rounds of the survey. Since the 66th round, the classification has been further expanded to distinctively cover structures attached to own dwelling, open areas adjacent to own dwelling, and detached structures adjacent to own dwelling. In the second stage, self-employed (own account worker, employer and unpaid family worker) home-based workers were asked the question “whether worked under given specifications”. If the answer was positive a subsequent question was asked to know who provided credit/raw material/equipment. These two questions determined whether a person was a sub-contracted worker. There is no separate category of “sub-contracted worker” in the international classification of status in employment at present. India classifies these workers as a sub-group of self-employed home-based workers. However, the details needed for separately identifying dependent home-based workers were not collected in 2004-05 and 2011-12. The results of the 2009-10 survey are not used in this brief in view of classification errors noted in the coding of place of work.

Around 96 per cent of non-agricultural home-based workers in 1999-00, 95 per cent in 2004-05, and 96 per cent in 2011-12 were self-employed. Because the “place of work” question was not asked to agricultural workers in 1999-00 and crop cultivation workers in subsequent years, this analysis focuses on self-employed home-based workers outside agriculture who are aged 15 and above.

Home-Based Workers and Sub-Contracted Homeworkers

During the 12 year period, the number of home-based workers increased significantly, from 23.3 million in 1999-00 to 31.0 million in 2004-05 and 37.4 million in 2011-12. Home-based workers are thus a significant and increasing part of the Indian labour force, comprising 15 per cent of the total non-agricultural workforce in 1999-00, 15.9 per cent in 2004-05, and 15.2 per cent in 2011-12 (chart 1).

Throughout the 12 years, there have been more men than women home-based workers. The share of women in home-based work increased from 41.1 per cent in 1999-2000 to 46.1 per cent in 2004-05 and then declined to 42.8 per cent in 2011-12. The reduction was more in rural areas than in urban areas.

Home-based work has been an especially important source of employment for women. In 1999-2000, women home-based workers were 33.1 per cent of all women non-agricultural workers and in 2004-05 the proportion increased to 36.7 per cent. However by 2011-12, women home-based workers were only 31.7 per cent of all women employed in non-agricultural work. By contrast, among men non-agricultural workers the proportion of home-based workers was much smaller, specifically 10.8 per cent in 1999-00, 10.7 per cent in 2004-05 and 11.0 per cent in 2011-12 (table 1.)

Chart 1: Percentage of Home-Based Workers to Non-Agricultural Workers, by Sex and Rural-Urban

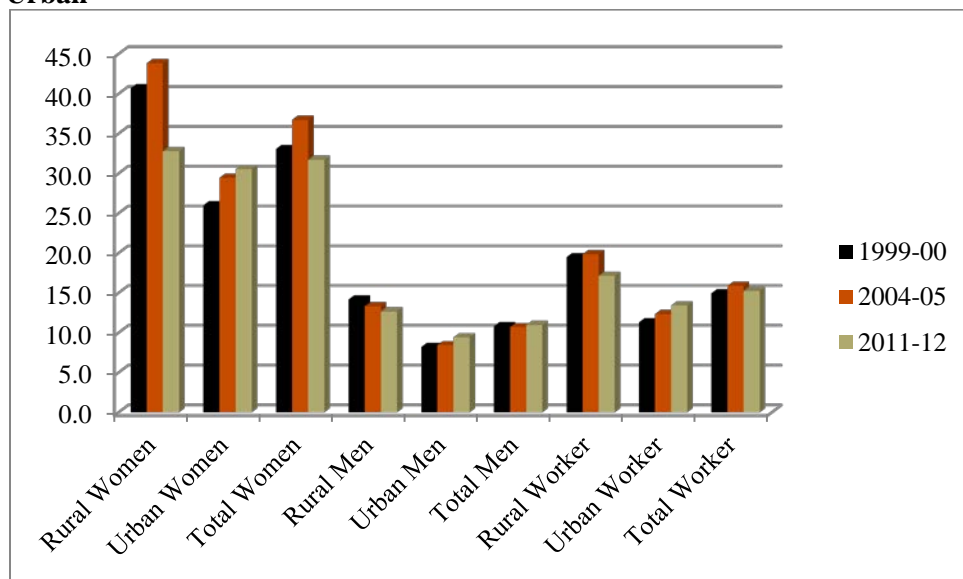


Table 1: Home-Based Workers: in Millions and as a Per Cent of Non-Agricultural Workers, by Sex and Rural-Urban

Population Segment	1999-00	2004-05	2011-12
Women, rural	5.67 (40.7)	8.63 (43.8)	8.71 (32.8)
Women, urban	3.91 (26.0)	5.66 (29.4)	7.34 (30.5)
Women, total	9.58 (33.1)	14.29 (36.7)	16.05 (31.7)
Men, rural	7.89 (14.2)	9.63 (13.3)	11.79 (12.7)
Men, urban	5.85 (8.2)	7.09 (8.4)	9.61 (9.4)
Men, total	13.74 (10.8)	16.72 (10.7)	21.4 (11.0)
Worker, rural	13.56 (19.5)	18.26 (19.9)	20.51 (17.1)
Worker, urban	9.76 (11.3)	12.74 (12.3)	16.94 (13.4)
Worker, total	23.32 (15.0)	31.01 (15.9)	37.45 (15.2)

Note: Figures in brackets indicate the percentage of home-based workers to total non-agricultural workers aged 15+.

In 1999-00, homeworkers (sub-contracted workers) numbered about 7.8 million and constituted about 33.4 per cent of all home-based workers. Of women home-based workers, 45.0 percent were homeworkers in contrast to 25.3 percent of men home-based workers.

Rural and Urban Home-Based Workers

More home-based workers are in rural areas than in urban areas, although in recent years urban home-based work grew faster. This is reflected in the steady increases in the numbers of urban home-based workers from 9.8 million in 1999-00 to 12.7 million in 2004-05, and further to 16.9 million in 2011-12. Home-based workers in rural areas grew from 13.6 million in 1999-2000 to 18.3 million in 2004-5 and then to 20.5 million in 2011-12.

The numbers of women and men in home-based work grew in both rural and urban areas throughout the period. The rate of growth was somewhat less for women in rural areas than for women in urban areas (though due to the larger number of women in rural areas both gained about 3 million workers) and was lower for men than for women in both rural and urban areas (though due to the larger number of men than women the gain was about 4 million workers for rural and for urban men).

When the numbers of home-based workers in both rural and urban areas are viewed as a share of non-agricultural workers, an important change is revealed. Home-based workers as a share of non-agricultural workers declined in rural areas but increased in urban areas. While this general pattern is shown for both women and men, it is especially evident for women. In 1999-00, 40.7 per cent of women employed in

non-agricultural work in rural areas were home-based workers; the shares decreased to 32.8 per cent in 2011-12. For men the decline was smaller, from 14.2 per cent in 1999-00 to 12.7 per cent in 2011-12.

Categories of Self-Employed Home-Based Workers

Own account work (self-employment with no employees) is the predominant status in employment category for both women and men home-based workers. But a far higher percentage of men (80 per cent) than women (67 per cent) in home-based work were own account workers in 2011-12. However, this represented an increase for women; in 1999-00 only 54 per cent of women home-based workers were own account workers.

Branch of Economic Activity/Industry

While home-based workers are present in most branches of economic activity, they are concentrated in manufacturing and trade and repair services (table 2). Most women in home-based work in all the survey years were in manufacturing. Specifically in 1999-00, 70.6 per cent of women home-based workers were in manufacturing, 15.8 per cent in trade, and 6.9 per cent in “other community, social and personal services”. These three industries accounted for over 93 per cent of women in home-based work at that time. By 2004-05, the share in manufacturing increased to 74.4 per cent while that of trade and “other community, social and personal services” declined to 11.8 per cent and 4.9 per cent respectively. By 2011-12, the share of manufacturing decreased to 72.7 per cent and trade increased to 14.1 per cent. The other important industry groups for women home-based workers were education and hotels and restaurants with a share of 4.1 per cent and 3.3 per cent respectively.

Table 2: Percentage Distribution of Home-Based Workers by Industry Group

Industry	1999-00			2004-05			2011-12		
	Women	Men	Worker	Women	Men	Worker	Women	Men	Worker
Mining & quarrying	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.1
Manufacturing	70.6	45.8	56.0	74.4	48.1	60.3	72.7	41.2	54.7
Electricity, gas and water supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Construction	0.1	0.7	0.4	0.1	1.9	1.1	0.0	1.1	0.6
Wholesale & retail trade	15.8	32.1	25.4	11.8	27.1	20.1	14.1	35.1	26.1
Hotels & restaurants	2.8	2.8	2.8	2.8	2.4	2.6	3.3	4.1	3.7
Transport, storage & communication	0.2	5.3	3.2	0.4	5.2	3.0	0.1	3.4	2.0
Financial intermediation	0.2	0.6	0.4	0.4	1.1	0.8	0.6	1.5	1.1
Real estate, renting & business activities	0.3	1.7	1.1	0.3	3.0	1.8	0.4	3.8	2.3
Education	2.9	1.6	2.1	4.5	3.2	3.8	4.1	2.3	3.1
Health & social work	0.3	1.6	1.1	0.4	1.7	1.1	0.6	1.4	1.1
Other community, social & personal services	6.9	7.8	7.4	4.9	6.1	5.6	4.0	6.0	5.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Within the manufacturing sector, the type of products produced by women home-based workers shifted during the 12 year period (table 3). In 1999-00, 30.9 per cent of women in home-based manufacturing produced tobacco products (notably, hand-rolled cigarettes called *bidis*) and 24.0 per cent produced textiles; by 2011-12 the percentage in these industries had fallen to 28.9 per cent and 22.0 per cent respectively. By 2011-12, the manufacture of wearing apparel became the second most important industry, employing 25.7 per cent of women in home-based manufacturing up from 6.2 per cent in 1999-00. Over the period the importance of home-based manufacture of other products also shifted: wood and products of wood and cork (12.9 to 6.6 per cent) and metallic and mineral products (4.0 to 2.1 per cent) decreased in importance.

Table 3: Percentage Distribution of Home-Based Workers Aged 15+ in Manufacturing, by Industry Groups

Manufacturing Industries	1999-00			2004-05			2011-12		
	Women	Men	Worker	Women	Men	Worker	Women	Men	Worker
Manufacture of food products & beverages	9.8	15.0	12.3	6.0	9.9	7.7	6.02	11.12	8.21
Manufacture of tobacco products	30.9	8.4	20.0	23.8	7.3	16.7	28.94	6.80	19.42
Manufacture of textiles	24.0	21.6	22.8	23.3	22.2	22.8	22.05	20.01	21.17
Manufacture of wearing apparel	6.2	8.1	7.1	21.3	15.3	18.7	25.71	21.10	23.72
Manufacture of wood & products of wood & cork	12.9	17.7	15.2	12.3	17.7	14.6	6.57	11.25	8.58
Manufacture of other metallic mineral products	4.0	7.6	5.7	3.3	7.5	5.1	2.09	4.34	3.06
Manufacture of furniture	4.5	7.8	6.1	4.5	7.9	6.0	5.01	12.33	8.16
Others	7.7	13.9	10.7	5.4	12.2	8.3	3.63	13.04	7.68
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.00	100.00	100.00

For men, as for women, the industry branch with the highest percentage of home-based workers in 1999-00 was manufacturing, with 45.8 per cent of men home-based workers. This was followed by trade (32.1 per cent). By 2011-12, the percentage of men in home-based manufacturing decreased to 41.2 per cent, while that of trade increased to 35.1 per cent. The manufacturing industries in which the percentage of men in home-based work decreased were tobacco products (8.4 to 6.8 per cent), textiles (21.6 to 20.0 per cent), and wood and products of wood and cork (17.7 to 11.3 per cent). The manufacturing industries with increases in their shares were manufacture of wearing apparel and furniture.

Manufacturing was the single most important industry in which home-based workers – both women and men – were employed throughout the entire period. Manufacture of textiles accounted for 22.8 per cent of home-based workers in the manufacturing sector in 1999-00, while manufacture of tobacco products employed 20.0 per cent of such workers. By 2011-12, manufacture of wearing apparel emerged as the largest employer of home-based workers in manufacturing with a share of 23.7 per cent.

This section so far has focused on home-based workers – only – across the various industry groupings. Shifting the focus to home-based workers as a proportion of non-agricultural workers in each industry shows the importance of home-based work, as a source of employment for women and for men in the industry (table 4). For women, home-based work, relative to other sources of employment, increased between 1999-00 and 2004-05; however, by 2011-12 fell to a low of 31.7 per cent of women's non-agricultural employment. For men, home-based work was a less important source of employment than for women. It was a little more than 10 per cent of men's non-agricultural employment throughout the period.

The most striking statistics in table 4 relate to the important and growing role of home-based manufacturing for women. In 1999-00, 60.7 per cent of women employed in manufacturing were in home-based manufacturing; by 2011-12 the percentage had grown to 68.8. By contrast, home-based manufacturing was a far less important source of employment for men, involving only about 20 per cent of men in manufacturing throughout the period. Further, women home-based workers were concentrated in two additional categories: wholesale and retail trade and hotels and restaurants. The latter category includes homestays and small eating places located in own dwelling or adjacent buildings. In wholesale and retail trade, women's home-based employment as a proportion of all non-agricultural workers in the category rose from 35.1 per cent to 42.1 per cent in 2011-12; in hotels and restaurants it rose from 35.1 per cent in 1999-00 to 43.0 per cent in 2011-12. For men, there was much less concentration of home-based work in specific categories.

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

Industry	1999-00			2004-05			2011-12		
	Women	Men	Worker	Women	Men	Worker	Women	Men	Worker
Mining & quarrying	0.1	0.1	0.1	0.0	0.0	0.0	7.0	0.3	1.3
Manufacturing	60.7	20.2	31.1	65.8	21.3	34.6	68.8	20.9	34.5
Electricity, gas and water supply	1.9	0.2	0.3	0.0	0.2	0.2	0.0	0.4	0.4
Construction	0.3	0.6	0.6	0.6	1.4	1.3	0.0	0.6	0.5
Wholesale & retail trade	35.1	14.0	16.5	35.4	11.9	14.6	42.1	17.5	20.3
Hotels & restaurants	33.6	10.3	14.5	34.4	8.6	13.6	43.0	13.1	17.7
Transport, storage & communication	4.6	5.2	5.1	11.3	4.9	5.1	3.1	3.5	3.5
Financial intermediation	5.8	4.4	4.6	11.9	7.0	7.7	12.6	8.6	9.2
Real estate, renting & business activities	10.7	9.5	9.6	10.3	12.2	12.0	5.8	10.6	10.1
Education	8.4	4.2	5.8	13.3	8.0	10.2	10.4	6.2	8.0
Health & social work	3.0	12.2	8.8	4.0	12.5	9.3	5.4	11.0	8.7
Other community, social & personal services	22.2	16.3	18.1	38.2	16.1	21.0	24.0	18.9	20.3
Total	33.1	10.8	15.0	36.7	10.7	15.9	31.7	11.0	15.2

Age, Marital Status and Presence of Children

Home-based work provides employment opportunities for women who face constraints in working outside the home, either because of family responsibilities or because of norms that limit women's mobility. Poverty and/or lack of work to be done at home weaken such constraints as does higher education. How then do age, marriage and the presence of children affect a woman's likelihood to engage in remunerative work at home or outside the home? To answer these questions, women home-based workers were compared to all women workers in non-agricultural employment; a similar comparison was also done for men.

A higher percentage of women non-agricultural workers were home-based workers in the youngest age group, 15-19, in all the years (table 5). The percentage decreased fairly consistently as age increased up to the age group 50-54; the percentage increased again in the age groups 60 and above. By 2011-12 fewer women in the age groups 15-19 and 20-24 were in home-based work as compared to 2004-05.

By contrast, for men there is no clear pattern in the percentage of home-based workers as a share of non-agricultural workers by age, except that the share of such workers was highest in the age group of 60 and above. The increase in the number of men in home-based work in 2011-12 was reflected in larger percentages of home-based workers as a share of total non-agricultural employment in the age groups 40-59.

Table 5: Percentage of Home-Based Workers Aged 15+ by Age Group among Total Non-Agricultural Workers in the Category

Age group	1999-2000			2004-05			2011-12		
	Women	Men	Worker	Women	Men	Worker	Women	Men	Worker
15-19	44.6	11.7	19.0	49.4	11.1	20.0	46.3	9.6	18.1
20-24	34.2	10.2	14.3	39.4	9.2	15.1	33.9	9.0	13.9
25-29	33.5	9.1	13.4	37.2	8.8	14.1	32.3	7.5	12.5
30-34	31.5	9.9	14.0	36.0	10.1	15.4	32.6	10.0	14.7
35-39	32.4	9.6	14.1	36.5	10.4	16.2	30.0	10.9	15.2
40-44	28.8	10.2	13.6	31.1	9.5	13.6	28.4	11.0	14.6
45-49	28.5	11.1	14.2	34.2	10.8	15.0	27.6	11.5	14.4
50-54	25.6	11.3	13.7	28.4	10.4	13.5	26.0	11.1	13.9
55-59	33.9	10.6	14.8	25.8	13.0	15.2	30.4	14.5	17.5
60-64	38.9	21.4	24.9	41.0	24.0	27.8	37.3	23.2	26.6
65+	43.4	28.0	31.0	43.3	29.2	32.1	31.5	28.0	28.7
Total	33.1	10.8	15.0	36.7	10.7	15.9	31.7	11.0	15.2

With regard to marital status, currently married women are most likely to be home-based workers among women workers. In 1999-00, 35.3 per cent of currently married women non-agricultural workers were home-based; in 2004-05, this rose to 39.1 per cent and in 2011-12 was about 34.1 per cent. The next

highest category was never-married women, who are primarily young and likely to be married in the future. Divorced and separated women are the least likely to be home-based workers. This pattern is not evident in the data for men. For men home-based workers, the most significant category is widower; widowed men have the highest share of home-based work as a per cent of all men non-agricultural workers throughout the decade.

Women in households with young children were more likely to be home-based workers than those in households with no young children. Specifically, 40.9 per cent of women non-agricultural workers in households with children, both up to the age of 4 and up to the age of 9, were home-based workers in 1999-00, compared to 28.9 per cent in households with no young children. In 2004-05, the proportions had shifted to 42.6 per cent with young children and 33.6 per cent without young children. In 2011-12, the difference was comparatively less: 34.6 per cent in households with young children and 28.0 in households with no young children. For men the same general pattern shows but there is much less difference in the two types of households. In 1999-00, 12.6 per cent of men with young children were home-based workers, compared to 10 per cent with no children. In 2011-12, 11.7 per cent of men in households with young children were home-based workers compared to 10.4 per cent in households with no children.

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

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