



SOUTH ASIA

Network of Homebased workers in South Asia

Study on Wage Analysis of Home-based Workers in South Asia



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HNSA Publication



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The Hidden Homeworkers Project is an initiative of the following organisations:



Co-funded by the European Union



Acronyms

EU	European Union
FGD	Focus Group Discussion
HBWs	Home-based Workers
HH	Household
HNP	HomeNet Pakistan
HW	Home-based Work
HNSA	HomeNet South Asia
ILO	International Labour Organization
INR	Indian Rupee
K	Thousand
N	Number of Respondents
NPR	Nepalese Rupee
PKR	Pakistani Rupee
SABAH	SAARC Business Association of Home-based Workers
SAVE Tirupur	Social Awareness and Voluntary Education Tirupur
SEWA Bharat Delhi	Self-Employed Women's Association Bharat Delhi
USD	United States Dollars

Executive Summary

BACKGROUND

A home-based worker is an employee or a self-employed worker who produces goods or provides services from their home (including a structure attached to their home) rather than a designated workspace or an employer's site. About 260 million people worldwide work from home; 65 percent of these workers are located in Asia and the Pacific region. There are estimated to be over 67 million home-based workers in just four countries of South Asia – Bangladesh, India, Nepal and Pakistan. They can be found across various industries, including garments, footwear and electronics.

Founded in 2000, HomeNet South Asia (HNSA) is South Asia's first and only network for home-based workers and their representative organisations. By strengthening home-based workers' collective voice, HNSA aims to maximise their visibility. A major goal of HNSA is to ensure social security and develop grassroots organisations' capabilities while creating better economic opportunities.

HNSA is implementing the European Commission's co-funded "Hidden Homeworkers" project across India, Nepal and Pakistan. Within this project, wage cards were developed and distributed by HNSA grassroots project partners to assist home-based workers in habitually recording the nature of their work, the number of orders they receive, piece rate wage, details of work provider/contractors, etc. This report captures the details of the wage card study, which was conducted across all four partner clusters of hidden home-based workers:

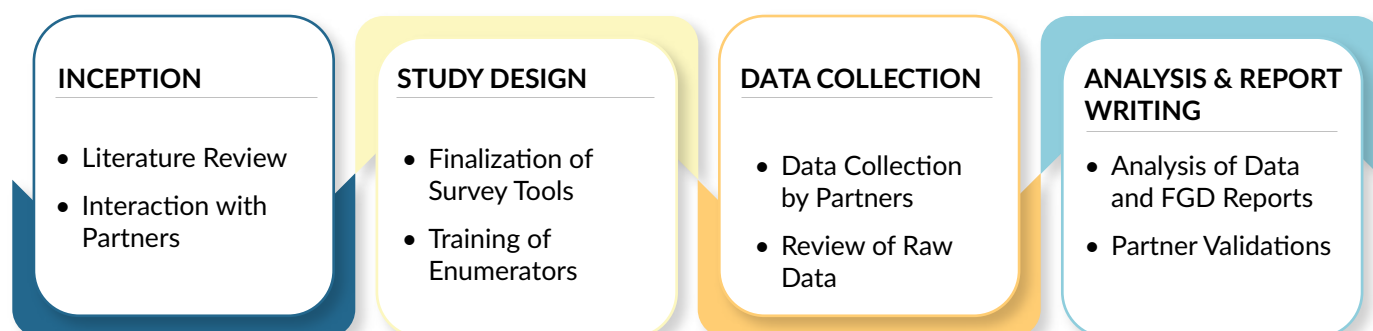
Sr. No.	HNSA Partner	Cluster	Country
1	SAVE	Tirupur	India
2	SEWA Bharat	Delhi	India
3	SABAH Nepal	Kathmandu	Nepal
4	HNP	Karachi	Pakistan

OBJECTIVES AND SCOPE OF WORK

The key objectives of the study were as follows:

- Understanding homeworkers' wage levels, types of home-based work, income earned from home-based work and its contribution towards the household income and homeworkers' awareness about the brands or markets they are producing for, using primary research and wage card analysis.
- Assessing the adoption of wage cards introduced under the Hidden Homeworkers Project by HBWs, focusing on ease of filling, comprehension of the data being filled and perceptions and feedback from home-based workers and partners regarding wage cards.
- Analysing the wage card data from different clusters and providing valuable insights across the clusters.
- Highlighting gaps, if any.

APPROACH AND METHODOLOGY



Inception

In October 2022, a virtual inception meeting was held with partners across all four locations; separate calls were arranged with each partner to understand the 'Hidden Homeworkers' Project, and insights were gathered regarding wage cards.

Study Design

The study's second phase focused on designing a survey methodology and developing the tools to collect quantitative data and qualitative inputs from the respondents. In-person interviews and focus group discussions (FGDs) were planned to collect relevant study information from home-based workers in each cluster. Wage card data was also gathered from these interview participants. A statistically significant sample of 100 data points was finalised for each partner cluster after a review of wage card distribution data from all four clusters. A workshop was then organised with the identified data collectors (enumerators) from all the partners.

To ensure representativeness, guidance was given that we should include women making all types of products in a cluster, ensure participation of all possible sub-production clusters in a partner location and also take both types of home-based worker. i.e. members and non-members of any group/union that the partner directly forms.

Data Collection

Study and wage card data were collected between December 2022 and March 2023, and raw data was reviewed and cleaned for analysis in the next phase.

Analysis and Report Writing

This involved reviewing the cleaned data and generating analysis tables. Insights were developed based on the assessment of qualitative and quantitative inputs, which were put in the form of a report.

INSIGHTS AND LEARNINGS FROM THE STUDY

Socio-Economic Profile

Age Profile

Most of the interview respondents (approximately 85%) were between 20 and 50 years of age. However, Pakistan's data indicated a wider age range of home-based workers; 32% of respondents from HomeNet Pakistan were below 20 years of age.

Marital Status

'Married' accounted for approximately 85% of the responses. Taking up home-based work was primarily motivated by the opportunity to earn from home while managing their young children and obtaining earning opportunities proportionate to their effort.

Education Profile

Nearly 24% of the respondents reported no formal schooling. Approximately 45% of the respondents indicated they had completed education up to 10th grade or beyond.

Organisation of Home-Based Workers

Most interview respondents from Sabah Nepal (99%)

and Sewa Bharat Delhi (98%) reported being part of a group/union/organisation of home-based workers. Only a small fraction of respondents from Pakistan (12%) reported being part of any home-based worker group. Most of them, however, were part of informal family groups. At Save Tirupur, approximately 36% reported being part of a group.

Engagement Duration with HNSA's Partner Organisations

Fifty-three percent of the interview respondents confirmed having been engaged with their respective cluster partner for over five years. Nearly 44% reported an engagement duration between one and five years. The average engagement duration was approximately five years.

Growth in the Number of Home-Based Workers

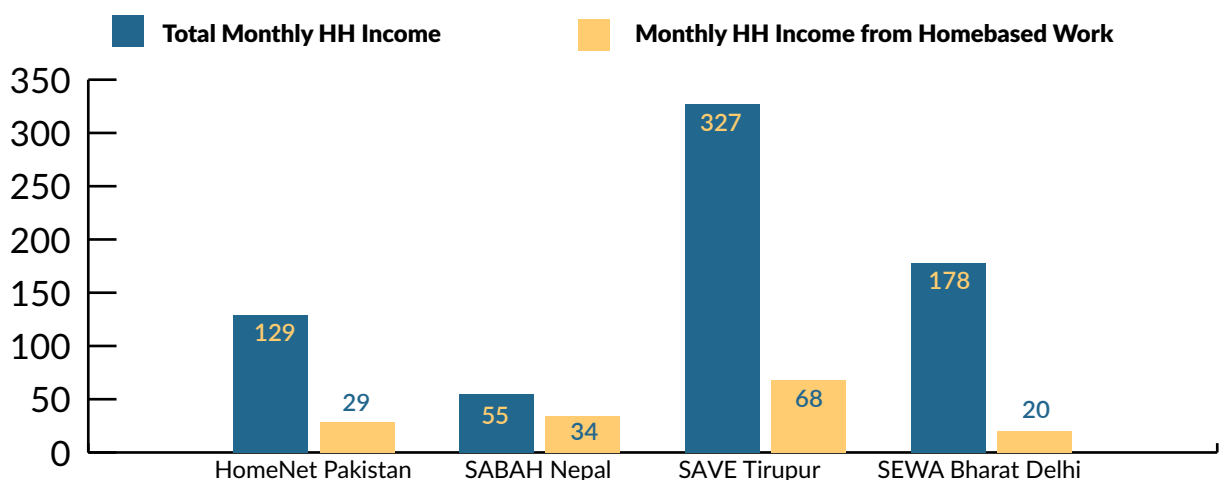
FGDs indicated that there has been a growth of home-based workers over the last 10 years across all the clusters except in Tirupur.

Insights on Income

Total Household Income and Income from Home-Based Work

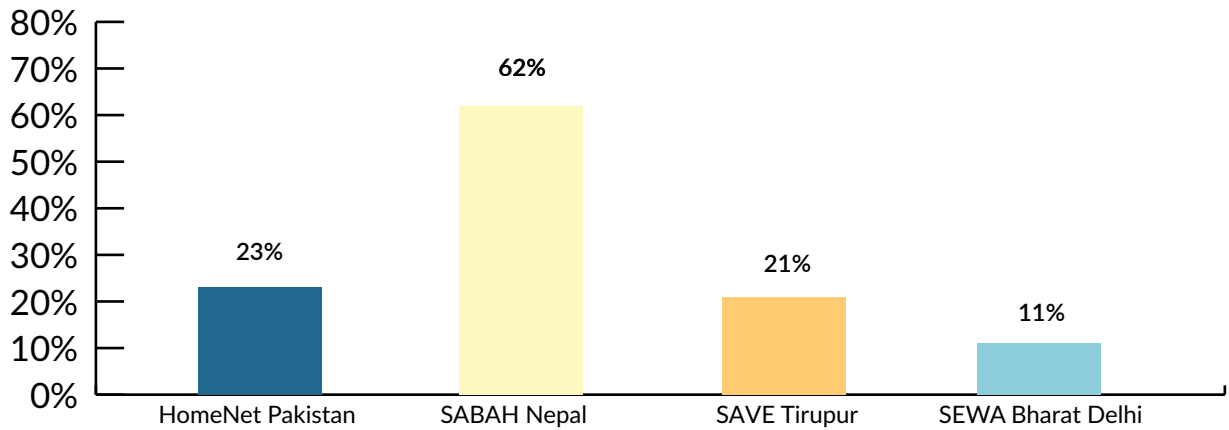
Respondents from Save Tirupur and Sabah Nepal reported the highest and the lowest average monthly household (HH) income, respectively. Respondents from Save Tirupur reported the highest average monthly income from home-based work, while the lowest was reported from Sewa Bharat Delhi.

CLUSTERWISE MONTHLY HH INCOME (USD)



Income from home-based work appears to be a significant component of overall HH income in Nepal (62%), while in the case of other clusters, it is a minor component ranging from 11% to 23% of the overall HH income, as shown below:

% OF TOTAL HH INCOME FROM HOME BASED WORK

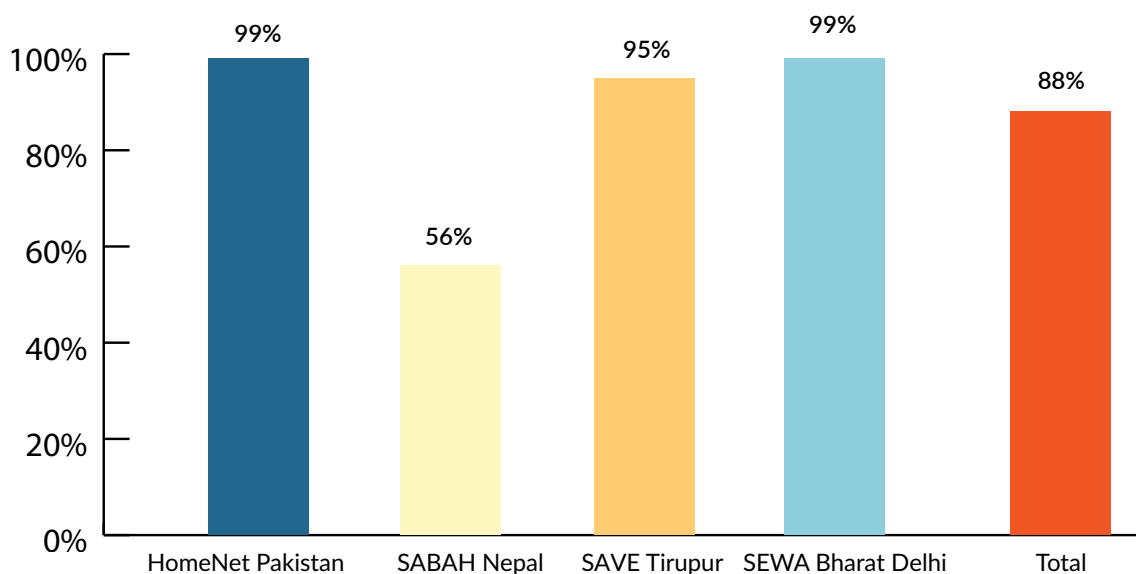


Insights on Wage Cards

Use of Wage Cards

Approximately 88% of respondents indicated that they were keeping track of their orders using the wage cards.

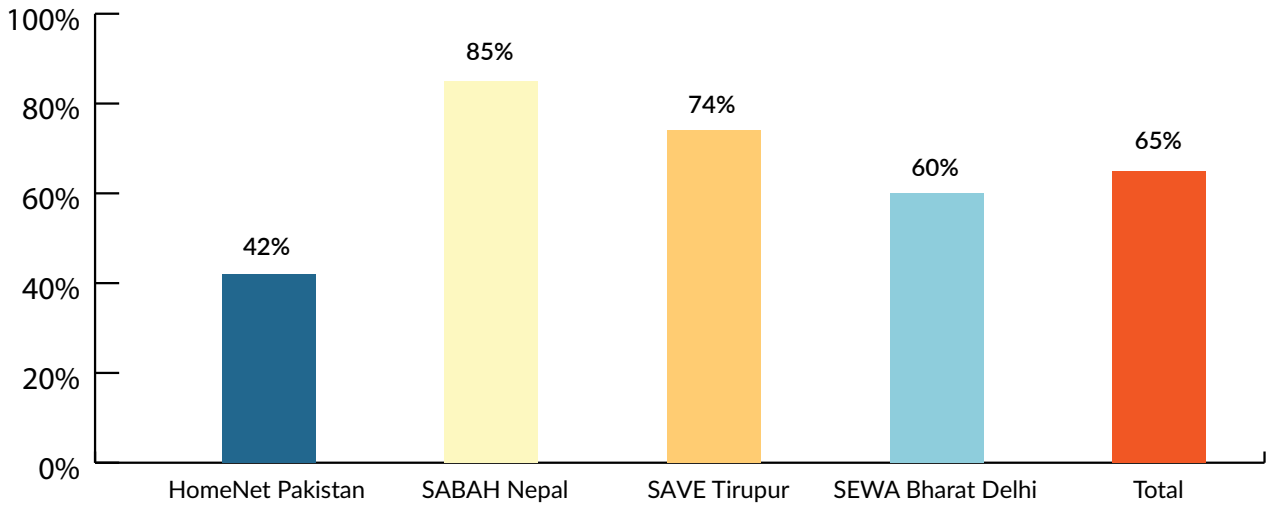
% RESPONDENTS WHO USE WAGE CARD FOR ORDER MANAGEMENT



In Save Tirupur and Sewa Bharat Delhi and, to some extent, HomeNet Pakistan, the workers themselves largely completed wage cards. The role of community leaders becomes more critical in both Nepal and Pakistan; both these clusters reported higher literacy challenges, as reported previously.

Approximately 95% of the respondents indicated that they understood the details that were being filled out on their wage cards. **Only one-third (approximately 35%) of respondents** kept track of their orders before receiving the wage cards. **Most of them reported using a diary for the same.**

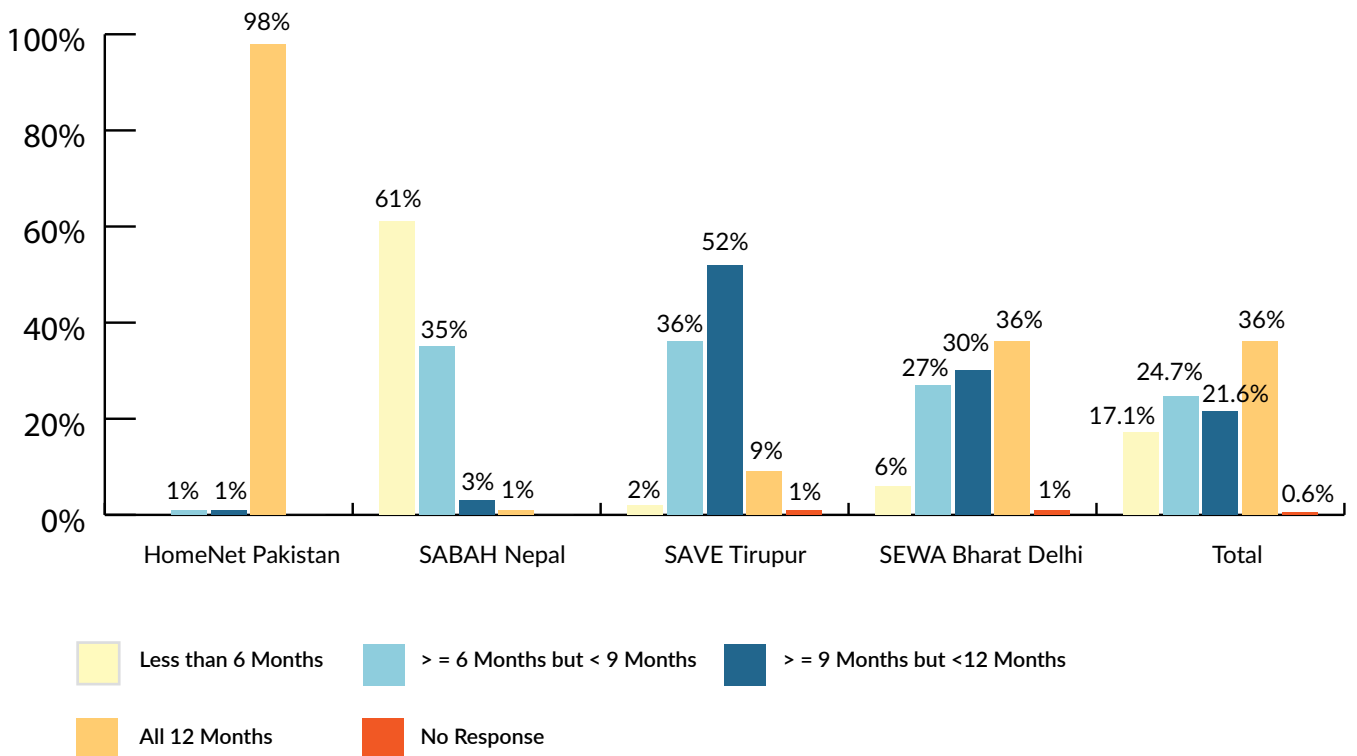
% OF RESPONDENTS WHO WERE NOT TRACKING THEIR ORDERS PRIOR TO EXPOSURE ON WAGE CARDS



Insights on the Work

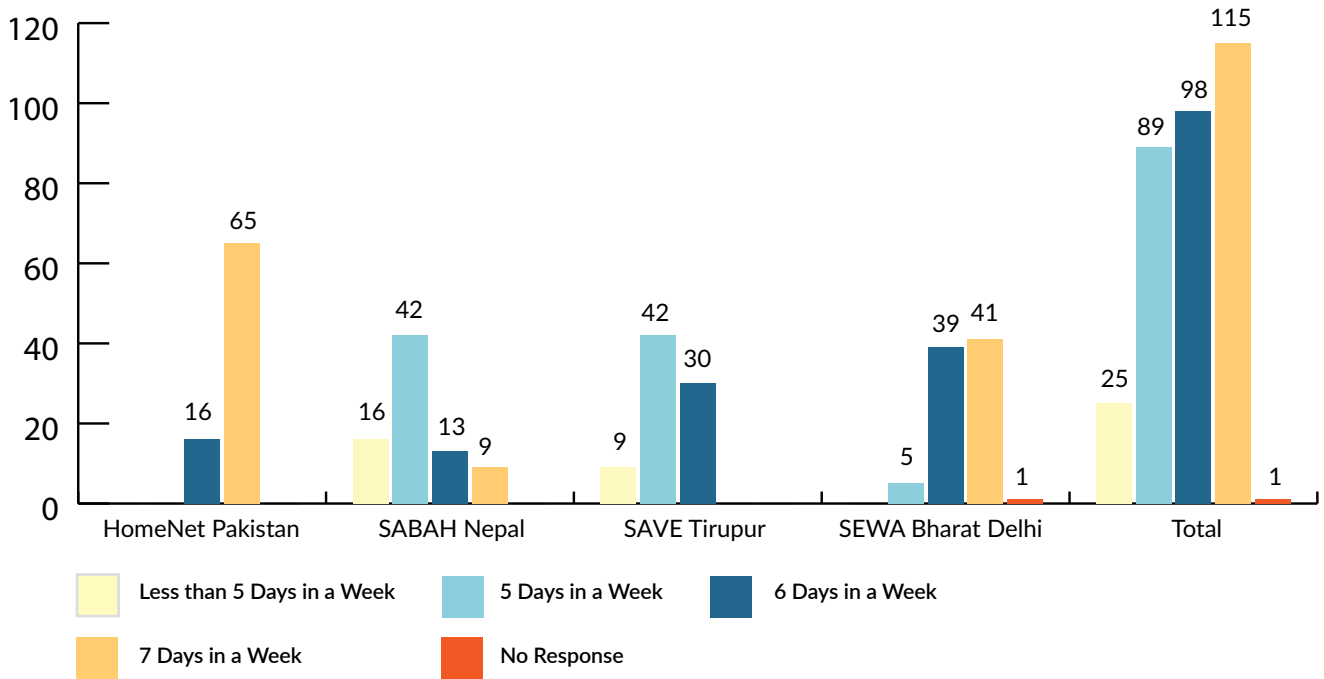
Seasonality

This work is seasonal, and different clusters reported different durations of seasonality during which work was available, as highlighted in the table below. While Pakistan workers reported having access to work throughout the year, in Nepal, work was available for less than six months to nine months yearly. In Tirupur and Delhi, work was available for six to 12 months for most workers.



Intensity of Work – Number of Days per Week

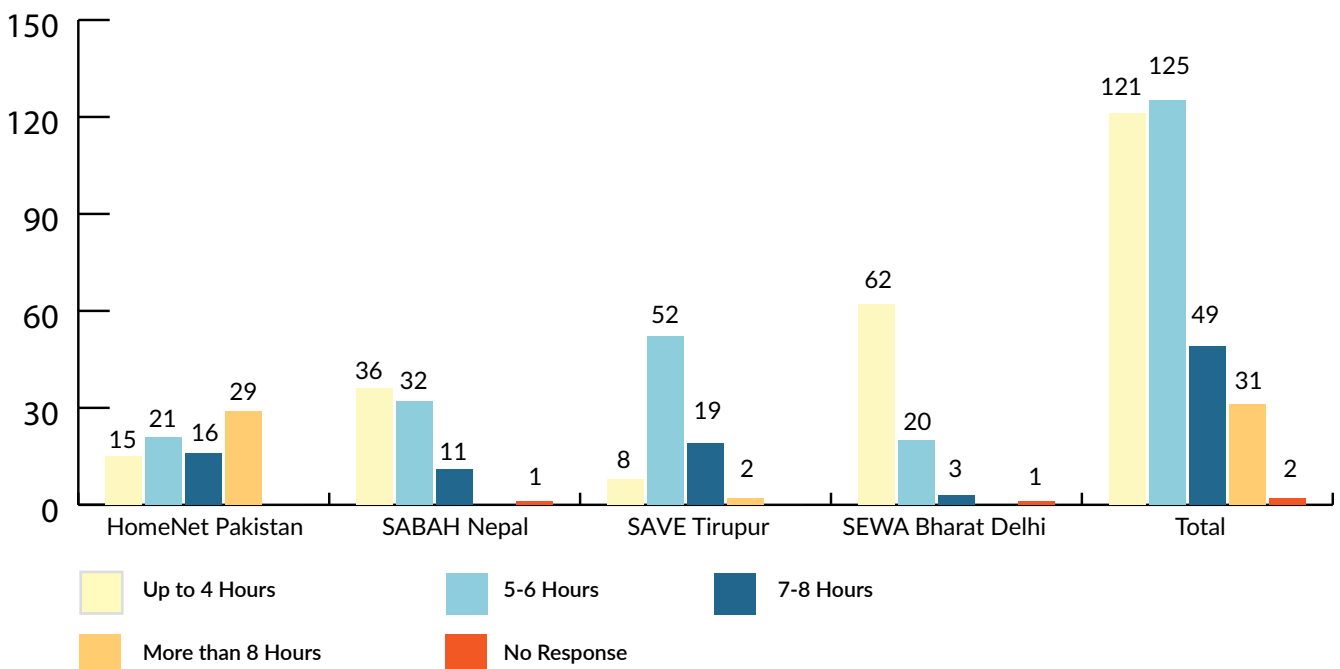
Approximately 92% of the interview respondents stipulated that they worked five to seven days a week. HomeNet Pakistan and Sewa Bharat Delhi respondents indicated higher engagement intensity (six to seven days per week) regarding the number of weekly workdays.



Intensity of Work – Number of Hours a Day

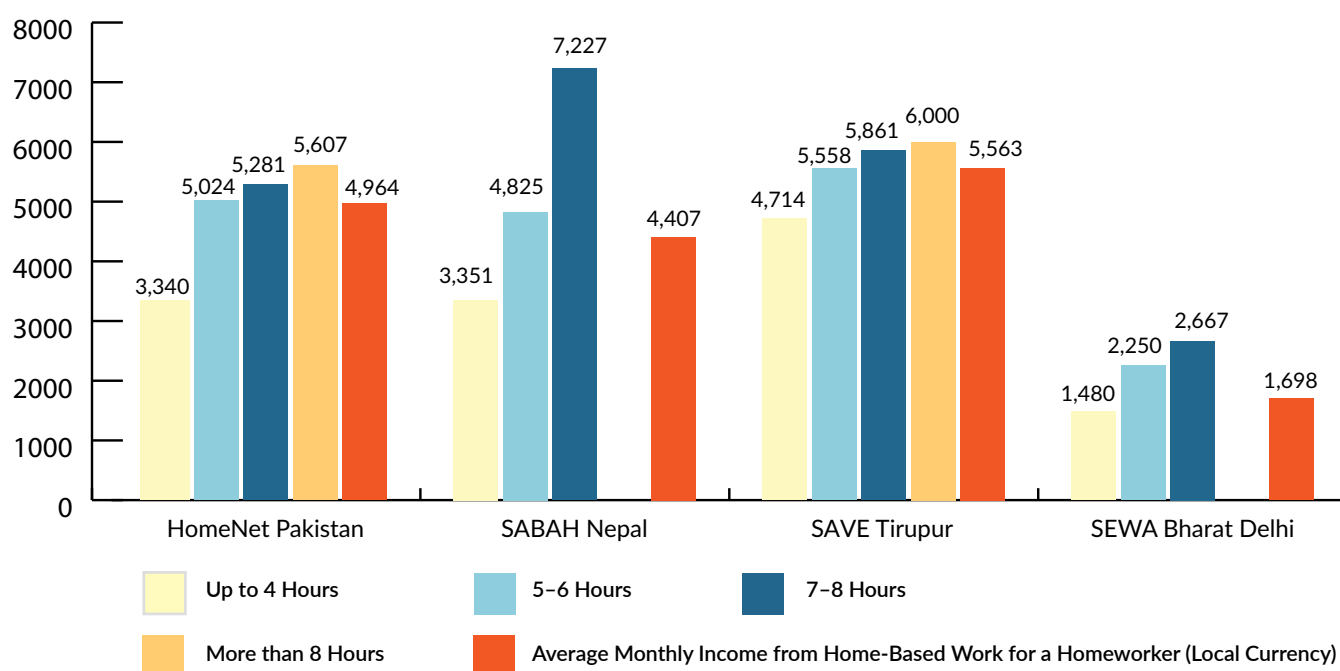
A workday of up to four hours accounted for 37% of responses. Five- to six-hour workdays were reported by 38%, while 24% specified working more than seven hours per day, as shown below.

Respondents from HomeNet Pakistan indicated a higher intensity of engagement in terms of number of hours of work per day. Sewa Bharat Delhi reported a higher engagement intensity regarding the number of days engaged per week.



Average Reported Monthly Income from Home-Based Work and Its Correlation with Work Hours Per Day

The income reported in interviews across all four clusters strongly correlates with the reported working hours for home-based work.



Those who worked longer hours per day reported higher monthly incomes across all four clusters. A trend was noted: Enhanced time commitment represented higher average income from home-based work.

Comparison of Monthly Home-Based Income with Respective Minimum Monthly Wages

Across all these countries, the reported average monthly income is significantly lower than the local minimum wage. The variance is the highest in Sewa Bharat Delhi and the lowest in Save Tirupur.

Name of the Cluster	Average Monthly Income from Home-Based Work for a Homeworker (Local Currency) (A)	Monthly Minimum Wage (Local Currency) in 2022 (B)	Average Monthly Income from Home-Based Work as % of Minimum Wage (Local Currency) in 2022 (A/B*100)
HomeNet Pakistan	4,964	25,000	20%
SABAH Nepal	4,407	15,000	29%
SAVE Tirupur	5,563	9,448	59%
SEWA Bharat Delhi	1,698	18,187	9%

Monthly Income Comparison from FGDs and Interviews

Income reported through FGDs and the interviews was consistent across all the clusters except Sabah Nepal, where FGDs reported higher income.

Insights on Wage Rates Fixation – Key Actors

Interview responses indicate that

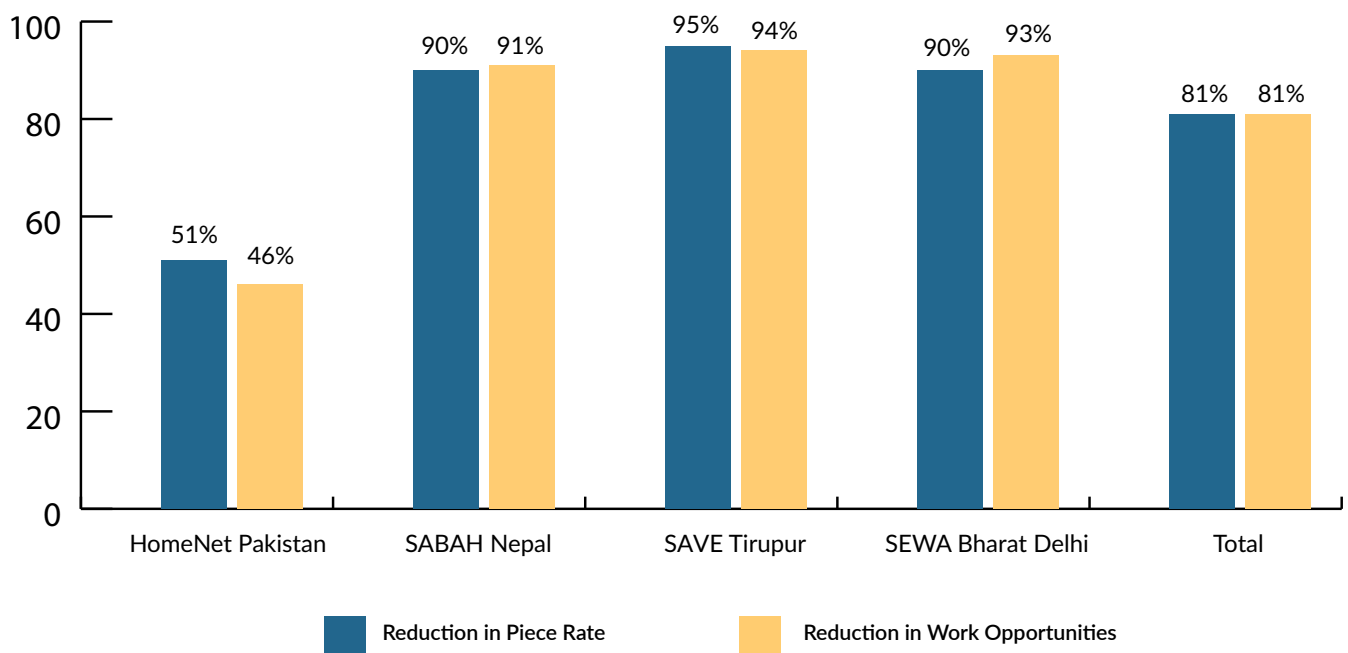
home-based workers have almost no role in deciding the wage rates for the products they make. The rates are determined chiefly by the contractors or, in some cases, by the company/brands for which the products are being made. Approximately 98% of workers reported having no say in wage rate fixation. About one-third of respondents, mainly from Tirupur

and Nepal, stated that the wage rates differ for different contractors.

COVID-19's Impact

As a result of COVID-19, home-based workers' orders were significantly reduced in terms of volume and piece rates. Home-based workers from HomeNet Pakistan reported the most negligible impact.

IMPACT OF COVID-19 ON HOME-BASED WORKERS' ORDERS (% OF RESPONDENTS)



Respondents, however, indicated a good recovery in terms of volume of work and piece rates after COVID-19's intense phase. Approximately 59% of respondents reported that piece rates had now increased from what they were pre-COVID-19.

Cluster-wise Wage Card Data Assessment

HomeNet Pakistan

Income Analysis Based on the Nature of Work

A review of the income from wage cards indicates underreporting of orders and income on wage cards. The average reported income over three months is around 2,820 PKR, while the average monthly income reported during interviews is around 4,964 PKR. It is not uncommon for

home-based workers to work on two orders simultaneously, recording only information about one and keeping details of the other in their diary. This leads to the under-reporting of actual income in wage cards.

The primary tasks the respondents reported engaging in were stone, stitching and stonework with needle

and thread. The average monthly income reported by those who do stonework with needle and thread was higher than those who do only stonework or stitching. Approximately 58% of respondents were involved in stonework; it also had the highest contribution (48%) towards the income for home-based workers in the cluster.

Sabah Nepal

Income Analysis Based on the Nature of Work

Most home-based workers pursuing different types of work, including stitching, tailoring, knitting and weaving, reported similar average income over three months. This is close to the average income reported in the interviews. Income comparison

with interview data indicates that the data is being captured for nearly all the orders the home-based workers might be working on. Knitting was the main activity of this cluster; almost 67% of respondents reported being engaged in it. It also had the highest order (57%) and income contribution (68%) towards the

home-based worker's earnings.

Sabah Nepal is the primary work provider of the total orders (78%), provides 75% of the total order value, and engages 75% of home-based workers in the cluster, offering all types of work: stitching, tailoring, knitting and weaving.

Save Tirupur

Income Analysis Based on the Nature of Work

Income was reported for a variety of activities that are done by the home-based workers here. Trimming (45% of respondents), checking (16% of respondents) and

rope insertion (14% of respondents) are the principal work activities reported by the respondents. Together, their contribution was around 75% of the home-based workers' overall income over three months. A review of the reported

income from wage cards indicates underreporting of orders and income; the average reported income over three months is around INR 5,330, while the average monthly income reported from interview data is around INR 5,563.

Sewa Bharat Delhi

Income Analysis Based on the Nature of Work

Income was reported for a variety of activities that are done by the home-based workers here. Stitching (72% of respondents) and cutting (19% of respondents) are the

primary work activities reported by the respondents. Stitching contributed to nearly 90% of the income earned by the home-based workers over three months. A review of the average three-month income from wage cards appears

aligned with the monthly income data reported in the interviews.

Sewa Ruaab workers were found to have a much higher income than those who were working for clusters.

Perception of Wage-Cards

Different partners managed the wage card distribution differently, leading to varying numbers of distributed cards. Most of those using the wage card found it useful as it helped them track when the order was received and finished, the piece rate, the income earned, the

time taken to complete an order and the ability to track their income. It also helps the partners/contractors keep relevant records of orders, which is valuable when calculating payments.

Terms of Engagement with Contractors

Perception of Wage Rate

While the daily income rates are lower than the respective minimum local wages in each cluster, the majority (approximately 82%) of the Interview respondents were either unaware of the minimum local wage rate or believed that their daily income was not below the minimum. The respondents noted that the home-based work comes through either the contractor (HomeNet Pakistan and Save Tirupur) or the partner organisations (Sabah Nepal and Sewa Bharat Delhi).

Wage Rate Fixation

The contractor or partner organisation decides the wage rates. FGD respondents indicated that the wage rates were lower than the value of the completed products, and the workers were not satisfied with the rates. Negotiations have resulted in some success in the case of Save Tirupur and Sewa Bharat Delhi. Home-based workers also felt that participation in a group results in enhanced negotiation power for workers.

Transparency

The interviews indicated that only a few home-based workers (approximately 22%) knew the companies/brands they were making products for. Nearly two-thirds of the respondents did not know for whom they

Most (97%) of the interview respondents reported that they get raw materials and the designs for the order from the contractors.

Payment of Wages

Payment mostly happens monthly, weekly or on order completion. The payment mode for most people (approximately 75%) is cash, while 24% of interview respondents (mostly from Sewa Bharat Delhi and some from Sabah Nepal) reported money transfers in bank accounts. Timely payment was reported by 94%; only 5% (about 20% from Nepal) said otherwise.

Challenges

Most (98%) of the interview respondents reported that they hadn't faced any challenges working with contractors. Only five people said that they faced some challenges. In FGDs, however, HomeNet Pakistan's respondents reported a few challenges, e.g., time pressure to complete work or inability to take leave.

made products. This awareness was the highest in Sabah Nepal, followed by HomeNet Pakistan, while it was the lowest in Save Tirupur.

RECOMMENDATIONS

1. The wage card is effective if used systematically and diligently. The cards enhance the workers' understanding of their orders, the time required to complete an order and income opportunity; it also helps the partners/contractors keep relevant records of orders, which is useful when they make payments.
2. Wage cards should be provided to all home-based workers in the cluster, not just a fraction. Ongoing capacity-building and training programs should provide periodic guidance on completing the cards.
3. Home-based workers should be encouraged to maintain the wage cards for all their work orders, not just those the partners provide. In a few cases, home-based workers do not indicate parallel orders they are working on, leading to under-reporting orders and, hence, income from home-based work.
4. A family member can be trained to maintain the wage card and associated details for home-based workers with literacy challenges. Alternatively, pictorial cards may also be designed in consultation with or with the participation of the home-based workers so that they can be efficiently completed.
5. Wage cards' data can be digitised for safe storage and further analysis for interesting insights.
6. The format of the wage cards can be tweaked and made consistent across all the clusters to include important data points.
7. Reasons for variable wages and income opportunities for home-based workers across different partner clusters depend on various factors. These include products being made, contractors involved in the value chain, brands and markets being served, amount of work and seasonality, home-based workers' negotiation power through organisation, supply and demand of home-based work and local government's guidance on minimum wages. These can be assessed through a follow-up study, as this was outside the scope of the current research.
8. Further capacity-building sessions should be organised to enhance awareness of home-based workers about critical aspects such as brands/markets served by them, terms of engagement with contractors and to enhance overall transparency in the home-based worker ecosystem.

HOMENET SOUTH ASIA TRUST

Registered Office:

Rogers House 5, President John Kennedy
Street Port Louis, Mauritius
T: +230 2031139

Liaison Office:

Flat No. 709, Indraprakash Building,
21, Barakhamba Road,
New Delhi - 110001 India
T: 011 41064643



Website: hnsa.org.in



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