

**Social Protection for Home-Based Women Workers in  
South Asia :  
Learning from Action and Research**

**Home Net South Asia  
and  
Institute of Social Studies Trust**

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## **Chapter Outline**

### **Section I: Introduction**

Chap 1. Objectives and methodology

Chap 2. The Context: Informal economy and home based work

Chap 3. Approaches to social protection in South Asia

### **Section II: Risks and Vulnerabilities of Home Based Workers in different sectors**

Chap 4. Garments

Chap 5. Weaving

Chap 6. Pottery

Chap 7. Pearl and shell collectors

Chap 8. Agarbathi

Chap 9 Hand made paper

Chap 10 Other sectors (Sri Lanka)

### **Section III: Social Protection: directions for action and policy**

Chap 11. Social protection: findings and recommendations

Chap 12. An action plan for the future

## Section I

The first chapter in this section lays out the objectives and the methodology of the study, and the sample selected for empirical work. Chapter 2 draws attention to the context in which the study has been undertaken, the size and key characteristics of the informal economy including home based workers in each of the five countries, and Chapter 3 reviews the existing approach to social protection.

While in each country women are concentrated in informal work, the importance of sectors varies. Thus, the dominance of garments in Bangladesh makes women workers there especially vulnerable to garment sector events. In India, as much as 45 % of non agricultural female work force is home based, however, there is no single sector in which they are concentrated. In Nepal, displacement from villages and traditional occupations has led to a significant increase in home based work in the Kathmandu valley in recent years. The practice of '*purdah*' partly explains the high proportion of home based and unpaid women family workers in Pakistan. The complementarities between formal and informal work are shown in the simultaneous growth of both in Sri Lanka.

Factors associated with increasing informalization of women's work include practices such as outsourcing and sub contracting that have increased with globalization; limited growth of employment opportunities in organised sector; limited access of women to land and property which limits their ability to borrow; social constraints on mobility.

Social protection in South Asia as currently conceptualised in government interventions includes poverty eradication programmes on the one hand, and worker-oriented social security which is largely confined to formal sector workers. For informal workers, Welfare Funds, where they exist, are seen as both practical and with good outreach; they imply a sectoral approach to social protection. In all countries, the outreach to workers in distant rural areas is particularly weak. Both conceptually, and in implementation, much remains to be done to ensure their inclusion.

## **Chapter 1: Objectives and methodology of the study**

### **1. Background and Motivation**

Home-based work is an increasingly important source of employment worldwide. It is estimated that there are over 100 million home-based workers in the world and over 50 million home-based workers in South Asia. HomeNet South Asia (HNSA), a network for home-based workers in South Asian countries, was established in October 2000 with the objective of strengthening the network of homebased workers and their organisations and to advocate for economic rights and social protection for these workers. HomeNet South Asia has been lobbying for a National Policy on Homebased Workers in five south Asian countries (Nepal, Bangladesh, Pakistan, Sri Lanka and India), which would be a direct outcome of ILO Convention-177.

Briefly, the aims of HNSA are to:

- Make home-based workers and their issues visible;
- Advocate for National Policies for Home-based workers in each country;
- Strengthen the grass-roots and particularly the membership based organisations of home-based workers in each country; and
- Create and strengthen South Asia Network of home-based workers and their organisations.

The last few years have brought certain issues to the forefront as a result of HNSA's efforts to document and make visible the situation of home based workers. These include,

- The number of women engaged in home-based work is increasing rapidly in South Asia. For example, globalisation and liberalisation has led to the closure of many large textile and clothing manufacturers, and many of the unemployed

labourers have taken up home-based work in order to provide for themselves and their families.

- While such workers contribute significantly to their respective national economies, they are mostly illiterate, invisible, unrepresented and voiceless, and are generally not incorporated in the national development agenda.
- Actual data on home-based workers is very limited. In most of the five countries, little research has looked at issues of special concern to home-based workers (and few studies have considered home-based workers as a category separate from the “informal sector”, thus contributing to their invisibility). Women home-based workers are not represented in the national statistics, documents, research and policies.
- Lack of awareness among home-based workers is a crucial issue. Women home-based workers in Sri Lanka, for example, were found to be unaware of a pension scheme established specifically for workers of the informal sector.
- Home-based workers face many income risks and yet are largely excluded from formal systems of social protection.
- There are many organisations and government agencies working among home-based workers but their activities have not been documented or evaluated.

Given HNSA ‘s objectives and the learning from its first few years of work, this project was designed to further the effort of finding ways to address the vulnerability of South Asian homebased workers by facilitating a process, which will lead to the preparation of and adoption of social protection for homebased workers in their respective countries.

## **2. Objectives**

This action-research on social protection issues attempted to understand the risks and vulnerabilities faced by home-based workers in several different situations, and the coping mechanisms that they use.

The specific objectives of the project were:

1. Explore risks faced across the life-cycle by home-based workers. This was to be done against the context of changing patterns of livelihood
2. Identify both governmental and non-governmental interventions that have been successfully implemented in order to address these risks.
3. Exchange practical experiences and research findings, and build capacity for research and advocacy, among Home Net South Asia member countries and organisations.
4. Use social security as a tool to organize homebased workers.
5. Prepare concrete social protection policies and programme prescriptions based on review of government and non government initiatives

### **3. Defining home based workers**

Home based workers are those who work from their homes. In this case their home is also their work place. This category does not include those workers who gather at another person's house to carry out some tasks. In terms of type of employment, home-based workers are primarily of two types – self-employed /own account workers; and piece-rate/ home-workers/ industrial out-workers. The study has incorporated both these categories of workers.

### **4. Methodology**

The study was carried out in five countries in South-Asia – Bangladesh, India, Nepal, Pakistan and Sri Lanka using action research methodology.

#### **4.1 Sample: Sectors studied**

The project decided to undertake a sector- based study of home based workers. Prior to the commencement of the project, HomeNet had carried out a mapping exercise of home-based workers carrying out different kinds of activities in each of the countries. The selection of sectors for this study was based on the mapping. Given the numerous sectors of industry where home based work is done, it was decided to select two common sectors

of industry across countries in South-Asia. In addition, a sector where the poorest of the poor home based workers were found would be included. The selection of the third sector was left to the individual country. The common sectors that were chosen were ready-made garments and weaving. Action-research on these sectors was carried out in Bangladesh, India, Nepal and Pakistan. For the poorest workers, sectors selected were pottery makers and pearl extractors in Bangladesh, *agarbatti* (incense stick) rollers in India, pottery makers in Pakistan, hand made paper workers in Nepal. In Sri Lanka, the common sectors could not be canvassed and a different selection was made, comprising mat making workers, coir workers, reed and cane item makers, jewellery makers and batik handicraft makers.

Given the size and diversity within each of the countries involved in the research, the study did not have the resources to include all regions in all countries. Hence the action-research was carried out only in specific locations in each country. The research findings therefore are not representative for the country as a whole; rather portray the situation in those specific areas only. However these findings are indicative of the risks that most home based workers are likely to face in the region.

The study has tried to cover a diversity of areas within the limited parameters. An effort has been made to include workers residing in urban, peri-urban and rural areas. The study has also tried to include workers of socio-economic, ethnic and age differences. As home based workers could be either own-account (self employed) and/or piece rate workers, both categories have been included in the study.

In a few areas of South-Asia, there have been efforts to organise home-based workers by various members of HomeNet in order to improve their wages and provide access to the market. The action-research hoped to capture the differences in the economic and social conditions of those who are organised and those who are not and consequently the differences in risks face, coping strategies and social protection needs of the two groups. In the South-Asian region, very few home – based workers have been organised. Therefore most workers (with the exception of India) in the sample are not part of any membership based organisation or trade union. In order to understand the gender differences in the situation of female and male home – based workers, the proposed

methodology had suggested that at least ten percent of the respondents should be males. (However while an effort was made to include ten percent males in FGDs and survey, this had not been possible due to various logistical reasons.) As home based workers are engaged in different tasks in the production process in various sectors, an attempt has been made to incorporate workers doing a variety of tasks in each sector.

## **4.2. Research Focus**

The research methodology was conceived with the aim to understand the experiences of home based workers with reference to:

- ◆ The types of risks faced
  - Across life-cycle
  - Short-term, long-term, cyclical
  - Idiosyncratic or co-variant
- ◆ Sources/causes of vulnerability
- ◆ Formal and informal coping strategies usually used
- ◆ Needs and social protection priorities of home based workers
- ◆ Accessibility to social protection schemes
- ◆ The impact of the changing economic scenario on home based workers.

## **4.3 Data collection methods**

The methodology has focused on collecting primary data. The lack of secondary data on the situation of home-based workers in the region was a factor in emphasizing the need to collect information from the field.

The research was conducted in three phases. In the first phase, qualitative methods were used for conducting research. Focused group discussions (FGDs) and interviews were used to gather information on the situation of home-based workers. In the second phase, a quantitative survey was carried out. The interview schedule for the survey was based on the issues that were discussed by home based workers during the first phase of research.



The third phase consisted of a review of 'best practices' of governmental and non-governmental programmes and policies for home based workers.

The qualitative study was carried out in more locations than the quantitative survey. Due to time and resource constraints it was not possible to go back to all the locations where the FGDs and interviews were held. Hence, the survey was conducted at fewer locations.

A common interview schedule was used in all the countries for conducting the survey. The exception was in Pakistan where two schedules were used, one of which was the common schedule. All interview schedules were translated in the local language at the time of the survey.

In Sri Lanka, the project had to be postponed by some months as the NGO and the areas where the study was to be conducted was directly affected by the tsunami on December 26, 2004. During the project period, a major earthquake hit Pakistan and northwest India, with large scale damage and loss of life, especially in Pakistan Administered Kashmir. In Bangladesh some of the participants working in the pearl and shell sector lost their lives due to lack of affordable medical care and poverty. These incidents have increased our desire to translate the findings from the research into programmes that will improve the situation of home based workers in the region.

#### **4.4. Ethical issues**

The project had laid out certain ethical guidelines to be followed while conducting research.

- Care has been taken to protect identity and maintain confidentiality of the workers. Hence all the names of the participants have been changed, and pseudonyms have been used in all places in the report.
- All respondents have participated of their own free will.
- The purpose of the study was explained to the participants.

**Table 1: Quantitative Survey – Number of respondents**

Country	Sectors	Number of respondents			Total
		Female	Male	Combined	
Bangladesh	Weaving	47	3	50	150
	Garments	50	0	50	
	Pearl extraction	25	0	25	
	Pottery	21	4	25	
India	Weaving	50	7	57	171
	Garments	47	8	55	
	Agarbatti	59	0	59	
Nepal	Weaving	57	22	79	143
	Garments	26	4	30	
	Handmade paper	17	17	34	
Pakistan	Weaving	70	5	75	222
	Garments	68	6	74	
	Pottery	68	5	73	
Sri Lanka	Mat making	24	1	25	151
	Coir	62	5	67	
	Reed and cane	9	2	11	
	Jewellery	18	9	27	
	Batik	9	12	21	

## Chapter 2: The Context: Informal Economy in South Asia <sup>1</sup>

### 1. Background

The informal economy is a dominant part of the South Asian economy.<sup>2</sup> Further, in the South Asian context, there exists a high degree of overlap between those who are considered 'poor' as per an income criterion, and those who are in informal employment. Within this informal sphere, women home based workers constitute a significant component. It is estimated that there are over 100 million home-based workers in the world and over 50 million home-based workers in South Asia - of whom around 80 per cent are women.<sup>3</sup> Recent years have seen this particular group attracting policy attention for itself, as distinct from 'the poor'. **Within the host of policy directives desired for such workers, the concept of social protection has come to the fore. However, it is also not always clear what kind of protection is intended by the term 'social protection'.** In its usual understanding, social protection seeks to enable people to cope with crisis situations that may be expected or unexpected. The poor however are often in a state of persistent crisis, a result of low incomes, poor health, difficult environment, and other structural causes.<sup>4</sup> Dealing with an episodic problem is very different from dealing with a perennial one, and this is the main reason why social protection in the context of poor countries becomes very difficult to distinguish from poverty eradication.

At the same time, it has become evident that there are characteristics of informal employment that limit the access of workers to various kinds of protection even where income may be comparable. In other words, being part of an organized industrial structure also means having a level of social security, even at the lowest levels of income, which is not available to workers who are not part of this structure. If informality is accepted not as a transient phenomenon, but rather as an aspect of the production process

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<sup>1</sup> We gratefully acknowledge the assistance of Jenny Svensson, who reviewed the literature for Nepal and Pakistan.

<sup>2</sup> 'What is seen as a majority depends critically on what principle of classification is used....the status of being a majority in India can be attributed among other groups to the people who do not work in the organized industrial sector', *The Argumentative Indian*, Amartya Sen, p 55.

<sup>3</sup> Kathmandu Declaration, 2000.

<sup>4</sup> Unni, Jeemol and Rani, Uma, *Social Protection for Informal Workers: Insecurities, Instruments and Institutional Mechanisms*, SES Papers, ILO, September 2002

and its organization, which manifests from deep rooted social and cultural traditions, it becomes easier to understand why the question of providing social protection to workers in informal employment is both necessary and also viable.<sup>5</sup>

**The following section is a prelude to the study and its findings. This chapter briefly reviews the context in which this study was undertaken, the size and characteristics of women's employment in the informal economy.**

## **2. Definitional issues**

Any discussion regarding the informal economy must start with some clarity on what is being seen as 'informal', given the absence of any universally accepted definition. The term was adopted for the first time in 1993 at the 15<sup>th</sup> International Conference of Labour Statisticians (ICLS) which incorporated a definition of the 'informal sector' in the International System of National Accounts (1993 SNA). The 1993 ICLS defined the informal sector *as a group of household enterprises or incorporated enterprises owned by households that include: informal own-account enterprises, which may employ contributing family workers and employees on an occasional basis; and enterprises of informal employers, which employ one or more employees on a continuous basis. The enterprise of informal employers must fulfil one or both of the following criteria: size of unit below a specific level of employment, and non-registration of the enterprise or its employees.*<sup>6</sup>

It was recognised that the ICLS definition focused exclusively on the status of the enterprise and was not able to cover all aspects of informality in the economy. The definition includes only one category of workers i.e. employees of informal enterprises.<sup>7</sup>

In recent years, the term informal sector has been replaced by a more comprehensive term 'informal economy' that includes both enterprise and employment status. The ILO has conceptualised the informal economy as comprising of '*informal employment*

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<sup>5</sup> Beneria, Lourdes, Changing Employment Patterns and the Informalisation of Jobs: general trends and Gender Dimensions, SES Papers, ILO, August 2001

<sup>6</sup> Women and men in the informal economy: a statistical picture, p11

<sup>7</sup> Supporting workers in the informal economy: a policy framework, ILO, p5

*(without secure contract, worker benefits, or social protection) both inside and outside informal enterprises'. Informal employment refers to both self employment and wage employment – that is not recognised, nor regulated nor protected by legal or regulatory framework and non-remunerative work taken in income producing enterprises.*<sup>8</sup> The distinguishing feature of the informal economy is that most workers whether self employed or wage workers are deprived of social protection safeguards including work security, health care, retirement benefits and even representation.

**The definitions used in statistical surveys in different countries vary considerably<sup>9</sup>. For this reason it is difficult to compare data across countries.** In the reviews that follow, data is presented country wise to avoid inappropriate comparisons.

### **3. Informal economy in South Asia**

South Asia, like other parts of the developing world, is characterized by a large proportion of employment being informal, and a large proportion of enterprises being informal. That is, **irrespective of whether we use an enterprise based definition or an employment based definition, the informal component still remains the significant part of the economy. It is important to keep in mind that this situation pre-dates globalization.**<sup>10</sup> However, recent trends of informalisation of employment within formal enterprises are also evident in South Asia as well as in the developed world.

Evidence from different parts of the world shows that globalisation during the 1990s, contributed to the informalisation of the work force in many industries and countries. Global competition has had the effect of encouraging formal firms to hire workers at low wages with few benefits or to sub-contract (or out-source) the production of goods and services.<sup>11</sup> In some cases, work is pushed out of the factories and formal work situations into small workshops (sweatshops), the homes and informal situations. Such sub-contracting can be both domestic and international. In addition, workers who remain in the factories or in formal work arrangements are governed by looser contracts and obtain

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<sup>8</sup> Women and men in the informal economy: a statistical picture, 2002, p12

<sup>9</sup> <http://www.ilo.org/public/english/employment/gems/eoo/download/kilm07.pdf>

<sup>10</sup> A Fair Globalization: Creating Opportunities for All, p 60

<sup>11</sup> Women and men in the informal economy: a statistical picture, 2002, p10

fewer social security benefits.<sup>12</sup> Informal employment also includes work of a stand alone variety – such as street vendors, domestic service providers and so on, not linked to any enterprise, formal or informal. Both competition and co-operation connect the formal with the informal: packaged products are displacing home made edibles on the one hand, while automobile manufacturers are outsourcing certain processes, and business process outsourcing is producing new forms of employment, both formal and informal.

The large informal economy of South Asia is also characterized by relatively stable production arrangements. **This may be because in addition to the fact that informality is a characteristic of the production process as it has evolved over the years, it is also embedded in social norms and social relations.** This will be discussed further in the specific context of home based work.

### **3.1. Women in Informal Employment: South Asian Overview**

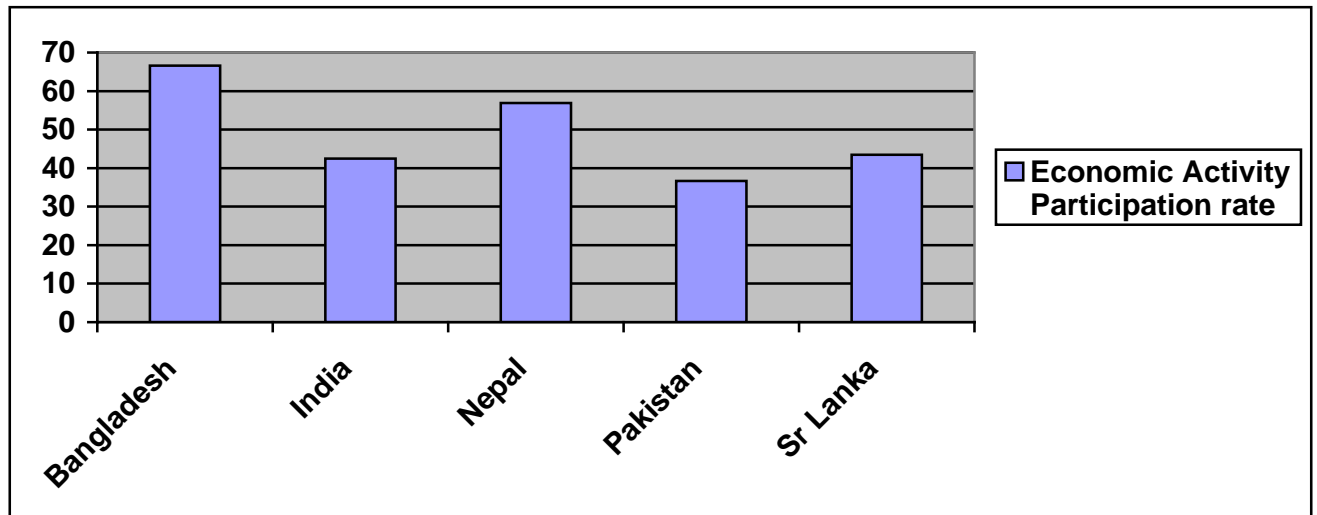
**In South Asia, women’s economic activity participation is roughly half that of men and varies from a low of 36.7 % in Pakistan to a high of 66.5% in Bangladesh (Table 1).**  
<sup>13</sup> **A large proportion of women workers are unpaid family workers, whose contribution in terms of time and production however is substantial.**

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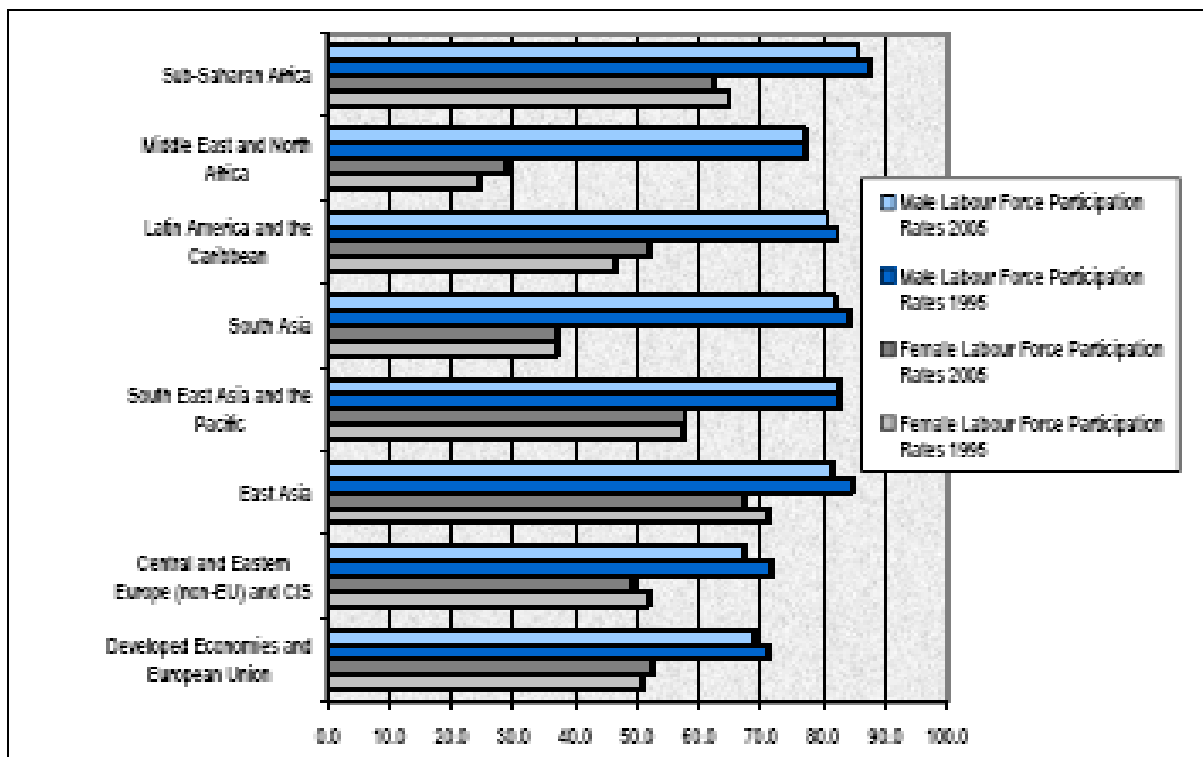
<sup>12</sup> Jeemol Unni, Gender and Informality in the Labour Market in South Asia, WIEGO [www.wiego.org/papers/unni.pdf](http://www.wiego.org/papers/unni.pdf)

<sup>13</sup> UN Human Development Report, 2005

**TABLE 1: Women's economic participation in South Asia**



Source: UN Human Development Report, 2005



Source: ILO Global Employment Trends 2006

There are various problems which pertain to the measurement and understanding of women's work.<sup>14</sup> The under-enumeration of women workers in census and large scale labour force surveys is a well known problem. Such under-enumeration is greater in countries such as those in South Asia, where there are social and cultural barriers to women's work. This occurs both because the respondent does not perceive unpaid family work or home based work, as 'work' for purposes of enumeration. At the same time the interviewer shares the same bias. Thus, micro studies that are able to probe into women's activities show a far higher work participation of women than is usually recorded in large scale surveys.

It is estimated that 50-80% of non-agricultural employment in developing nations is informal. Within this 60-70% of informal workers are self employed. In the Asian context, it is estimated that 65% of non-agricultural women workers are found in the informal economy.<sup>15</sup> More than half the women in South Asia working outside the field of agriculture are self employed. South Asian nations have been found to have higher shares of women working in the informal economy. For instance, 86% of the female Indian non-agricultural labour force is working in the informal economy.

Tables 2 and 3 below provide some more data on women's work in South Asia. **They suggest that women's propensity in unpaid work and self employment in South Asia has been significant and this share has grown in the globalized era.**

Table 2: **Self-employment as percentage of non-agricultural employment**

Region	1980/1990			1990/2000		
	All persons	Women	Men	All persons	Women	Men
World	<b>26</b>	<b>28</b>	<b>25</b>	<b>32</b>	<b>34</b>	<b>27</b>
Asia	26	24	26	32	32	30
Southern Asia*	<b>40</b>	<b>38</b>	<b>40</b>	<b>50</b>	<b>55</b>	<b>48</b>

<sup>14</sup> Progress of the World's Women, UNIFEM, 2005, p 23-35

<sup>15</sup> Women and Men in the Informal Economy : A Statistical Picture , ILO, 2002



Bangladesh	53	53	53	75	83	73
India	44	55	42	37	41	38
Nepal	59	80	49			
Pakistan	51	40	51	43	34	44
Sri Lanka	17	9	19			

Source: *Women and men in the informal economy: A statistical picture, 2002*

\* Includes Iran

**Table 3: Women's self-employment has increased where self-employment as a proportion of the non-agricultural labour force has grown, 1990/1997**

	Percentage of non-agricultural labour force who are self-employed		Percentage of female non-agricultural labour force who are self-employed	
	1970	1990	1970	1990
Southern Asia	33	44	31	35

Source: *The World's Women, 2000 Trends and Statistics*

**It is also imperative to note that women working in the informal economy are concentrated in areas which are associated with unstable or no earnings.** Further due to their reproductive roles and social stigma, women are able to work fewer hours in paid work and are often involved in unpaid family work.<sup>16</sup> Table 4 and 5 illustrate the point.

**Table 4: Percentage of unpaid workers**

	Women	Men
Southern Asia	40	11

Source: *The World's Women, 2000 Trends and Statistics*

<sup>16</sup> Progress of the World's Women , UNIFEM, 2005

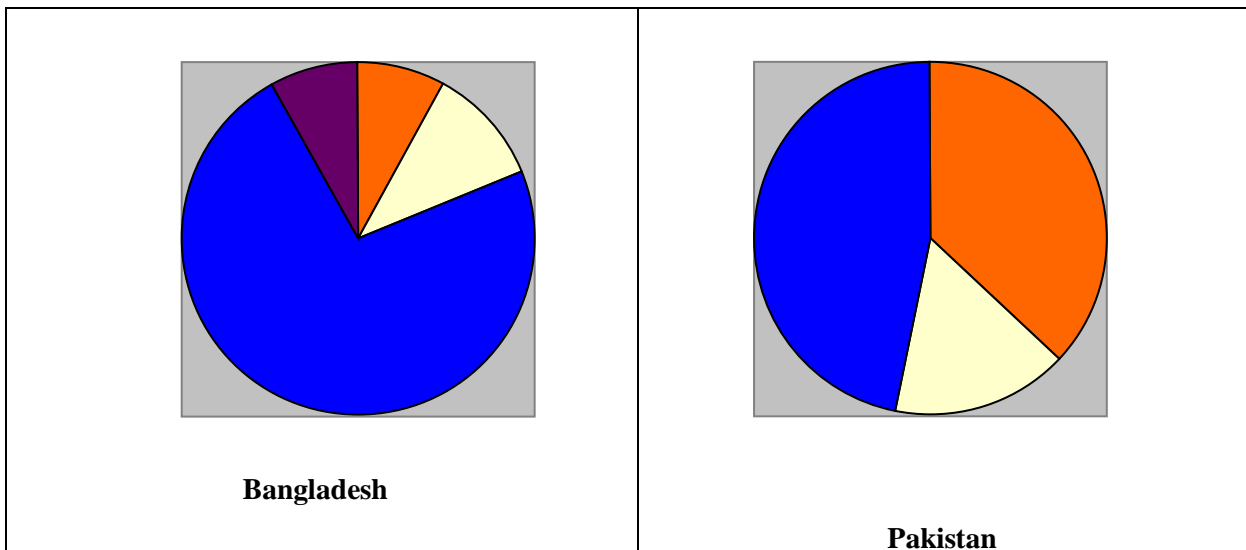
**Table 5: Percentage of women and men as contributing family workers**

	Women	Men
Bangladesh	73	10
India	-	-
Nepal	13	6
Pakistan	47	16
Sri Lanka	21	4

*Source: The World's Women, 2005*

**However, each South Asian nation has specific characteristics in terms of women's work.** Table 6 makes this point more clear as it shows the distribution and status of women's employment in different South Asian nations.

**Table 6: Employment Characteristics of women's work in four South Asian nations**





Source: *The World's Women, 2005*

**A brief review of the size and characteristics of informal employment in each country follows.** It should be noted that these are based on national data, definitions vary, and direct comparison of data across countries is not possible.

### 3.2. Bangladesh

According to the 1995 Labour Force Survey (LFS), **the total civilian labour force comprised of 56 million people**, of which 54.6 million constitute the active civilian labour force. The crude activity rate (both sexes) was calculated to be 46% and the labour force participation (refined activity) 64%. The latter stood at 74.7 % in 1989 and 69.6% in 1990-91. **The female labour force participation (refined activity) rate was 85.3% in 1989, and 50.6% in 1995-96.** As a percentage of the combined labour force participation, **the female labour force has fallen** from 41.4 per cent in 1989 to 38 per

cent in 1995. **The percentage of labour force in the agricultural sector has steadily declined from 73.8 in 1989 to 63.2 in 1995.** <sup>17</sup>

**A comparison of the labour force participation between 1990 and 1995 shows a decline in female participation in the agricultural sector** from 55.8% in 1990-91 to 54.4% in 1995-96. **The percentage in non-agriculture went up from 11.9 in 1990-91 to 22.6 in 1995-96.** The change in male participation rates in the two sectors was slight over the same period. Within the non-agricultural sector, 65% of women and 76% of men were in the services sector.<sup>18</sup> Although women are economically active, female labour force participation is under reported and many women are unpaid family workers. Among employed women 72.7 % are unpaid family members (78.6 % in rural areas and 37.6 % in urban). Self employed women constituted 10.4% overall (9.1 in rural and 18 in urban). Employees were 9.8 overall (5.1 rural and 37.6 urban).<sup>19</sup>

**According to data for 1999-2000, about 81.1% of the economically active people are in the informal sector,** which is less than the percentage in the informal sector in 1995-96 (87 percent). The decrease in the informal sector shows a correspondence with an increase in private formal employment in Bangladesh. This went up from 8.8 % in 1995-96 to 14.4 % in 1999-00. The corresponding increase in public formal employment was from 4.2 % to 4.5 %.<sup>20</sup>

**Women's participation in the labour force has been increasing continuously, particularly in the service sector and export-oriented industries dominated by garments and textiles.** But women continue to face discrimination and they dominate the low paid jobs. A survey conducted showed that women receive lower wages than

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<sup>17</sup> Bangladesh Bureau of Statistics, Labour Force Survey, 1989, 1990-91 and 1995-96  
[http://www.mdgbangla.org/mdg\\_issues/gender\\_equ\\_women\\_emp/gender\\_equ\\_women\\_emp\\_data\\_bbs.htm](http://www.mdgbangla.org/mdg_issues/gender_equ_women_emp/gender_equ_women_emp_data_bbs.htm)  
The Bangladesh labour force survey includes all economically active people aged 10 and above as part of the labour force.

<sup>18</sup> *ibid* Labour force survey, 1990-91 and 1995-96  
[http://www.mdgbangla.org/mdg\\_issues/gender\\_equ\\_women\\_emp/gender\\_equ\\_women\\_emp\\_data\\_bbs.htm](http://www.mdgbangla.org/mdg_issues/gender_equ_women_emp/gender_equ_women_emp_data_bbs.htm)  
and [www.sdnbd.org/sdi/issues/agriculture/database/labour\\_force.htm](http://www.sdnbd.org/sdi/issues/agriculture/database/labour_force.htm)

<sup>19</sup> World Bank, 2003, Poverty in Bangladesh: Building on Progress, World Bank, Dhaka

<sup>20</sup> Megh Barta: Issue 01, Oct/Nov 2003: [www.meghbarta.org/2003/november/econo](http://www.meghbarta.org/2003/november/econo)

men even in the garments sector. 73% of female workers as opposed to 15 percent of their male counterparts did not receive even the minimum wage<sup>21</sup>.

**As most of the women workers (an estimated 1.4-1.8 million) are concentrated in the garment sector, they are extremely vulnerable to fluctuations in the garment export market.** Besides low wages, working hours are long; health and safety conditions are poor; few receive maternity benefits; few workers have formal contracts that provide job security and labour turnover is high. Thus, these workers are in immensely vulnerable positions and need social protection. The phase-out of the MFA could result in further setbacks for women workers. As most of them possess few skills and means to find alternative jobs, and are inadequately covered by social protection.<sup>22</sup> There are indications that garment factories in Bangladesh have started to shut down<sup>23</sup>.

### 3.3. India

**Statistics show that 93% of all workers in India are in informal employment; the percentage is even higher for women, at 96%.** In 2000, 74% of women workers were in agriculture, and 60% of men. 99% of agricultural workers are in informal employment. **In the non-agricultural sector, 86% of women and 83% of men are in informal employment<sup>24</sup>.** Informality of employment is thus a key characteristic of the workforce in India. Several studies suggest that there has been an increase in sub-contracting, casualisation and outsourcing, trends that have increased the incidence of informality in work and the corresponding precariousness of the terms of employment. The emergence of global value chains linking units in different countries has been associated, in some sectors, with increased outsourcing to home based women workers, a trend that is explained partly by pre existing social norms and networks, and partly by economic factors.

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<sup>21</sup> Syeda Sharmin Absar, 2001. 'Problems surrounding wages: the readymade garments sector in Bangladesh'. Labour and Management in Development Journal, Vol.2, No.7, Asia Pacific Press, ANU. <http://eprints.anu.edu.au/archive/00002115/>

<sup>22</sup> Decent Work Pilot Programme: Bangladesh; CONCEPT NOTE

<sup>23</sup> BBC News, 06 January, 2005 'Bangladesh Garments Aim to Compete' [http://news.bbc.co.uk/1/hi/world/south\\_asia/4118969.stm](http://news.bbc.co.uk/1/hi/world/south_asia/4118969.stm)

<sup>24</sup> ILO Women and Men in the Informal Economy: A Statistical Picture, Geneva: International Labour Office, 2002

**While women remain concentrated in agriculture, there has been some increase in the employment in export oriented manufacturing units.** According to Census data the work participation rate of women was 15.9 % in 1991, and 14.68 % in 2001 (for main workers). The corresponding numbers for marginal workers were 6.3 % and 10.9 %. This stands in contrast to the picture for males, as data suggests that most males are in relatively stable employment (with 45 % recorded as main workers and 6% as marginal in the 2001 Census). While the increased incidence of casual work has affected both male and female workers, it is far more striking for females. Another important feature of women's work is that 45 % of the non-agricultural female workforce is home based.<sup>25</sup>

A recent study of 1500 firms in the factory sector of manufacturing in India confirms that informalisation of employment is taking place here. The study reports that

'Total employment in the sampled firms....increased at 2.84 per cent per annum compound between 1991 and 1998....Our study showed that employers brought about an increase in total employment by increasing the share of non-permanent employees and increase in manual employment by increasing the share of women workers.....Employers increased employment but only of one or the other category of non-regular flexi-workers....

In the developed countries industrialization was associated with greater security of employment and income. **Critics of liberalization and globalization forecast dualistic labour markets coming into existence everywhere.** Indian labour markets have been dualistic and the new economic policy, according to the critics is likely to widen this dualism. We found that over the 7 years of liberalization dualism did increase. The share of permanent manual workers declined from close to 68 per cent in 1991 to 64 per cent in 1998.'<sup>26</sup>

**The contribution of the unorganized sector in India to the total GDP is roughly 60%.**

### **3.4. Nepal**

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<sup>25</sup> Jeemol Unni and Uma Rani, 'Impact of Recent Policies on Home Based Work in India', Human Development Resource Centre, UNDP, New Delhi, 2004

<sup>26</sup> Lalit K. Deshpande, Alakh N. Sharma, Anup K. Karan, Sandip Sarkar, 2004, 'Liberalisation and Labour : labour flexibility in Indian manufacturing', Institute of Human Development, New Delhi. Pp 145,148.

**According to the Nepal Labour Force Survey 1998-1999, the employed population from the age of 15 and above was 94,63,000 in total.** Out of these, 4 736 000 were male and slightly less, 4 727 000, were female.<sup>27</sup> During the last decades the female participation in the workforce in Nepal has increased. **Whereas in 1971, 35.1% of the female population was economically active,** in 1981 the figure was 46.2%, for 1991 it was 45.5% and **in 2001 the rate had increased to 66.4%.**<sup>28</sup> However, some variations in the definitions used can be responsible for some of the measured increase.

**While agriculture continues to be the most important sector of employment for women in Nepal, its importance has slightly decreased, from 98.2% in 1971, to 96.1% in 1981 to 90.5% in 1991.**<sup>29</sup> The three other larger sectors are services, where 3.8% of the working women are employed; production where 1.9% are employed and finally sales where 1.7% are working.<sup>30</sup> **Overall, women are concentrated in low status, low wage, low skill jobs within and outside agriculture.**<sup>31</sup>

**Information from the Nepal Labour Force Survey 1998-1999, out of the total number employed, 9 463 000, the majority worked in the agriculture sector, 7 203 000.** Of those working in the non-agriculture sector, 603 000 were employed in the formal economy while 1 657 000 worked in the informal sector.<sup>32</sup> There is a big difference between women and men for the number employed in the formal or informal sector. While 509 000 men were employed in the formal non-agricultural sector and 1 052 000 in the informal non-agricultural sector, only 94 000 women were working in the formal sector while 605 000 were working in the informal sector.<sup>33</sup> The informal economy in Nepal cuts across various sectors; agriculture, but also trading, services and

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<sup>27</sup> Nepal Labour Force Survey 1998/99, [http://www.cbs.gov.np/hhold\\_survey/nlfs\\_t11.htm](http://www.cbs.gov.np/hhold_survey/nlfs_t11.htm)

<sup>28</sup> See Ministry of Population and Environment, Nepal Population Report 2002, Chapter 8 Economically Active Population, <http://www.mope.gov.np/population/chapter8.php>

<sup>29</sup> *ibid*

<sup>30</sup> *ibid*

<sup>31</sup> Chapter 3, Economic Participation of Women, p. 25,

[http://www.adb.org/Documents/Books/Country\\_Briefing\\_Papers/Women\\_in\\_Nepal/chap\\_03.pdf](http://www.adb.org/Documents/Books/Country_Briefing_Papers/Women_in_Nepal/chap_03.pdf)

<sup>32</sup> Nepal Labour Force Survey 1998/99, [http://www.cbs.gov.np/hhold\\_survey/nlfs\\_t11.htm](http://www.cbs.gov.np/hhold_survey/nlfs_t11.htm)

<sup>33</sup> *ibid*

cottage industries are mainly organised in an informal way in Nepal.<sup>34</sup> **According to calculations by the World Bank, the contribution of the informal economy in Nepal to GNI is 38.40%.**<sup>35</sup>

**One commonly given explanation for the growth of the informal economy is that there are not enough jobs in the formal economy for the increasing and often unskilled workforce.**<sup>36</sup> In Nepal, one factor given for labourers choosing to take up informal jobs seems to be the increasing population growth and the rising unemployment.<sup>37</sup> Because of the conflict, many young people have also been displaced from their villages and head for the cities.<sup>38</sup> It has been argued that “due to low capability of creating employment in the formal sector a culture to work in the informal sector in the form of self-employment is slowly developing”, and many educated people have also begun to enter the informal sector.<sup>39</sup> **Political-economic reasons may also be part of the explanation in Nepal, where flexibility and self-employment has been actively promoted by the government and set out as objectives in their Tenth Plan.**

**Some further factors have been stressed to explain why there are so many women in the informal economy in general, and doing home-based work in particular.**

**Women’s lack of access to and control over productive resources** such as land and property makes it difficult for them to take part in the formal economy on an equal basis with men. This contributes to many women working in the informal sector. Although Nepal’s 1990 Constitution gives women equal rights for property inheritance, no specific laws are enforcing it. Rather, women’s control over economic resources is limited because of the Nepalese family laws concerning marriage, divorce, property rights and inheritance.<sup>40</sup> With little access to property, women have little possibility of getting credit

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<sup>34</sup> Prem R. Uprety, “Youths of Nepal and Employment Scenario in a Civil Society” in The Weekly Telegraph, Kathmandu, Wednesday, 21 April 2004, available at <http://www.nepalresearch.com/>

<sup>35</sup> <http://rru.worldbank.org/DoingBusiness/ExploreEconomies/BusinessClimateSnapshot.aspx?economyid=136>

<sup>36</sup> SIDA, p. 5, 9, <http://rru.worldbank.org/Documents/PapersLinks/Sida.pdf>

<sup>37</sup> Labourers in Need of Social Security, Kathmandu March, 19<sup>th</sup>, available at <http://www.nepalresearch.com/>

<sup>38</sup> *ibid*

<sup>39</sup> Prem R. Uprety, “Youths of Nepal and Employment Scenario in a Civil Society” in The Weekly Telegraph, Kathmandu, Wednesday, 21 April 2004, available at <http://www.nepalresearch.com/>

<sup>40</sup> Chapter 3, Economic Participation of Women, p. 25, [http://www.adb.org/Documents/Books/Country\\_Briefing\\_Papers/Women\\_in\\_Nepal/chap\\_03.pdf](http://www.adb.org/Documents/Books/Country_Briefing_Papers/Women_in_Nepal/chap_03.pdf)



from formal or informal institutions.<sup>41</sup> That **women in Nepal are largely restricted to the household by social custom** is one reason why many of them are involved in home-based work.<sup>42</sup>

### 3.5. Pakistan

According to the Ministry of Labour, Manpower and Overseas Pakistanis, **as on the first of January 2002, the population of Pakistan was estimated to be 141.92 million, out of which 73.58 million were male and 68.34 million were female.**<sup>43</sup>

The Crude Activity Rate, defined as the percentage of persons in labour force to the total population, was in 2001-2002, for men, 48.0%, and for women it was estimated to be only 9.9%.<sup>44</sup> An improved female population rate has also been calculated, where persons above 10 years in housekeeping and other related activities were classified as employed “if they have spent time on the specified fourteen agricultural and non-agricultural activities”. The improved female participation rate was 25.8%.<sup>45</sup> Another calculation has been made of the Refined Activity (Participation) Rate, which is the percentage of the population in labour force to the population 10 years of age and above.<sup>46</sup> For 2001-2002 the rate was 43.3% for both sexes. The Male Refined Participation rate was 70.3% and the female participation rate was 14.4%. In this case, the improved female participation rate was 37.7%.<sup>47</sup>

**Women were mainly concentrated in the sector of agriculture, forestry, hunting and fishing where 64.6% of the employed women worked. 17.4% of the women worked in community, social and personal services.** 15.2% were in the sector of manufacturing and mining. 1.9% were involved in wholesale and retail trade. Very few, 0.4% worked in transport, storage and communication, 0.3% were in construction and 0.2 were in other

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<sup>41</sup> *ibid* p. 26

<sup>42</sup> *ibid* p. 36

<sup>43</sup> Ministry of Labour, Manpower and Overseas Pakistanis, Basic Statistics on Manpower and Employment, <http://www.pakistan.gov.pk/labour-division/information/services/bstat.pdf>

<sup>44</sup> Section III, Results, Table 5, p. 13, [http://www.statpak.gov.pk/depts/fbs/publications/lfs2001\\_2002/results.pdf](http://www.statpak.gov.pk/depts/fbs/publications/lfs2001_2002/results.pdf)

<sup>45</sup> *ibid*

<sup>46</sup> *ibid* p. 12

<sup>47</sup> *ibid* Table 6, p. 15

activities.<sup>48</sup> In recent years some changes in women's employment patterns could be seen, for example, from 1999- 2000 to 2001-2002, the share of women in manufacturing has almost doubled, from 8.4% to 15.2%.<sup>49</sup>

Looking at the distribution among employment status for 2001-2002, among women 0.3% were employers, 15.7% were self-employed, and 46.9% were unpaid family helpers, while 37.1% were employees. For men the picture looked different, with 0.9% being employers, 42.4% being self-employed, 16.4% being unpaid family helpers and 40.3% being employees.<sup>50</sup>

The definition used in the Labour Force Survey of Pakistan for informal sector activities excluded agriculture. Outside the agricultural sector, 64.6% of the working people were situated in the informal sector. For the whole of Pakistan, the percentage of women working in the informal sector was 37.0%, while the percentage of men was somewhat lower, 35.3%.<sup>51</sup> In rural areas, 68.3% of the people were working in the informal sector while in urban areas the figure was slightly less, 61.1%.<sup>52</sup> (For discussion on definition of informal economy in Pakistan see the paper by Gennari, p. 4-5).

**The distribution of informal workers into different industry divisions shows a quite different picture for women compared to men.** The vast majority of women within the informal sector were engaged in manufacturing, 57.5%. About a third, 32.4%, worked with community, social and personal services, while 7.6% worked in wholesale and retail trade. A small number, 1.3%, were in construction, and 1.0% worked with transport, storage and communication while 0.2% were in other divisions.<sup>53</sup> For men on the other hand, wholesale and retail trade was the major division, encompassing 36.5% of the informal workers. 17.6% were in community, social and personal services and about the same amount, 17.3%, worked in manufacturing. 15.1% worked in construction, 12.7% in with transport, storage and communication, while 0.8% were in other sectors.<sup>54</sup>

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<sup>48</sup> *ibid* Table 10, p. 18

<sup>49</sup> *ibid*

<sup>50</sup> *ibid* Table 12, p. 22

<sup>51</sup> *ibid* Table 14, p. 23

<sup>52</sup> *ibid*

<sup>53</sup> *ibid* Table 15, p. 24

<sup>54</sup> *ibid*

**When looking at the distribution of informal sector workers in major occupational groups, there was also a large differential among the genders. For women, the three largest groups were craft and trade related workers, 59.9%, elementary (unskilled) positions, 22.9% and technicians and associate professionals, 8.5%. For men 29.6% were craft and trade related workers, 26.3% were legislators, senior officials and managers and 22.9 % had elementary (unskilled) positions.**<sup>55</sup>

The employment in the informal sector has over the five-year-period 1996-7 – 2001-2 increased at a pace of 1.8%, which is faster than the formal sector at 1.6%.<sup>56</sup> The trends have been that from 1996 to 1998, informal sector employment rose while formal sector employment decreased. From about 1998 to 2000 the opposite happened, formal employment increased and informal employment decreased. From that point on both increased, the informal sector at a higher rate.<sup>57</sup>

In calculations made by Gennari, he has **estimated the contribution of the informal sector to GDP in Pakistan for 1999-2000 to be about 21.2%.**<sup>58</sup>

In Pakistan, the **notion of protecting women’s respectability through “purdah” contributes to the large number of home-based women workers.**<sup>59</sup>

### **3.6. Sri Lanka**

**In Sri Lanka, there has been a rise in work participation rates of both males and females from 1995 to 2000.** The male participation rate went up from 64.4 % in 1995 to 67.2 % in 2000. The female participation rate increased from 31.7 in 1995 to 33.9 in 2000. In terms of unemployment, the number of persons unemployed (517,000) in 2000 is considerably less than the number of unemployed persons (749,000) in 1995. This is significant as the number of persons in the labour force increased substantially in terms of

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<sup>55</sup> *ibid* Table 16, p. 25

<sup>56</sup> Gennari, P., the Estimation of Employment and Value Added of Informal Sector in Pakistan, 2004, p. 15

<sup>57</sup> *ibid*

<sup>58</sup> *ibid* p. 18

<sup>59</sup> Abdul Quadir, Union and Challenges. An Analysis of the Pakistani Situation.  
<http://fesportal.fes.de/pls/portal30/docs/FOLDER/WORLDWIDE/G>

absolute numbers from 6106,000 in 1995 to 6827,000 in 2000. (This data excludes the north and east provinces).<sup>60</sup>

Statistics show that of the employed population, 44.8 % of men and 42.7 % of women are employee (private). Own account workers constitute 34 % of the male and 17.4 % of the female employed population. While only 4.8 % of males are unpaid family labour, the proportion is 23 % for females. **A greater proportion of female employees (15 percent) are in public sector employment as against 12.6 percent males.** In absolute numbers, female labour force is about half that of males.<sup>61</sup>

The Labour Force Survey (LFS) 2002, shows that **urban labour force participation** (65.5 % for males and 27.7 % for females) **is less than rural labour force participation** (68.2 % for males and 34.4 % for females).<sup>62</sup>

**Over the period 1995 to 2000, the percentage of females in the agriculture sector went up from 42 % to 49 %** (corresponding numbers for males being 36 and 38). **The percentage of females in industry declined** from 29 in 1995 to 22 in 2000, and in services from 28 to 27.<sup>63</sup>

**Female unemployment in Sri Lanka, both as percentage of female labour force and as percentage of total unemployment, is higher than male unemployment.** At the same time there has been a steady decline in female unemployment since 1990. But when levels of female unemployment are correlated with levels of education, data shows that females with higher levels – tertiary – of education have greater levels of unemployment and the rates have been rising since 1990. On the other hand the level of unemployment among women with primary education has declined from 45 percent in 1995 to 39 percent in 2000.<sup>64</sup>

Despite growth in female employment opportunities, available data and information clearly indicate that **women workers are generally concentrated in low-status, low-**

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<sup>60</sup> [www.lanka.net/centralbank/y-demo\\_labour\\_force.html](http://www.lanka.net/centralbank/y-demo_labour_force.html)

<sup>61</sup> Annual Report of the Sri Lanka Labour Force Survey 2002, Department of Census and Statistics, Government of Sri Lanka.

<sup>62</sup> *ibid*

<sup>63</sup> World Bank Group, Gender Stats: [devdata.worldbank.org/genderstats/](http://devdata.worldbank.org/genderstats/)

<sup>64</sup> *ibid*

**skill, and low-paid jobs in subsistence and plantation agriculture, in small industries and modern assembly line industries and in petty trade in the informal sector.** As in most developing countries, there has been a tendency to treat women's participation in family farm work and home-based income generating activities as unpaid family work. It is seldom recognized that among low-income groups, females are often primary income earners responsible for the survival and maintenance of their families, and that, the poorer the family, the greater is the need for earnings of the female members. <sup>65</sup>

**It is estimated that of a total workforce of 6.1 million in Sri Lanka in 1998, 3 million or 49 percent were outside the organized sector.** Sri Lanka's informal economy consists of a wide range of individuals and small production units producing goods and providing services mainly by the use of their own labour resources, and often employing very little capital. Most informal enterprises are household activities even when they employ a few persons. **One estimate suggests that the contribution of informal activity to GDP in Sri Lanka in 1988 was between 40 to 60 percent of GDP.** <sup>66</sup>

While formal small scale industry has declined, informal enterprise has grown after liberalisation of the economy. This increased informal activity with globalisation and liberalization is due to the complementarity that often exists between the two types of enterprises.

**To conclude, while in each country women are concentrated in informal work, the importance of sectors varies.** Thus, the dominance of garments in Bangladesh makes women workers there especially vulnerable to garment sector events. In India, as much as 45 % of non agricultural female work force is home based, however, there is no single sector in which they are concentrated. In Nepal, displacement from villages and traditional occupations has led to increase in home based work in the Kathmandu valley. The practice of 'purdah' partly explains the high proportion of unpaid and home based

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<sup>65</sup> Women in Sri Lanka, A Country Profile. Statistical Profiles No. 13, Economic and Social Commission for Asia and the Pacific, United Nations, New York, 1997.

<sup>66</sup>Sandararatne, Nimal, The Informal Sector in Sri Lanka: Its Nature and Extent and the Impact of Globalisation. [www.ilo.org/public/english/region/asro/colombo/download/nmlfml01.pdf](http://www.ilo.org/public/english/region/asro/colombo/download/nmlfml01.pdf)

family workers in Pakistan. The complementarities between formal and informal are shown in the simultaneous growth of both in Sri Lanka.

Factors associated with increasing informalization of women's work include practices such as outsourcing and sub contracting that have increased with globalization; limited growth of employment opportunities in organised sector; limited access of women to land and property which limits their ability to borrow; social constraints on mobility.

### **Chapter 3. Home based workers and social protection**

This chapter reviews national policies and initiatives in the field of social protection for informal workers in each country. An assessment is attempted of the present outreach of these measures especially in terms of catering to the needs of female HBWs, and a few ‘best practices’ identified by Home Net South Asia. The chapter seeks to give an idea of the directions of current policy debates and initiatives and some idea of the magnitude of these concerns.

#### **1. Home Based Workers**

As a relatively invisible part of the informal economy, home based workers have been identified as a group with high levels of vulnerability and with certain special needs. Programmes that are able to reach home based workers and enable them to cope with vulnerability and contribute effectively to growth requires an expansion in both the concept and the outreach of social protection policies.

The invisibility of home based workers stems from a variety of reasons. First most labour and population surveys do not include a question on ‘place of work’ and also because of the difficulty of enumerating work carried out in the home, especially by women<sup>67</sup>. For example many household labour force surveys fail to recognize multiple economic activities carried out by household members<sup>68</sup>. The fact that the majority of home-based workers are women has also contributed to their invisibility. This is because home-based economic activity is often seen as an extension of women’s unpaid housework<sup>69</sup>. Women themselves do not perceive their work as valuable and male members tend not to reveal women’s contribution in order to preserve the culturally acceptable image of males as principal bread winners.<sup>70</sup> Employers also do not keep records and downplay the numbers to circumvent labour legislation<sup>71</sup>.

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<sup>67</sup> Women and men in the informal economy: a statistical picture, ILO

<sup>68</sup> Martha Chen, Jennefer Sebstad and Lesley O’Connell - Counting the invisible workforce : The case of homebased workers.

<sup>69</sup> Martha Chen, Jennefer Sebstad and Lesley O’Connell - Counting the invisible workforce : The case of homebased workers.

<sup>70</sup> Manjul Bajaj- Invisible Workers, Visible contribution

<sup>71</sup> Manjul Bajaj- Invisible Workers, Visible contribution

Statistically home-based outworkers for formal firms fall in a “gap” between informal and formal sector statistics; they are not likely to be included in the list of employees of formal firms and are also often excluded from informal sector surveys<sup>72</sup>. They occupy an intermediate space between the fully independent self-employed and fully dependent paid employees since most outworkers are not directly supervised by those who contract them<sup>73</sup>.

Invisibility of home-based work is also due to the tendency to view home-based work as marginal and peripheral economic activity while studies have pointed out that home-based workers spend nine hours a day during peak times suggesting that home-based workers are full time rather than part time workers. Often the seasonality of their work determines their status as part-time workers.<sup>74</sup>

Home based workers are basically of two types<sup>75</sup>; self-employed or own account workers and home workers or industrial out workers who work on a piece rate basis.

Both categories lack bargaining power and social protection but the problems faced by the two categories are quite different. Home workers face problems of exploitation as they are forced by circumstances to work for low wages without secure contracts or fringe benefits and to cover some production costs. To improve their situation they need to strengthen their capacity to bargain. Among home based work, home workers engaged in manual work are often associated with low pay. Compounding their often low wages is the fact that home workers have to pay for many of the non-wage costs of production, notably overhead costs of space, utilities and equipment. The self-employed often face problems of exclusion. Most (except the high end professionals) face limited access to and competition in relevant markets. To improve their situation the self employed need better access to financial markets and enhanced capacity to compete in product markets.

Home based workers tend to remain isolated from other workers and therefore to be less well organized and have less voice vis-a-vis employers or public authorities than other workers. Patterns across the world show that women are over-represented among home-

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<sup>72</sup> Martha Chen, Jennefer Sebstad and Lesley O’Connell - Counting the invisible workforce : The case of homebased workers.

<sup>73</sup> Women and men in the informal economy: a statistical picture, ILO

<sup>74</sup> Santosh Mehrotra and Mario Biggeri

<sup>75</sup> Women and men in the informal economy: a statistical picture, ILO



based workers, especially in low-paid manual work. This is partly due to the strong preference women themselves display in South Asia for home based work.

A study of home-based workers in five South-Asian countries shows that sectors that employ home based workers contribute significantly to the national economies. They are also working in export –oriented sectors such as the football sector in Pakistan that supplies 80% of match grade footballs worldwide.<sup>76</sup>

Home workers also absorb many of the over-head and production costs such as space, electricity, equipment purchase, maintenance and even material such as threads in garment sewing. Hence employers also prefer to sub-contract work to home-based workers to reduce costs. As a result the net remuneration of home-based workers may be less than indicated by piece rate that they are paid. Home-based workers also subsidise costs by working for below minimum wages.<sup>77</sup>

Home based work appears to be on the rise around the world as a result of a combination of factors. Firstly, global competition increases pressures on firms to cut costs through flexible work contracts or sub-contracting production. The second reason is that information technology allows and encourages many clerical, technical and professional works to work from their home rather than at another work site. Thirdly, an increasing lack of formal employment opportunities – due variously to lack of economic growth, to capital intensive patterns of economic growth, and faster growth in the economically active population than in formal employment - forces many workers to take up self-employed work often at or from the home.<sup>78</sup> Finally, the existence of social networks and cultural norms that make it more acceptable for women to work from home.

There are other interrelated dimensions of global integration and competition that are associated with fundamental restructuring of – and increased disparities in – market relations.<sup>79</sup> These are, the transnational mobility of capital and relatively immobility of labour; transnational mobility of large companies and the relative mobility of small and micro-businesses; restructuring of production and distribution into global value-chains –

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<sup>76</sup> Manjul Bajaj, *Invisible Workers, Visible Contribution*

<sup>77</sup> Martha Chen, Jennefer Sebstad and Lesley O’Connell - *Counting the invisible workforce : The case of homebased workers; Women and men in the informal economy: a statistical picture*, ILO

<sup>78</sup> *Men and Women in the Informal Economy*

<sup>79</sup> Carr, Chen and Tate- *Globalisation and Home-based Workers*

‘the global assembly lines’. There is this growing recognition that global integration privileges those who can move quickly and easily across borders – capitalists – to the disadvantage of those who cannot do so – labour. This serves to strengthen the bargaining power of employers and weaken the bargaining power of employees who can substitute each other across borders. Thus large companies regularly close down production and move to another – in search of lucrative investments or cheap labour – without giving due notice or severance pay to the workers they leave behind. Global integration privileges large transnational companies, which can move quickly and easily across borders, to the disadvantage of national companies or domestic companies that cannot. As a result, governments and private businessmen routinely seek to improve the competitiveness of their countries and companies. In this competitive climate, little attention is paid to the competitiveness (or lack thereof) of small businesses, family firms, or individual producers. Evidence suggests that micro-entrepreneurs and own-account operators are less able than larger firms to take advantage of emerging market opportunities. The most disadvantaged of all appear to be women who produce from their homes.

Most studies on home-based work in South Asia pertain to those working on piece rate basis or as industrial out workers.

In all home-based work children make a major contribution. Women report that they started doing home-based work by the age of 12 and many even at a younger age than this<sup>80</sup>. Children’s contribution also becomes necessary for home-based workers due to the very low piece rates that they are paid. In Pakistan 20-25% of child workers are in the football stitching industry. A significant number of girls (13.6%) are reported to be stitching in the age group 7-13 years as against only 2% of boys in the same age group. In Sri Lanka one third of the women started this work before the age of twelve and more than half before age 15.<sup>81</sup>

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<sup>80</sup> Manjul Bajaj- Invisible Workers, Visible contribution; Santosh Mehrotra

<sup>81</sup> Manjul Bajaj- Invisible Workers, Visible contribution

Home-based workers in South-Asia report extremely exploitative conditions of work. In all sectors they are paid well below the basic minimum wage. Hence to be able to obtain a basic minimum living, often whole families are involved in home-based work.

## **2. Existing Approaches to Social Protection**

Generally, social protection refers to the access a person has to social benefits which allow her to cope with different kinds of shocks. Some of these shocks may be chronic (eg disability) or anticipated (old age, child birth) and others which are not anticipated (eg sickness, accident). The more vulnerable a person is, the more likely it is that a shock will result in a decline in well being. Vulnerability itself is a function of individual, household and community asset endowment; insurance mechanisms and the characteristics (severity and frequency) of shocks themselves.

Social protection to deal with different kinds of contingencies can interact with risks and shocks in three different ways. The protection given can seek to reduce the likelihood of occurrence of the particular shock faced (risk reduction), or the impact of the shock (risk mitigation), or the ability to cope with the impact of the shock that has occurred (risk coping). Risk reduction can be included in our chosen development approach, if it can be established that this is linked to the shocks affecting people. An example of risk mitigation would be intensive efforts to improve nutrition and health status which will reduce the impact of sickness. Risk coping simply seeks to provide resources to deal with an event, for example, giving a maternity allowance.

Given limited state resources and the huge range of efforts that are needed, social protection in practice often tends to be confined to risk coping measures, with some stipulation on who is eligible - all citizens, or all workers; restrictions according to income, by gender or other characteristic.

It has been pointed out that social protection in developing countries needs to include both 'Basic Social Security' as well as the 'Contingent Social Security' referred to above (Kannan 2004).

In the South Asian context, social protection currently provided by the Government is most often of two types--- either available to those who are below the poverty line (hence

overlapping with poverty alleviation programmes) where there is no recipient contribution, or to certain groups of workers (where contributory).

This section does not attempt here to analyse the specific discourse in which each country has developed its policies, and the kinds of voices that have shaped the provisions. The review below simply tries to assess the present outreach of social protection efforts in each country.<sup>82</sup>

## **2.1. Bangladesh**

The framework for discussions in Bangladesh is set by the commitment to the Millennium Development Goals and the Poverty Reduction Strategy Paper which sets out priorities for poverty reduction. A major strategy thrust of recent national government programmes is to mainstream women's concerns in all development sectors.

### **2.1.1. Labour Laws and Government Schemes**

Labour laws are monitored by the Ministry of Labour and Employment (MOLE). The Workmen's Compensation Act and the Maternity Benefit Act have been in force since the early 20th Century. However, the outreach of these schemes is weak, especially for those working in the informal economy. This is because in Bangladesh most social protection measures for workers apply to those working in factories with 10 or more workers. The social insurance system provides cash and medical benefits to employees of factories in manufacturing industries employing 10 or more workers, and employees of shops and establishments of 5 or more workers. Some employers in public and private sectors provide medical facilities through dispensaries in their establishment; workers can also use general hospital facilities run by the government. Employed women are also entitled to cash maternity benefits. There is also an employment-liability system for accidental injuries and 34 listed occupational diseases. This again only covers factories with 10 or more workers, estate and dock employees apart from railway employees.<sup>83</sup>

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<sup>82</sup> The sections that follow draw upon presentations made at the Policy Dialogue Conference, HNSA and ISST, February 2006.

<sup>83</sup> [www.ssa.gov/policy/docs/progdesc/ssptw/2002-2003/asia/bangladesh.pdf](http://www.ssa.gov/policy/docs/progdesc/ssptw/2002-2003/asia/bangladesh.pdf)

While the labour laws are comprehensive in Bangladesh, implementation – as elsewhere in the region - is inadequate. The Government of Bangladesh has withdrawn restrictions imposed on trade union rights in the EPZs, with effect from 1 January 2004.<sup>84</sup>

Further, skill training is also provided through Technical Training Centres. However, outreach is again limited due to distances between remote rural areas where HBWs are usually located and the training centres. Recognising this, the government is conducting a feasibility study to expand such centres across the nation.

An important initiative currently being finalised is ‘The Workers Welfare Fund Act’ which will benefit informal workers.

### **2.1.2. Non – Government Initiatives<sup>85</sup>**

More recently Bangladesh has led the way with innovative micro credit schemes. Most of those in Bangladesh who have the greatest need of social protection are in rural areas, agriculture and the informal economy. Social insurance and social assistance schemes in the country are many, but are arguably uncoordinated, and therefore have limited outreach.<sup>86</sup>

NGOs have played a very important role in the area of micro credit. The Grameen Bank of Bangladesh is a micro-credit institution that lends small amounts of money to poor people who are not able to access the conventional banking system due to their lack of collateral. Starting in the 1980s, the Grameen Bank now lends \$1.3 billion to 2.3 million borrowers, most of them women, covering 38,951 villages, or more than half of the total villages in Bangladesh. The average loan is \$160.<sup>87</sup> Other NGOs with large micro credit programmes include PKSF, BRAC and ASA.

Palli Karma Sahayak Foundation (PKSF), which is the largest state run funding body, disbursed about Tk five billion to its 1.4 million beneficiaries through 143 partner organisations. It also serves as a resource, monitoring evaluation unit for all affiliated MFIs. ASA caters to the poor by focussing on credit and income generation. This is done

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<sup>84</sup> Tenth Regional Meeting, Bangkok, Aug 2001, ILO

<sup>85</sup> From HomeNet study 2005 where each national chapter was asked to identify social protection “Best Practices”

<sup>86</sup> Decent Work Pilot Programme: Bangladesh; CONCEPT NOTE

<sup>87</sup> [http://www.bbc.co.uk/worldservice/people/features/ihavearightto/four\\_b/casestudy\\_art22.shtml](http://www.bbc.co.uk/worldservice/people/features/ihavearightto/four_b/casestudy_art22.shtml)

through their micro-credit program which extends small loans with the objective of creating self-employment for poverty alleviation. Through credit program the group members get loans from ASA to create self-employment by involving in income generating activities (IGA). Each member receives credit of Tk. 4,000/ annually as loan, which increase to Tk. 5,000 and Tk. 6,000 in two and three years project respectively.

According to the report June 94, ASA has covered 269,052 grass-root families, by providing approximately Tk. 5,337/ credit per member.

Beyond credit provisioning, several NGOs have initiated programmes integrating enterprise development and training with their credit schemes. One such example is the Employment and Enterprise Development Training for the Ultra Poor programme operated by BRAC. 'Employment and Enterprise Development Programme' is part of BRAC's strategy to 'push down' and reach the poorest and to develop their capacity of participating in mainstream income generating activities. Several sectors were identified where women could earn wages and productive employment and members were given training for these sectors and support to set up their enterprise. The sectors included goat rearing enterprise; cow rearing enterprise, vegetable cultivation training, small scale non-farm activities such as sweet making, vendor sales, poultry rearing, nursery business, etc. The programme has provided enterprise development capacity training to 60,000 members of BDP ultra poor in 198 upazilas under 30 districts.

From 2001-2004 the ILO initiated the Women's Empowerment through Employment and Health (WEEH) Programme in Bangladesh. The overall development objective was to empower poor women in Bangladesh by increasing their access to decent employment and incomes and to viable health insurance systems through two projects - Women's Empowerment through Decent Employment (WEDE) and Micro Health Insurance for Poor Rural Women in Bangladesh (MHIB). These were implemented through the Grameen Bank and Bangladesh Rural Advancement Committee (BRAC).<sup>88</sup>

Despite many such provisions and schemes, the weaker sections of the population which house HBWs are neglected due to the pressure of repayments and interest rates. This is

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<sup>88</sup> Women's Empowerment through Employment and Health – Bangladesh, [www.logos-et/ilo/150\\_base/en/init/ban\\_5.htm](http://www.logos-et/ilo/150_base/en/init/ban_5.htm)

demonstrated in the study with the case of the Boid community, where workers were not offered credit due to their unreliable housing status which rendered them unfit recipients. (discussed further in Chap 7)

## **2.2. India**

In India, social security is mandated by Article 32 of the Constitution:

The State shall, within the limit of its economic capacity and development, make effective provision for securing the right to work, to education, and public assistance in case of unemployment, old age, sickness, disablement and other cases of undeserved want.

### **2.2.1 Labour Laws and Government Schemes**

Social security has been extended through an Employees' Insurance Scheme, and a Provident Fund scheme, available initially only to some workers in the organised sector. The coverage of the schemes has been gradually expanded. The broad framework of social security schemes has been fairly constant over the years, although the coverage has increased. Social welfare programmes were intended to provide a safety net to disadvantaged groups, which have included categories of women, children, youth, family, SC, ST, other backward classes, the physically handicapped and others. In recent years, the language of these programmes has shifted away from being welfare and charity oriented, to using the language of rights.

Legislation applicable to home based workers include the Beedi and Cigar workers (Conditions of Employment) Act, 1996; Beedi Workers Welfare Fund Act, 1976; Beedi Workers Welfare Cess Act, 1976; Minimum Wages Act, 1948; Maternity Benefit Act, 1961; and Employees' Provident Fund and Miscellaneous Provisions Act, 1952, etc.

There are about 4.3 million Beedi workers in the country. Most of them are Home Based Workers. Government has set up Beedi Workers Welfare Fund. Benefits under the fund include reimbursement of cost of treatment of heart surgery, kidney transplant, TB, health care, Scholarship to children, Financial Assistance for Housing, etc. Such welfare fund model has been replicated in many states for different categories of workers and sectors. Tamil Nadu runs 11 such welfare boards for silk weavers and foot wear makers etc.

Kerala too runs welfare funds for fisherman and coir workers. States like Andhra Pradesh and Karnataka are in the process of bringing out their own legislation for welfare funds.

The Janshree Bima Yojana (JBY) is intended for people below poverty and marginally above the poverty line including home based workers. The scheme provides for insurance cover of Rs.20,000/- in case of natural death and Rs.50,000/- on death/disability due to an accident. Scholarships are given to children from Class IX to XII @ of Rs. 300/- per quarter. Other schemes include the Group Accidental Insurance Scheme for active fishermen, Saving-cum-Relief for Fishermen Scheme, Insurance Scheme for Handloom Weavers and Thrift Fund Scheme for Handloom Weavers.

A Universal Health Insurance Scheme launched by the Government in July 2003 for people of low income groups provides for reimbursement of hospital expenses upto Rs. 30,000/- per family/individual. The scheme also provides for the loss of livelihood at the rate of Rs. 50 per day upto a maximum of 15 days in case the earning member falls sick. Government also provides a subsidy of Rs. 100 for families below the poverty line.

Other programmes include the National Social Assistance Programme (1995) aiming at ensuring a minimum national standard of social assistance over and above the assistance provided by States from their own resources.

Other centrally funded social assistance programmes include employment and income oriented poverty alleviation programmes which include the Swarnjayanti Gram Swarajgar Yojana, Pradhanmantri Gram Sadak Yojana, and the National Rural Employment Guarantee Act, 2005.

Among the positive measures for workers in informal employment that have been taken in recent years, the 'Unorganised Sector Workers Social Security Scheme' is being implemented by the Employees Provident Fund Organisation, with the active support of Workers' Facilitation Centres, Employees State Insurance Corporation, other insurance companies, PRIs, SHGs and other civil society organizations. Initially this scheme is being implemented for 2.5 million workers in 50 districts of the country for two years on a pilot basis. It covers workers drawing a salary/wage of less than Rs. 6500/- per month. The scheme provides the triple benefit of pension, personal accident insurance and medical insurance.



While a myriad of social security schemes exist along with the finances to boot, the problem of implementation and governance emerge as bottlenecks. A glance at the use of the Tenth Plan allocations makes these issues clear. For instance none of the Rs 5240 Lakhs allocated for the New Initiatives in Social Security have been used. Further, the Rs 300 Lakhs allocated for the Krishi Shramik Samajik Surakksha Yojana, meant to provide insurance to the agricultural landless labour, have not yet been spent.<sup>89</sup>

Government has set up a National Commission on Enterprises in the Unorganised Sector, to bring a comprehensive legislation to provide social security etc. to unorganised sector workers including home based workers. The proposed legislation is focused mainly on social security/ protection to unorganised sector workers including home based workers.

### **2.2.2 Non-Government Initiatives**

The initiatives taken by SEWA and WWF organise home based and other informal workers and have succeeded in improvement of working conditions and some social protection. SEWA's experience with incense stick workers, where organising and policy advocacy ensured an increase in piece rates offered to the workers is such an example.

Following the recent changes in the insurance sector norms in India, more private insurance providers are keen to cater to weaker sections of society due to obligations to the government and also profitability. Thus, micro insurance is being looked at as a viable means to provide workers with social protection through public-private partnerships. SEWA has set up its own insurance body called VIMO SEWA in association with AVIVA and ICICI and caters to close to 2 lakh members. The insurance policies serve to mitigate risks faced by women workers during their life span and provide family insurance as well. Premiums range between Rs 100 to Rs 480 annually. Such insurance policies cover accidents, household good and equipment and death in the family.

However, while private providers are motivated to provide life insurance products, health insurance, which emerges as a crucial need is ignored due to its economic non viability in the case of such workers.

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<sup>89</sup> Mid Term Appraisal , Tenth Plan , 2006 , pp276

## 2.3. Nepal

On the whole, Nepal's policy documents suggest that there is awareness of the needs of the poor, informal workers especially women, and some attempt to reach them through programmes of skill training and micro credit. Social protection as a holistic package for those in the informal economy is still to be designed.

### 2.3.1 Labour Laws and Government Schemes

In Nepal, as in other countries, workers in the formal sector are entitled to some social security. The Labour Act (1992) stipulates the provision of some social security for wage earners in formal private sector enterprises where more than ten people are employed. Their social security provision includes for example an old age provident fund, and covers medical expenses in case of work injury, maternity benefit and sickness benefits. The Labour Act has some provisions especially for women. However, those entitled to these benefits are less than four percent of the total workforce in Nepal and informal workers are not included.<sup>90</sup> There is also the Trade Union Act, which gives the workers rights to organise for collective bargaining.<sup>91</sup> Women are legally guaranteed equal pay as men in similar jobs through the 1990 Constitution. However, in practice there is still discrimination against women as they are concentrated in low-pay jobs and most often hired at a piece rate basis.<sup>92</sup>

Nepal's 10<sup>th</sup> Five-Year Plan (1997-2002) set out to take some action to reform the current labour laws. However one of the main reasons for the reformation seems to be to provide employers with more flexibility.<sup>93</sup> What is described as the major objective for the labour sector in the Tenth Plan is "to ensure a congenial industrial environment by maintaining a flexible labour market while safeguarding the basic rights of workers".<sup>94</sup> While safeguarding the basic rights of workers is mentioned, it is not discussed very concretely, especially not in relation to the informal economy.

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<sup>90</sup> <http://www.nepalnews.com.np/contents/englishweekly/telegraph/2004/jul/jul21/national.htm>

<sup>91</sup> Chapter 3, Economic Participation of Women, p. 34,  
[http://www.adb.org/Documents/Books/Country\\_Briefing\\_Papers/Women\\_in\\_Nepal/chap\\_03.pdf](http://www.adb.org/Documents/Books/Country_Briefing_Papers/Women_in_Nepal/chap_03.pdf)

<sup>92</sup> *ibid*

<sup>93</sup> Nepal's 10<sup>th</sup> Five-Year-Plan, Para. 127, p. 49,  
[http://www.npc.gov.np/tenthplan/docs/Formated10Plan\\_A4\\_size.doc](http://www.npc.gov.np/tenthplan/docs/Formated10Plan_A4_size.doc)

<sup>94</sup> *ibid*

Since informal workers are not covered by social protection in Nepal, the state of general social welfare, anti-poverty programmes and policy towards women can be examined to see if these offer some level of protection. Nepal's 9<sup>th</sup> Five-Year Plan (1997-2002) was the first to discuss social security in a separate section.<sup>95</sup> It discusses social security in relation to "indigenous and ethnic groups", "downtrodden and oppressed communities" and "old-age citizens, helpless and disabled".<sup>96</sup> The Ninth Plan does not really deal with social security in direct relation to employment, social security is defined to comprise "all aspects related with compensating people who are unable to actively earn their own livelihood".<sup>97</sup> The 9<sup>th</sup> Plan does not discuss social security in relation to the informal economy or home-based workers. Social welfare is not dealt with explicitly in a separate section as in the Tenth Plan. In general, social welfare policy still seems to concentrate on disabled and elderly people.<sup>98</sup>

In Nepal's 9<sup>th</sup> Five-Year-Plan there are a number of poverty alleviation programmes and strategies for employment promotion, but none dealing with informal workers.<sup>99</sup> Nepal's 10<sup>th</sup> Five-Year-Plan (2002-2007) also comprises Nepal's poverty reduction strategy. Nepal's poverty reduction strategy is said to be resting upon four pillars, namely: "to promote faster and pro-poor growth, equitable access to social and economic infrastructure and resources for the poor and marginalized groups, social inclusion and targeted programs and improved governance".<sup>100</sup> The Tenth Plan also sets out to encourage self-employment as a means to increase employment opportunities for the poor through targeted programmes, including training and skill development programs.<sup>101</sup> To increase employment opportunities an "integrated coordination of skill, capital and market system will be made available to direct the majority of people belonging to the trained, informal and unorganised sector to self-employment".<sup>102</sup> Also "entrepreneurship

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<sup>95</sup> Nepal's 9<sup>th</sup> Five-Year-Plan, [http://www.npc.gov.np/plan/contents/english/Chapter\\_13.pdf](http://www.npc.gov.np/plan/contents/english/Chapter_13.pdf)

<sup>96</sup> *ibid*

<sup>97</sup> *ibid* p. 534

<sup>98</sup> <http://www.nepalhmg.gov.np/women/3.html>

<sup>99</sup> Nepal's 9<sup>th</sup> Five-Year-Plan, [http://www.npc.gov.np/plan/contents/english/Chapter\\_6.pdf](http://www.npc.gov.np/plan/contents/english/Chapter_6.pdf)

<sup>100</sup> Nepal's 10<sup>th</sup> Five-Year-Plan, Summary, p. 3,

[http://www.npc.gov.np/tenthplan/docs/Formated10Plan\\_A4\\_size.doc](http://www.npc.gov.np/tenthplan/docs/Formated10Plan_A4_size.doc)

<sup>101</sup> *ibid* Para. 162, p. 59

<sup>102</sup> Nepal's 10<sup>th</sup> Five-Year-Plan, Chapter 7, Cross-cutting Sectoral Policy,

<http://www.npc.gov.np/tenthplan/english/Chapter%207-%20Sectoral%20Policy.pdf>

will be developed for encouraging self-employment. Other policy measures will be adopted for developing small and medium enterprises toward this direction”.<sup>103</sup>

Nepal’s Tenth Plan in its policy for women talks about skill development and encouragement of entrepreneurship for women.<sup>104</sup> More specifically, in the words of the plan, “skills oriented trainings, self-employment oriented jobs will be created to displaced women due to criminal activities as well as single women”.<sup>105</sup> The Tenth Plan has a section on gender mainstreaming, which stresses the problem of women’s access to and use of resources, which has been limited due to social, legal, economic as well as other constraints. It acknowledges that for women’s equal access, these constraints need to be removed.<sup>106</sup> The Ministry for Women, Children and Social Welfare also aims to promote formal and non-formal education for women, to make education compulsory for women and to increase female literacy.<sup>107</sup> It also means to make sure that women get access to institutional and alternative credit facilities in order to increase the paid and self-employment opportunities”.<sup>108</sup> General policies for women like these may benefit informal sector women workers and home-based women workers. However, there is also a risk that these particular groups may not benefit them unless schemes are specifically designed for including them.

The Labour and Employment Policy 2006 has the objective of enhancing productivity and creating a secured and healthy working environment both in the formal and informal sectors. Employment is seen as a route out of poverty, and social security is to be gradually expanded in its outreach and coverage. Special compensation is offered to those who lose their lives as a result of terrorist attacks.

Existing institutions through which social security is provided to workers include the Employees Provident Fund, Transport Workers Welfare Fund, Citizen Investment Trust, Welfare Fund, Insurance Board, Administrative Court and Labour Court. However the

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<sup>103</sup> *ibid*

<sup>104</sup> Nepal’s 10<sup>th</sup> Five-Year-Plan, Chapter 26, Women, Children and Welfare Sector, p. 6.

<http://www.npc.gov.np/tenthplan/english/Chapter%2026-Women%20&%20Social%20Welfare.pdf>

<sup>105</sup> *ibid* p. 10.

<sup>106</sup> Tenth Plan, para 152, p. 56, [http://www.npc.gov.np/tenthplan/docs/Formated10Plan\\_A4\\_size.doc](http://www.npc.gov.np/tenthplan/docs/Formated10Plan_A4_size.doc)

<sup>107</sup> <http://www.nepalhmg.gov.np/women/4.html>

<sup>108</sup> *ibid*

services and benefits are not easily accessible throughout the country given the difficult terrain.

### **2.3.2 Non-Government Initiatives**

Nepal offers a strong example of community based social protection mechanism called *Guthi*. Such assistance is provided by the Newar community wherein a financial assistance of Rs. 5000 is provided for carrying out expenses in harvesting season; for funeral purposes etc. It is an example of a community based social protection programme.

## **2.4. Pakistan**

The extent to which workers are covered by social protection is to some degree dependent on the existing labour policy. There have been some labour laws entitling workers to social protection in Pakistan. There are a few cases of non government initiatives targeting HBWs as well, but the problem is again of limited outreach and scale.

### **2.4.1. Labour Laws and Government Schemes**

Workers are entitled to old age security through the Employees' Old-Age Benefits Act, 1976. According to this act, a person that has been insured will be entitled to an old-age allowance of 75 rupees per month from the Employees' Old-Age Benefit Fund if; the person is above 65 years of age if a man or 50 years if a woman, the person has retired from insurable employment and the person has paid contributions to the Fund for more than 15 years.<sup>109</sup> It also provides for invalidity allowance of the same amount. However, the act only applies to industries or establishments where ten or more people are employed.<sup>110</sup> Informal sector workers are hence excluded from this protection. Thus, only about 0.3% of the labour force is protected by the Employees and Old Age Benefit Institution.<sup>111</sup>

There is also the Workers Welfare Fund Ordinance of 1971, which provided for the establishment of a Workers' Welfare Fund to provide workers with accommodation and

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<sup>109</sup> The Employees Old Age Benefit Act, <http://www.pakistan.gov.pk/labour-division/publications/eobi.pdf>

<sup>110</sup> *ibid*

<sup>111</sup> Labour Reforms and ADB's Role in Pakistan, Speech by Marshuk Ali Shah, Country Director, Pakistan Resident Mission, Asian Development Bank, 15 October 2003 Islamabad, Pakistan, <http://www.adb.org/Documents/Speeches/2003/ms2003077.asp>

other facilities. However, the benefits of this fund are also restricted to a specific definition of “worker” and “industrial establishment”.<sup>112</sup> Statistics from ILO shows that those covered by social protection in the areas of old age, invalidity and survivors, employment injury and sickness and health care in Pakistan, as a percentage of total population in 1996 was only 3.1%.<sup>113</sup> For a long time thus, labour laws have not been very widely implemented, and the informal sector workers have not been covered.<sup>114</sup> According to the ADB country director for Pakistan “less than two percent of the labour force is unionized and have access to collective bargaining for their wages and working conditions”.<sup>115</sup>

However, the picture is perhaps becoming a bit less gloomy since a new labour policy for Pakistan was formulated in 2002 for the first time in 30 years.<sup>116</sup> In this labour policy, more attention is devoted to social security. Some of the objectives of the new labour policy were to promote the social security and social insurance programs for employees, and to improve labour welfare institutions. Another objective was to progressively extend labour laws and welfare measures to informal and unorganized sectors.<sup>117</sup> With respect to women, one objective was to eliminate gender discrimination and to reinforce gender equality.<sup>118</sup> The ILO Convention 100 concerning equality in wages for women and men has been ratified by Pakistan, and the new labour policy promised a clause on equal wage will be introduced in the law.<sup>119</sup>

To some extent the new labour policy seeks to extend protection to those traditionally unprotected. The labour policy sets out to establish a committee that would formulate a

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<sup>112</sup> The Workers’ Welfare Fund Ordinance, 1971, 9<sup>th</sup> December 1971, <http://www.pakistan.gov.pk/labour-division/publications/wwf.pdf>

<sup>113</sup> ILO, Social Protection Coverage: Protected Persons and Contributors, <http://www.ilo.org/public/english/protection/socfas/research/stat/table11.htm>

<sup>114</sup> Pakistan Institute of Labour Education and Research (PILER), <http://www.piler.sdnpk.org/E-LabPak.htm>

<sup>115</sup> Labour Reforms and ADB’s Role in Pakistan, Speech by Marshuk Ali Shah, Country Director, Pakistan Resident Mission, Asian Development Bank, 15 October 2003  
Islamabad, Pakistan, <http://www.adb.org/Documents/Speeches/2003/ms2003077.asp>

<sup>116</sup> Ministry of Labour. Manpower and Overseas Pakistanis, p. 3, <http://www.pakistan.gov.pk/labour-division/policies/LP2002.pdf>

<sup>117</sup> *ibid* p. 4

<sup>118</sup> *ibid* p. 5

<sup>119</sup> *ibid* p. 22

package of welfare measures for those employed in the agricultural sector.<sup>120</sup> It acknowledges that about two thirds of those not working in the agricultural sector are in the informal sector, and that many of these, particularly women, are home-based workers.<sup>121</sup> It also confirms that informal and home-based workers currently not are covered by labour welfare legislation. The Labour Policy thus aims to gradually extend the coverage of labour welfare laws to include those working in the informal and home-based sectors.<sup>122</sup> For example, the Labour Policy sets out to introduce a new comprehensive Social Insurance Scheme for old-age and health benefits on a self-registration/voluntary basis that workers both in the formal and the informal sector should be able to benefit from.<sup>123</sup> The Labour Policy also sets out to regulate contract work, and to set up a system so contract workers will be covered by labour laws and labour welfare measures. However, in the new Labour Policy “employers will be encouraged to engage workers on contract for peripheral, casual and temporary jobs”.<sup>124</sup> It is encouraging that the new Labour Policy officially recognises the problems with the lack of social protection in relation to informal sector workers and home-based workers.

Pakistan’s current National Policy for Development and Empowerment of Women is from 2002.<sup>125</sup> In the policy, the section on economic empowerment of women talks about women in relation to poverty and measures to be undertaken such as to provide safety nets and housing schemes for poor women. The policy also sets out that women should be provided with easy access to credit from various institutions.<sup>126</sup> It also seeks to augment women’s capacity to earn a living by for example increasing their access to livelihood, providing women with equal opportunities, ensuring appropriate labour legislation, and improving facilities for women’s education, training and skill-

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<sup>120</sup> *ibid* p. 15

<sup>121</sup> *ibid*

<sup>122</sup> *ibid*

<sup>123</sup> *ibid* p. 23

<sup>124</sup> *ibid* p. 21

<sup>125</sup> Government of Pakistan, Ministry of Women Development, Social Welfare and Special Education, Islamabad, National Policy for Development and Empowerment of Women, <http://pakistan.gov.pk/women-development-division/policies/policy-women-development/title.html>

<sup>126</sup> *ibid* 5. Economic Empowerment of Women, <http://pakistan.gov.pk/women-development-division/policies/policy-women-development/p12.html>

development. The policy also states that it will provide women with special courses in entrepreneurial skills so women can set up small-scale enterprises.<sup>127</sup>

There is one section in the policy that especially deals with women in the rural economy and in the informal sector. It states that women's economic contribution in both formal and informal sectors should be officially recognised, and that they should be recognised as workers and that measures should be taken to make sure they have healthy and safe working conditions.<sup>128</sup>

#### **2.4.2. Non-Government Initiatives**

There are various organisations providing enterprise support to workers engaged in the garments sector. However, the reach of these initiatives is limited as per geographic and socio-economic conditions. They do not reach far flung and remote areas or target the poorest of the poor.

One such example is Miran Education Society which runs a project called "Strengthening the Women" in Kasur, Khudian Khas (District Kasur), Makhan Pura and Chah Miran of Punjab since 1998. The Home-Based workers are provided based facilities of stitching machine, knitting machine, concerned material and raw material in the form of cloth for the production of simple garments.

Social Team for Education & Environmental Prosperity (STEP) is another organisation which runs an enterprise development program with village women in Tehsil Kabirwala since November 2002. Most women are home-based workers with low household income. They have low skill and live far from the city. Enterprise development program aims to enhance the skills of neglected rural women to increase their income, build linkages of women groups with market for their product, establish skill centres in the remote areas of Tehsil Kabirwala and run training program on vocational, live stock and enterprise development. STEP facilitates the group formation and saving collection among women, provides credit and organizes skill and enterprise development training. STEP runs 127 Non Formal Centres in 22 Union Councils of Tehsil Kabirwala.

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<sup>127</sup> *ibid* <http://pakistan.gov.pk/women-development-division/policies/policy-women-development/p13.html>

<sup>128</sup> *ibid* <http://pakistan.gov.pk/women-development-division/policies/policy-women-development/p14.html>



Orangi Charitable Trust runs three programs for women home-based workers in rural and urban settlements of Hyderabad, Mirpur Khas, Nawab shah, Sanghar, Khairpur, Sukhar, Lahore, Pindi, Gujranwala and Soan valley. The HBWs received skills and capacity building trainings through the programme. The organisation places these women in direct communication with the exporters without any need for middlemen. The Programme continues to run the biggest garment industry training centre in Sindh at the moment.

## **2.5. Sri Lanka**

The existing framework of social protection policies in Sri Lanka includes non-contributory pension scheme for public servants and employees coming under the Local Government Service Commission, contributory pension scheme for new public servants, contributory schemes for the private sector, legal provisions which impose liabilities solely on employers, social insurance schemes and poverty alleviation schemes for poor families. Of all countries in South Asia, Sri Lanka is best known for its social protection policies.

### **2.5.1. Labour Laws and Government Schemes**

A substantial proportion of the Sri Lanka labour force is made up of self employed persons and workers engaged in the informal sector<sup>129</sup>. Statutory pension schemes for the self employed were started with the Farmers' Pension and Social Security Act (1987). Since then, the Government of Sri Lanka has taken steps to further expand this facility to other informal sector workers by introducing other similar schemes through the Fishermen's Pension and Social Security Act (1990) and the Social Security Board Act 1996 which covers those not included under the other two Acts. These are based on voluntary contributions from the self employed supplemented by contributions from the government. In practice however these have not been widely availed of. These schemes provide for lump sum payments of varying amounts for disability or death. Assistance is also offered to widows for self employment.

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<sup>129</sup> Country Report – Sri Lanka. GTC – 01st ASEAN and Japan High Level Officials Meeting on Caring Societies: Human Resources Development for Social Welfare and Health Service in ASEAN Countries and Neighbouring Economics. [www.jicwels.or.jp/pdf](http://www.jicwels.or.jp/pdf)

The traditional system of savings and credit, known in Sri Lanka as *seettu*, was used in developing the Women's Bank. This emerged out of a pilot project of women's mutual help groups (which used the *seettu* concept) initiated by the National Housing Development Authority (NHDA) of Sri Lanka in 1989.

The poverty eradication programme, Janasaviya, sought to support low income families for consumption, and encouraged them to make savings. *Janasaviya* had several components: provision of low interest credit, improved nutrition, infrastructure development and small-scale entrepreneurship (for which government-NGO partnerships were formed)<sup>130</sup>. This was superseded by the Samurdhi programme in 1995. This programme aims to raise income levels of families at the bottom of the low-income scale through direct income transfers.

There also has been an effort by the government to distribute assets to the poor through the Integrated Rural Development Programmes (IRDP). An important objective of IRDP was creation of wider economic opportunities and enhances general living standards of rural population. The programme has created a large number of physical assets and over 40 percent of IRDP funds was spent on creation, rehabilitation and improvement of infrastructure in rural areas. Although IRDP strategy does not encompass direct employment creation, indirect contributions were made through production support, credit and delivery services and in agriculture, fisheries, minor export crops and tea. The state has also created the Public Assistance Scheme which provides Rs.300 per month to disadvantaged individuals such as the permanently sick and old people without family support. It goes to around 350,000 people<sup>131</sup>.

### **2.5.2. Non-Government Initiatives**

Several NGOs have come forward with schemes of micro credit and social insurance to encourage self employment. These include Sarvodaya, Sanasa and Yasiru. Sarvodaya operates the second largest MFI with 2200 societies, encompassing 500 villages and providing services to 200000 members.

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<sup>130</sup> Tuwade, Indra,

<sup>131</sup> *ibid*

Sanasa provides micro insurance through the All Lanka Mutual Assurance Organization whereby the capital is contributed by Sanasa and funeral assistance organizations, in addition to shares worth Rs 100 bought by each member. This service reaches 800 societies set up by the organisation and 53% of its beneficiaries are women.

Yasiru is a micro insurance scheme with close to 7000 members as of 2003. The monthly premiums range from Rs10-Rs 100. It covers 60% of the Southern province, 10% of the Western province and 20% of the Uva province.

### **3. Conclusion**

To sum up, this chapter has tried to show that the home based workers have some special vulnerabilities, and are largely left out of existing social protection efforts. Policy initiatives for social protection of women in informal work, and in particular in home based work, do exist; but while government initiatives in theory are available across the whole country, the actual outreach is limited and programmes reach a minute percentage of the target group. There are a range of non government initiatives as well, with possibly greater outreach but over a much more limited area.

The chapters that follow explore the situation of home based women workers in selected sectors and locations, through field surveys, in the five countries.

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## **Chapter 4: RISKS & VULNERABILITIES faced by WOMEN HBWs in the GARMENTS SECTOR**

### **1. BACKGROUND & CONTEXT**

#### **1.1 Introduction**

The South Asian transition to the free market has often been associated with the proliferation of the region's garment exports. However, this form of export orientation is stronger in some parts of the region than others. It is also key to recognize the historical significance of this sector as a source for sustenance and employment in these countries prior to its emergence as a key export segment<sup>1</sup>.

#### **1.2 Production Process and Employment Patterns**

Varied sections of the garment sector are organized in differing ways across locations based on local history of the area and sector, the final garment product and resource availability. The sector across South Asia does tend to follow a cluster based approach which follows from pre liberalization frameworks which protected the sector and provided state assistance through small scale industry policies. The current approach allows for flexibility in organization of production through subcontracting firms and raw material suppliers. There are varied aspects to the work involved in the sector such as knitting, stitching, cutting, raw materials procurement, embroidery, tailoring, cutting, designing to name a few.

Tasks are divided based on what can be referred to as a 'socially embedded labour process'. The garments sector produces in a variety of ways and employment relations change depending on the product, location, caste, community and gender of the worker<sup>2</sup>.

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<sup>1</sup> Singh N, Sapra M, 2007, *Liberalisation in Trade and Finance: India's Garment Sector*

<sup>2</sup> A study by IIFT said that 68% of garment workers are in small workshops and estimate the total size to be 20 lakhs in 1992-93. Employment in cities where main apparels are made is mostly male.



While work such as stitching and embroidery are subcontracted by firms to women workers, tailoring and cutting are considered male domains.

The garments sector employs vast number across the sub continent. In Bangladesh, the sector employs close to 1.8 million workers - mostly women from low-income, rural backgrounds. There were 7.8 lakh garment units in India as per the 1999-2000 NSSO 55th rounds. The sector is estimated to employ 14.46 lakh people of whom 81% are male. 2 million Pakistanis work in the ready-made garments sector. Sri Lanka, where textiles and garments make up half of the country's exports, the industry supports as many as 1 million workers. In Nepal, more than 300,000 workers depend directly or indirectly on the garment sector for their livelihood.

### **1.3 Garments and HBWs**

The need for flexibility which has followed the stress on competitiveness for exports in the sector has led to increasing home based workers being engaged as a cost reducing strategy employed by many firms and producers. Recent studies (Kabeer 2000, Kantor 1999) on the sector on Bangladesh and India stress the increasing significance of female home based workers in the garments production chain.

### **1.4 Demand and Consumption Patterns**

Indian readymade garments exports account to 12% of the nations' export share. The Indian garments industry, apart from being a major source of export revenue is also a significant domestic manufacturing unit.

At present Garments is the main industry of Bangladesh. This sector have developed here rapidly because of it is a labour intensive industry, ordinary technology, cheap labour and small capital. Before liberation in 1970, in Bangladesh there was only one garment factory. In 1977, the number rose to 8. In 1984, the number was 587. In 1998, the number stood at 2650.

In Bangladesh garment factories are situated in Dhaka, Chitagong, Narayangong, Savar and Tongi-Gazipur. Seventy Six percent of total export of Bangladesh is garment oriented. Mainly Bangladeshi garments products are exported to the USA, Canada,

European Union and Caribbean countries. Recently Bangladesh started export to Japan, Australia and some other countries in small scale. Bangladesh exports 63 items of garments products. Main raw materials of garments — mainly fabrics come from other countries.

Nepalese garments industries were earlier owned by India. By the mid 1990s, 90% of the factories are national. The apparel export <sup>3</sup> industry contributes to 10% of the nation's manufacturing and 40% to its export revenues. It accounted for 49% of Nepal's exports as of the late 90s, a far cry from the 3% in the mid 80s.

## **1.5 Market Potential and Problems**

### *Competitiveness and Export Potential*

The removal of the Multi-Fiber Arrangements (MFA) quotas poses new problems and potentials for the sector in South Asia. The benefits accruing depend on the capacity of the sector to handle the increased competition in the global garment industry.

Concerns are rife regarding the post phase out fallout of the Multi Fibers Agreement (MFA). Experts in Bangladesh fear that anywhere from \$1.25 billion to \$2.5 billion of that country's annual exports could be lost, with the shock waves rippling through the nation's banking sector and the entire economy. The end of quotas however is not considered to bring such devastation to other parts of South Asia. In Pakistan, for example, sales of some items in which the country's manufacturers are internationally competitive, such as bed sheets and towels, could jump.

India has advantages that many of its neighbors lack: it grows raw materials like cotton, has a giant manufacturing base, and is seen by foreign buyers as a counterweight to China. A study commissioned by the Indian Cotton Mills' Federation predicts that India's textile exports could surge from \$11 billion in 2002 to \$40 billion in 2010. Experts also suggest that Pakistan and Sri Lanka could benefit through linkages within the region and the development of their own industries.

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<sup>3</sup> [http://www.intracen.org/worldtradenet/docs/whatsnew/b4d\\_2004/nepal2.pdf](http://www.intracen.org/worldtradenet/docs/whatsnew/b4d_2004/nepal2.pdf)

Despite attempts to extend quotas in the US, the exports of Nepal garments continued to drop in 2005.

## **2. METHODOLOGY OF PRESENT STUDY**

### **2.1 Context Note: Location of the Study**

The research was carried out in two phases. In the first phase, a qualitative methodology comprising focused group discussions and in-depth interviews was carried out in each of the countries. Based on the findings from the first phase, an interview schedule for a survey was designed to be canvassed in the second phase. Due to lack of time and resources, the survey was held at fewer places than the qualitative part of the study.

Table: Location of study of garment workers

Country	Qualitative		Quantitative	
Bangladesh	Savar –Dhaka Paangaon Barisal Dhaka	Peri-urban Rural Rural Urban	Bogra Sirajgang Gazipur Pabna Magura Kushtia	Rural Rural Rural Rural Rural Rural
India	Lucknow Hardoi Barabanki Ahmedabad Indore	Rural Rural Rural Urban Urban	Ahmedabad	Urban
Nepal	Kathmandu Bhaktapur Lalitpur	Urban Urban Urban	Kathmandu Chapagaon	Urban Rural
Pakistan	Lahore Sheikhupura Balochistan Sindh NWFP	Urban Rural	Karachi Mustoong Mominabad Nai Dandi Peshawar	Urban Rural Urban Peri-urban Urban, Peri-urban

### **Qualitative methodology**

In Bangladesh five FGDs were conducted with home-based workers working in the garment sector. Of these one was in a peri-urban area (Savar on the outskirts of Dhaka) and two each were in rural (Paangaon and Barisal) and urban areas (Dhaka).

In India the FGDs with home-based workers was conducted in Ahmedabad city, Indore city and the rural areas of Lucknow, Hardoi and Barabanki in Uttar Pradesh. The social and economic profile of the participants varies according to the locations. In Ahmedabad, the participants were all Muslims, whereas in Indore they were all Hindus. In Uttar Pradesh, they were Hindu, many of them Dalits and Muslim. Dalits are those who belong to the lowest strata of the traditional Hindu society.

In Pakistan the FGDS were conducted in Punjab province in the districts of Sheikupura, and Lahore. Five focus groups discussions were held with 10-12 women in each group. They stitch shalwar kameezs, school uniforms, lahnga suits, fancy laces, wedding dresses; sew laces or embroider bridegroom jackets.

In Nepal all the FGDs were conducted in the valley due to the on-going conflict between the Maoists and Government. Two FGDs were held in Kathmandu city (one of the FGDs did not evoke a positive participation), and one each in Lalitpur and Bhaktapur.

## Survey

**Table 1: Respondent Details**

	Bangladesh	India	Nepal	Pakistan	Pakistan*
Total Number of garment sample	50	55	30	19	55
Urban (%)	0	100	37	69	64
Peri-urban (%)	0	0	27	25	0
Rural (%)	100	0	37	6	36

*\* Two different interview schedules were used in Pakistan*

In the survey that was conducted, in Bangladesh all the respondents were based in rural areas and in India all were in an urban area. In Nepal the survey respondents were distributed over urban, peri-urban and rural areas while in Pakistan the majority in both surveys was in rural areas.

### 3. MAIN FINDINGS of PRESENT STUDY

#### 3.1 Demographic and Context Profile

In Bangladesh all respondents in the garment sector were females while 85 percent in India, 87 percent in Nepal and over 90 percent in Pakistan are female. All the respondents in India, Nepal and Pakistan were above 18 years of age. The majority – 84 percent in Bangladesh, 87 percent in India and 90 percent in Nepal have been married at least once. The exception is in Pakistan where 45 and 54 percent of the respondents were ever married. Sixty-four percent in Bangladesh, 53 percent in India, 70 percent in Nepal and 72 and 56 percent of respondents of the survey lived in nuclear families. The average family size is five member and above in India, Nepal and Pakistan.

**Table 2: Demographic Profile of Garments Sector Respondents**

Characteristics	Bangladesh	India	Nepal	Pakistan	Pakistan*
Females (%)	100	85	87	95	91
18&above (%)	96	100	100	100	NA
Ever married (%)	84	87	90	44	54
Nuclear family (%)	64	53	70	72	56
Family size	4.6	5.5	5.2	5.4	NA
Illiteracy (%)	16	26	40	26	38

Cultural restrictions have an immense influence on the nature of work in South-Asia. In many parts of Bangladesh, India and Pakistan there are cultural restriction on women’s mobility and hence women are discouraged from working outside the home. Women also said that working from home enabled them to carryout their domestic duties and child rearing activities. Personal safety in traveling outside the home was another reason for women to prefer home-based work. In the state of Uttar Pradesh in India, women were found to be observing strict *purdah* (veil) and would not sit if they a saw a male nearby. Here one participant mentioned that two of her daughters used to do *zardosi* work (embroidery with gold thread) in a ‘factory’ and get Rs.1000-1200 per month before local

gossip forced them to give up the work and work from home. In Nepal while there was no gender based division of work within the garment industry, tailoring is a caste based activity and is the traditional occupation of the Damai (Periyar) community who are a marginalized group. It is not accepted as a ‘decent’ occupation. A non Damai participant said that when she started to sew, she had to struggle a lot to convince her parents and friends.

### Activity Status

Home-based work has often been considered a part-time activity or marginal work and not as the main occupation. However the survey and FGDs revealed that home based work is often the only way to generate income for many citizens. Often workers shift from one type of employment status to another, and hence may have more than one employment status at a given time. In the survey, the majority of garment workers in all countries work on a piece-rate basis. Seventy-one percent in Bangladesh, 80 percent in India, 63 percent in Nepal and 94 percent in Pakistan were piece-rate workers. The largest percentage of self-employed workers were reported in Nepal (37%) followed by Bangladesh (29%). In India seven percent reported working as unpaid family labour. In all countries of the study, garment workers work for between seven and a half to eight and a half hours a day during the peak period and for four to four and a half hours during the lean period.

**Table 3: Status of employment by country (percentage based on number of responses)**

Labour status	Bangladesh	India	Nepal	Pakistan	Pakistan
Piece rate	71	80	63	94	62
Self-employed	29	11	37	6	NA
Unpaid family labour	0	7	0	0	NA

Casual labour	0	2	0	0	NA
Other	0	0	0	0	NA
Total	100	100	100	100	100

*Note: Some persons may have two types of employment*

## Education

**Table 4: Level of literacy: in percentage**

	Bangladesh	India	Nepal	Pakistan	Pakistan*
Illiterate	16	26	40	26	38
No schooling but can read & write	0	0	13	10.5	NA
Primary	24	38	3	32	29
Middle	30	27	10	16	6
Secondary	28	9	27	10.5	27
Other	2	0	7	5	0
Total	100	100	100	100	100

In the survey, most of the respondents doing home based work in the garment sector in Bangladesh had been to school. Only 16 percent was completely illiterate, while 30 percent had been to middle school and 28 percent to secondary school. In India 26 percent of the respondents were illiterate, while 38 percent had been to primary school and 27 to middle school. In Nepal 40 percent was illiterate, 13 percent could read and write though did not have any schooling and in Pakistan the 26 percent was illiterate, while over ten percent could read and write, and 32 percent had primary schooling. In the survey carried out in Punjab with a different interview schedule, 38 percent of the respondents were illiterate, 29 percent had primary schooling and 27 percent secondary schooling.

All over the South-Asian region participants in the study said that though they valued education, financial constraints often forced them to remove children from school. For

the girl child, additional reasons for dropping out were - bias against educating girls, labour required at home and distance of the school from the home. In rural and urban areas of Bangladesh, many girls in their teens have given up schooling and have started home based garment work due to financial constraints. A few were struggling to do both together. Rashida said, *“My father expired couple of years earlier. All my sisters are earning to bear the family expenditure. I have two younger brothers. My mother believes it is not necessary for girls to study rather we should earn to put up with the educational expenditure of our brothers. When they will grow up, they will take care of us.”* Even if the schools provide assistance, it is only for students who have done exceptionally well, and it is not enough for all that it is supposed to cover. Moreover, their families are in such poor condition that when they receive the money it is always spent on household expenditure. Most garment workers in India had not been to school, though the children of most workers had had at least had primary schooling. In Indore garment workers said, *“When there is no work, we do not send the children to school for about four months, as there is no money for fees. If we had regular work, we would be able to look after our children better.”* In Pakistan, women who were doing home based garment related work had different educational levels. Most home-based workers had children who had been to primary school and were keen that their children get education till it is possible. However girls had been withdrawn from school where ever the school was far away.

## **3.2 Economic Insecurities**

### **3.2.1 INCOME**

The highest earnings per month in peak period in the home based garment sector was reported by workers in Nepal – US\$ 49.5 followed by Pakistan where earnings were US\$ 40, and the lowest were reported by workers in Bangladesh – US\$ 24.6. The highest and lowest earnings during lean period are in the same countries. As percentage of the per capita income, the lowest earnings during peak and lean periods were found to be in India and the highest in Nepal.

**Table 5: Average earnings per month after deducting costs in US\$ and as percentage share of per capita income**



Period	Bangladesh	India	Nepal	Pakistan
Peak period	US\$ 24.60 (15%)	US\$25.55 (10%)	US\$ 49.49 (40%)	US\$ 40.08 (22%)
Lean period	US\$ 11.33 (7%)	US\$ 15.67 (6%)	US\$ 29.59 (24%)	US\$ 24.21 (13%)

*\* As per 2004 estimates by World Bank, India-US \$ 3100, Bangladesh- US \$2000, Nepal- US \$1500 and Pakistan-US \$ 2200*

The FGDs reveal that earnings depend not only on availability of work but also on the item that is being made. In all places earnings are much lower than what is paid to non-home based workers for the same.

For instance, in Bangladesh participants in FGDs reported that an all over ‘shadow embroidered’ sari sells for Tk.1,000 - 1,200 in local shops, but the workers are only paid Tk.350 for the work. The price for stitching one blouse set at Tk.5, but the women are paid Tk.2.50 by the middleman. For stitching one petticoat women are paid Tk.4.00 and the middle man retains. In rural areas, other factors such as clientele and lack of a sewing machine also affects earnings. Najma a participant in the FGDS said, “ *I had taken a training course offered by a local HBWs organization and can sew all ladies items. But As I do not have a sewing machine people don’t give me orders.*”

In India, in Indore, workers receive Rs. 20-22, for 100 sari falls. The falls have to be interlocked and ironed. The employer gives the cloth, but the cost of thread and electricity is borne by the worker. A big bundle of thread costs Rs.6. If a worker is helped by other family members they can make 200-300 falls per day, for which two bundles of thread are used. Older women, who cannot stitch, iron the falls. For stitching shirts, workers receive between Rs.21 for one dozen to Rs.8 per shirt, depending on the quality of shirts and the price fixed by the contractor. The price of one dozen shirts may also go down to Rs.8, in the lean period and if there are many workers. In Uttar Pradesh, women

were involved in doing intricate *chikan* embroidery. Depending on the cloth and embroidery, whether its cotton, chiffon or georgette, heavy or light embroidery, the workers are paid Rs.10-15. A participant reported that she works at the SEWA centre and earns about Rs.20-25 daily. Two of the women used to do *chikan* work at a private centre and earn Rs. 100 – 120 per *kurta* or for a month's work. In Ahmedabad, women said that for the past seven years they have been receiving Rs.35 for stitching a dozen frocks. On an average women can stitch two dozed frocks in a day. However in recent times the designs have become more complicated and require more time. For instance, the chain has to be stitched in a way that it's hidden and more frills have to be stitched. Therefore workers have to spend more on thread of different colours, needles and oiling the sewing machine. The workers have to spend Rs.5 on a bundle of thread, and they have to buy different colours according to the design. After the riots in Ahmedabad, the wages have not decreased but the quantum of work has. A year ago when VAT was first introduced, the employers said that they would decrease the wage by Rs.2, as they have to pay VAT. But the women refused and finally they were paid their usual wages. Ever since electricity has been privatised, worker have to pay 'commercial' rates for the electricity consumed. This problem was reported in both Ahmedabad and Indore. In Indore workers said that the contractor will cut or withhold wages on the pretext of shoddy work.

In Nepal, participants complained that they receive very little remuneration for stitching. Participants reported that piece rate workers who stitch women's *kurta salwar* get Rs.55 for stitching one pair. For shirts and trousers, they receive Rs.46 for stitching of one shirt and Rs.80 for one pair of trousers . Last year when one participant had asked for a raise, the owner of the garment threatened to give work to other workers.

In Pakistan, garment workers reported that their monthly income varies between Rs.2000-3500 for 8-11 hours of work daily. It is estimated that each woman earns Rs.60.00 per day for nine hours of work, but it varies according to the type of work. Those who stitch dresses are paid Rs.60.00 per dress after delivery. In another location women complained that they only received Rs.80 for the work done for Rs.300 by a tailor

in the market. Some women also make clothes for dolls for which they are paid Rs.5-6 per dozen frocks. Those making lace are particularly poorly paid. They receive Rs.175 for making 50 meters of lace. This 50 meters of lace is encrusted with 1440 gems and prepared in 10 days. They work from 8 a.m. till dusk. Those encrusting were receiving Rs.500 per month after doing work for 8-10 hours daily.

- **Primary earners**

In the South-Asia region home based women’s income is very important for survival. Home based workers in Bangladesh, India and Pakistan reported that in most instances, the men did not have regular jobs or income. Women said that their husbands were working as casual labourers, vendors, rickshaw pullers, drivers, guards, mechanics, etc. Women’s income was not supplemental but a critical part of the household earnings, without which the household would be in distress. In Bangladesh, women categorically said that their husbands’ earnings were insufficient to meet the basic needs. In India, in Ahmedabad, the women complained that as their men have no work, the women are the sole breadwinners of their family and the women felt burdened. The discussions in Pakistan revealed that they would not be able to meet the household expenses without women’s contribution. A large number of women reported running their houses on their own. Their husbands were daily wageworkers but most did not get money from their husbands for running the household.

- **Changes in Earnings**

**Table 6: Changes in earnings in last two years**

Change	Bangladesh	India	Nepal	Pakistan
Increased	54	13	30	44
Decreased	0	20	36.	12
Remained the same	40	67	17	44
Don’t know	6	0	17	0
Total	100	100	100	100

In terms of changes in earnings, 54 percent in the survey in Bangladesh said that their earnings had increased while 40 percent said that their earnings had remained the same. In Pakistan 44 percent reported increased earnings and the same percentage reported that earnings remained the same. In India 67 percent said that earnings had remained the same while 20 percent said that there has been a decrease. In Nepal, 37 percent said that earnings had decreased while 30 percent said that earnings had increased.

### 3.2.2 ASSETS AND WEALTH

Forty-four percent in Bangladesh and 43 percent in Nepal owned arable land, while 11 percent in Pakistan and four percent in India owned arable land.

**Table 7: Land Ownership**

	Bangladesh	India	Nepal	Pakistan	Pak
Arable land ownership	44	5	43	11	NA

### 3.2.3 WORK

#### Work History

- **Period of work**

**Table 8: Age at starting work in this sector (in percentage)**

Age	Bangladesh	India	Nepal	Pakistan	Pakistan
15 & below	22	54	0	63	82
16-25	58	33	56	26	NA
26-35	16	11	27	11	NA
36 and above	4	2	17	0	NA
Total	100	100	100	100	100

The majority in Pakistan – 63 percent – and 54 percent in India reported that they had started working by the age of 15, while no one in the survey in Nepal reported that they had started working in the garment sector before the age of 16. In Bangladesh 58 percent, and 56 percent of the respondents in Nepal had started working between 16 and 25 years of age.

In Bangladesh, India and Pakistan, women started stitching in their teens and some even earlier. In Bangladesh some are doing it in addition with their schooling. In India in some locations women mentioned that they started to sew as early as eight years of age. In some instances, workers had learnt stitching at a very young age but started working only after marriage and childbirth in the late teens (14-16 years). They received the sewing machines as part of their dowry. In Ahmedabad, workers had learnt the trade from their own families or from neighbors. They did stitching, hemming, embroidery, stitching buttons etc. Traditionally, they were debarred from cutting the cloth, even when their family profession was tailoring. It was found that men are given new machines to work on while women do the most rudimentary, low skilled and low paying jobs. In Pakistan, women home based workers had been doing the work since their childhood. Most women started working around 12 years of age. Initially they used to help their mothers and sisters. Many women had been economically supporting their families since a young age.

- **Training and Learning**

The majority of survey respondents in Bangladesh – 56 percent and 57 percent in Nepal had learnt their skills through formal training programmes. In India and Pakistan most garment workers had learnt the skills in the natal or marital family. Twenty-one percent in Pakistan, 21 percent in Nepal and 13 percent in India had learnt the skills from friends.

**Table 9: Where did you learn this work? (In percentage)**

	Bangladesh	India	Nepal	Pakistan	Pakistan *
Natal family	32	60	10	74	33
Marital family	10	13	3	0	
Training	56	7	57	5	4
Friends	2	13	20	21	20
At work	0	7.	10	0	9
Self	NA	NA	NA	NA	16
Other	0	0	0	0	18
Total	100	100	100	100	100

## Working Conditions

- Working Hours

**Table 10: Number of hours of work in a day**

Period	Bangladesh	India	Nepal	Pakistan	Pakistan* Average No. of work hours in a day
Peak period	8.6	7.4	7.5	8.2	7.73
Lean period	3.8	4.5	4.4	4.5	

The survey shows that most home based workers work close to eight hours on an average belying the notion that home-based work is part-time. In peak period, i.e. when work is available, the mean number of hours of work was 8.6 in Bangladesh, 7.4 in India, 7.5 in Nepal and 8.2 hours in Pakistan. In lean periods, i.e. when work is not available, in all countries, workers spend four hours on home based garment work.

In India, women in Indore reported that if they are not sick and do not have any social obligations, they work all the days of the week when work is available. Their day commences at 5 am. After their household chores are over, by 8-9 am, they start their work. They take a break for lunch for say an hour. Then, again till 7 pm when its time to prepare dinner. Again they sit on the machine from 10 pm to midnight.

During FGDs in Pakistan many women said that they receive help from other family members such as daughters and sisters. In a rare case a woman reported that her sons assist her. A large number of respondents were helping their mothers and sisters in the garment work. Women reported working for 8-11 hours everyday. They have more regular orders during the festival times like Eid and summer. In winter their work

becomes irregular. Rest of the group took orders from factory for stitching uniforms, but the remuneration was meager.

- **Labour Relations**

In Bangladesh, piece rate workers are totally dependent on the middle man/women for work. The materials for blouses and petticoats are cut and given for stitching to the home based workers. The shop owners don't trust the individual home based workers. Nor do the workers have way to contact these shop owners. In addition, since women are not encouraged to go outside their home premise, they are left with no other opportunity but to depend on the middleman/woman, who is usually a local influential woman or wife of a locally influential man.

In Nepal participants in discussions faced problems with the middleman not giving payment on time. Sometimes, workers have to go three or four times losing two to three hours of time. Some also reported not getting complete payment.

Woman in urban, peri-urban as well as rural areas of Pakistan, expressed their dependency on the middleman/woman. There were also several women who worked as contractors in the neighbourhood. *“If the middleman does not give me the material how can I continue my work?”* Some workers also received loans or advance from the middlemen. Home based garment workers complained of irregular work, low wages and cut in payment when there is a mistake in the design. The middlemen put a lot of pressure to finish work. However the workers did not want to argue with him/her because they are dependent on him/her for work.

- **Seasonality and Work Fluctuation**

Home based garment workers between seven and eight and a half months of peak period work in a year. Peak period refer to those months when work is easily available and lean periods refers to those months when work is not easily available.

**Table 11: Number of months of work**

Period	Bangladesh	India	Nepal	Pakistan	Pak –How many days in a week do you get work
Peak period	8.50	6.87	7.10	8.21	6.25
Lean period	2.44	4.42	3.48	2.60	

In the survey, garment workers reported eight and a half months of peak period months in Bangladesh, nearly seven months in India, seven months in Nepal and eight months of peak period in Pakistan. Correspondingly the maximum lean period was reported in India – four and a half months – and the minimum lean period was reported in Bangladesh and Pakistan.

**Table 12: Changes in availability of work in last two years: percentage reporting**

Change	Bangladesh	India	Nepal	Pakistan
Increased	57	23	30	56
Decreased	6	17	20	0
Remained the same	33	60	27	39
Don't know	4	0	23	5
Total	100	100	100	100

In the survey most garment workers in Bangladesh (57%), Nepal (30%) and Pakistan (56%), reported an increase in the availability of work. In India the majority – 60 percent – and in Nepal a substantial 27 percent said that availability of work has remained the same. Twenty percent in Nepal and 17 percent in India reported a decrease in the availability of work.

In FGDs in Bangladesh all participants complained about the lack of availability of work. They get work only at certain times such as Eid and have to stretch those earnings over months when no work is available. Most have to resort to other activities when garment



work is not available such as sweeping the floor of a local office. Both own account workers and piece-rate workers face problems in procuring work. The main problem for both groups is that of invisibility. Own account workers said that they have the problem of marketing. Having a house on the main road helps in attracting the potential customers while those located inside have difficulty. An own account worker said that he can not afford to hire any other tailors or helpers. His wife and daughters help in his job. Piece-rate workers, complained that as they work from their homes, people do not notice them. Due to cultural restrictions on mobility, women can't go to other villages to take orders. In rural areas availability of work is a bigger problem since the market is restricted to the locality. Hence the type of items and the volume of the market is limited. The other reason for lack of work reported in discussions in rural areas of Bangladesh was - that many garment workers cannot afford to buy sewing machines and people do not prefer to wear hand stitched blouses. Those who do not have machines have to depend on other people to let them use their machine. In urban areas, women said that there were too many garment workers and hence much competition. In all places, garment work is not sufficient to meet expenses. In Bangladesh young women wanted to join garment factories, however, jobs are scarce especially after the MFA phase out period. So some women have therefore taken-up tailoring and stitching as a profession. In rural areas home based garment workers have to compete with local tailoring shops for work and are fighting a losing battle. Even though home based garment workers charge less, people still bargain to lower the price. Most of the time professional tailors cut the dresses and home based workers are they are given the order only for stitching. But now the shops also have hired professional male tailors. Hence, home based workers' hardly get any tailoring orders.

In India in all locations, availability of work was found to be irregular. In Ahmedabad, the availability of work in the garment sector had gone down after the riots. For the first time after two years when the discussions were conducted, workers had enough work as the festivals of Diwali and Ramzan were coming together. In Indore, work is available from June to October and during the festival season like Diwali and Ramzan. After Christmas, till the school starts in June, they have no work. Only those women who work

regularly with contractors get work in the lean months. Work is also limited during monsoons. When there is no garment work they make plastic flowers, *rakhis*, wall hangings and pickles. During discussions in Indore, workers reported that after the riots in Ahmedabad, garment trade has picked up in Indore, but the women do not find any change in their earnings. They say that the number of garment workers is large and hence they have to work for lesser rates. If they demand more, the work will shift to other women who are ready to work for lesser rates. In Uttar Pradesh all are involved in *chikan* embroidery. However, they find it difficult to procure regular work. They also have to spend to go and bring work, and deliver it after finishing it. They also stitch readymade garments, knit woollen clothes or stitch *badla* (decorative pieces on clothes).

In Pakistan to meet expenses, most women were engaged in multiple economic activities. The participants were engaged in were making snacks for husband to sell later in the day in the bazaar, teaching stitching and embroidering to girls and women in the neighbourhood, making bangles, running a tuition centre, mat making, stitching caps for prayers, spinning thread from the wool, making counter with beads, running beauty parlours, and making designs on glass. Women complained that the work is hard and time consuming yet the income is very low.

### 3.3 Social Insecurities

#### 3.3.1 CRISIS AND CREDIT

- Major expenditure

**Table 13: Major non-routine expenditure in last two years: in percentage\***

Issues	Bangladesh	India	Nepal	Pakistan
Medical	24	54	24	16
Social expenditure	21	18	32	51
Residence Maintenance	28	11.5	23	16
Machines,	20	11.5	0	9

tools, implements				
Consumer durables	5	5	17	3
Other	2	0	4	5
Total	100	100	100	100

\* Percentages based on the number of responses

Note: Social expenditure refers to marriage + other rituals + death

In the survey most respondents mentioned that regarding non-routine major expenditure, major amounts are spent on social occasions, for medical purposes and on residence maintenance. In Bangladesh the three main reasons for expenditure were residence maintenance (28%), medical reasons (24%) and social expenditure (21%). In India major expenditure was incurred on medical needs (54%), social occasions (18%) and on residence maintenance and implements (11%). In Nepal social occasions (32%), medical reasons (24%) and residence maintenance (23%) were major reasons of expenditure. In Pakistan most respondents spent on social occasions (51%), medical reasons (16%) and residence maintenance (16%).

- **Coping Strategies**

The survey shows that in all countries of the region, in times of need, people borrow from informal sources. In Bangladesh where many NGOs are providing credit facilities, most workers reported borrowing from them (48%). In India and Nepal relatives (48% in both countries) were relied upon for borrowing. In Pakistan the moneylender (40%) was the most important source for borrowing.

**Table 14: Borrowing from whom: in percentage\***

	Bangladesh	India	Nepal	Pakistan	Pakistan Whom do you ask help from
Bank	11	2	2	0	0

Money lender	5	11	14	40	0
Neighbours	4	11	10	0	4
Relatives	15	48	48	27	78
Credit society	9	0	2	0	0
NGO	48	5	0	0	0
Contractor/middleman	0	3.5	0	20	14
Employer	0	5	17	0	0
Landlord	0	0	0	0	0
Shopkeeper	0	11	7	0	0
Other	8	3.5	0	13	4
Total	100	100	100	100	100

*\* Percentages based on the number of responses*

In times of crisis the most common strategy is to borrow money – 73 percent in Bangladesh, 72 percent in India, 87 percent in Nepal and 80 percent in Pakistan – was reported by garment workers.

**Table 15: Coping strategy used in times of crisis by country in percentage\***

Coping strategy	Country			
	Bangladesh	India	Nepal	Pakistan
Borrowed money	73	72	86	80
Worked as bonded labour	3	16	()	()
Withdrew children from school	0	0	()	()
Sold ornaments	0	4	7	()
Sold	0	0	()	20

implements				
Sold house	0	4	0	0
Reduced food	0	0	0	0
Sold assets	7	0	7	0
Other	17	4	0	0
Total	100	100	100	100

*\* Percentages based on the number of responses*

**Table 16: What is done with savings by country: in percentage\***

	Bangladesh	India	Nepal	Pakistan
Buy ornaments	10	9	18	8
Bank	4	17	3	0
Post office	2	0	0	0
Pay off loan	28	9	23	8
Give credit	2	2	5	0
Keep it in house	18	13	27	50
Land	5	0	0	
Consumer durables	24	30	19	17
Other	6	20	5	17
Total	100	100	100	100

*\* Percentages based on the number of responses*

With regards utilisation of savings, most workers in Bangladesh reported using it to pay-off loans and to buy consumer durables. In India the maximum response was to buy consumer durables, in Nepal savings are kept in the house or are used to pay off outstanding debts and in Pakistan most keep saving in the house.

In Bangladesh during discussions, most of the participants informed that they take loans from their neighbours. The affluent neighbours provide loans on a 10 percent interest

rate. But, very few of the participants receive loans from existing MFIs in their areas. It was learnt that these micro-finance loans don't reach the poor of the poorest. The field officers say that poor people are not good clients and most of the cases they have failed to return the loans. They spend the loan amount to buy consumer durables and don't invest in any productive income generating activity. In a rural very poor area, discussions revealed that despite the existence of many MFIs, only three participants had qualified for receiving loans. Participants stated that they prefer the lesser known NGOs, as the behaviour of their officers is better than the more reputed NGOs. Some of those who had taken loans were worried about their inability to pay it back. The participants reported that during natural disasters like floods, the MFIs do not ask for installments in those months, but immediately after they have to start paying for those months along with the regular installments which puts a lot of pressure on the borrower.

In India in all locations, most people turn to their family, neighbours and friends for loan. Ill-health and marriage are the major reasons for indebtedness. In Ahmedabad, participants in discussions said that since the riots and the prevailing insecure situation, credit is not easily available. In Indore, women said, *“We work for eight months and pay debts for the remaining four months”*. In the study locations in Uttar Pradesh, the minimum expenditure for weddings was said to be between Rs.50,000 and Rs.100000. They said when the upper castes spend heavily, the rest also imitate them.

In Pakistan, availability of credit and sources of credit depends on the location. Where there was a micro finance organisation, some did report receiving loans from them. In another instance, a participant complained about the high rate of interest charged by the organisation. Some also mentioned taking loans from the middleman.

### 3.3.3 SHELTER

**Table 17: Household Infrastructure**

	Bangladesh	India	Nepal	Pakistan	Pak
Family/Own house	92	47	67	78	80

Pukka walls	3	74	50	89	100
Tiled or cement roof	4	40	57	72	<i>have pucca house</i>
Average no. of rooms	2.5	1	4.6	3.2	67 (have up to 2 rooms)
Tap in household	26	76	73	61	87 <i>Access to tap-water</i>
Toilet in household	90	59	97	89	NA
Electricity	68	96	100	100	92

In the survey, the best condition of housing was reported by respondents in Pakistan. Seventy-eight percent owned their house, 89 percent had *pucca* walls and 72 percent had a tiled or cemented roof. In Bangladesh while 92 percent owned their home, only three percent had *pucca* walls and four percent had a tiled or cemented roof. In India only 47 percent owned the house I which they were living, 74 percent of the houses had *pucca* walls and 40 percent had tiled or cemented roof. In Nepal, 67 percent owned their house, 50 percent had *pucca* walls and 57 percent had a tiled or cemented roof. In survey the ownership does not refer to authorized settlements, it only to the fact that the workers are not paying rent to anyone. The average number of rooms in the house were 4.6 in Nepal, 3.2 in Pakistan, 2.5 in Bangladesh and one in India. Seventy-six percent in India, 73 percent in Nepal, 61 percent in Pakistan and 26 percent in Bangladesh had a tap in the household. Ninety-seven percent in Nepal, 90 percent in Bangladesh, 89 percent in Pakistan and only 59 percent in India had a toilet in the household. In Nepal and Pakistan, all respondents had electricity in the house, while in India 96 percent and 68 percent in Bangladesh had access to electricity.

In both urban and rural study locations in Bangladesh, the lack of proper housing is a problem. In all the areas, workers were living in shanties/ houses which were of about 8' / 10' wide. Rent in both rural and urban areas is high. In rural areas, rent of the house depends on the size and type. For instance, a tin shaded clay wall or bamboo wall house

would cost Tk. 600 if it is located far from the main road. However the same house would cost Tk. 1000 if it is located near the main road. Houses don't have any water facilities or toilets. There are few tube wells in that area. And women have to carry water in the pitcher from the tube well. Those houses near the tube well have a higher rent. In one of the locations, most of the participants had migrated from their ancestral land therefore, these workers don't own any houses over there. They use a common toilet made by the landlord. For each bulb they have to pay Tk.10. There is only one tube well which is not sufficient to cater the large population. Underground water is free from arsenic but contains excess amount of iron that is not good for human consumption. Therefore, the only source is the adjacent polluted river Buriganga; which is the dumping ground of numerous factory chemicals, tannery products and other harmful substances. During flood the condition worsens. In both rural locations participants said that they live for months on the tin roof of their house. There they cook, live and survive with utmost difficulty. They usually tie their doors and windows with rope to prevent water from washing away household belongings. The flood water does major damage to household belongings, and bed, beddings, clothes get rotten after remaining under water for two to three months. Even the foundation of the house becomes shaky. Many accidents occur during flood. Often venomous snakes and scorpions bite them resulting in fatalities. Many small children fell off the roof into the water. Many either go hungry for the whole day or cook only once a day. In urban areas too, the situation is similar. There is a common toilet and tap water for all residents resulting in long queues. Shaina said, *"My husband and I live in a rented shanty. Each month we pay Tk.1000 as house rent. In addition we pay Tk.50 for using the community toilet and kitchen and Tk.10 for each bulb connection."* Another woman said recently her landlord has increased her house rent from Tk. 1200 to Tk. 1500 and to adjust with this increased house rent her daughter had drop out from school and started helping her with stitching. One respondent said that her husband wants them to go and stay at their village home, as the house rent is high even in shanties. It costs about Tk.1160 per month for a 8' / 10' room. But in rural areas she won't be able to earn even this much.

In India, lack of proper housing was an issue. In Ahmedabad, the area where the study was conducted had witnessed many riots. Any rumour of violence and curfew is imposed.



In the study location in the state of Uttar Pradesh, the general condition of the locality was very bad - garbage strewn all over and overflowing drains. There is no approach road to the village. The majority of the women possess their own homes. The open drains in the village make them very vulnerable to disease. The electricity supply is very erratic, it is supplied only for 8-14 hours. Not all the homes in the village are electrified. If the houses have electric connection, the bill comes to Rs.300-400 per month. Telephones and televisions are a luxury in the village.

In Nepal, the garment workers who belong to the marginalised community of Damai face problems in getting accommodation on rent as they are considered untouchable. Many are internally displaced people who have come to Kathmandu. Some also face problem in fetching water from the common tap and have to wait for their turn in the end.

In the study sites in Pakistan, most of the participants were either living in their/husbands ancestral homes or had managed to build their own house after saving for many years, selling jewellery or taking loans. However the localities did not have the basic amenities.

### 3.3.4 HEALTH

**Table 18: Sources of treatment**

Source	Bangladesh	India	Nepal	Pakistan
Private	23	42.5	16	0
Government	51	57.5	79	83
Pharmacist	14	0	5	0
Self medication	0	0	0	17
Home remedies	0	0	0	0
Hakim/Vaid	2.	0	0	0
Jhad/phook	10	0	0	0
Total	100	100	100	100

*\* Percentages based on the number of responses*

The survey revealed that the most common source of treatment for illnesses are government facilities in all countries. Fifty-one percent in Bangladesh, 57 percent in India, 79 percent in Nepal and 83 percent in Pakistan. The second most utilised source of

treatment were private facilities in Bangladesh (23%) India (42%) and Nepal (16%). In Paksitan, self-medication was the second most reported source of treatment.

Eye strain and pain in the back caused by bending forward constantly and the minute work involved, were reported by garment workers across the region.

Participants in Bangladesh developed eye problem due to working in insufficient light and during festivals and other times of high demand, they often have to work in the night in dim light to finish orders. In addition, participants also experiences neck and shoulder pain, joint pant, knee pain and arthritis. Some women reported reproductive health problems (ovary related) due to working on a paddle machine for long hours. They were unable to share it even with their husbands. Most of the women sought medical assistance only if the condition was serious and out of their control. Those who have chronic health problems, are physically and mentally challenged; the sources for treatment are out of reach. Treatment for tumours, heart problems etc were not affordable for home based workers. In the rural locations due to lack of safe drinking water and sanitation, people suffer from diarrhoea, dysentery and other waterborne diseases. People take bath, wash cloths and use the river water for day to day usages. People can't afford to boil river water as it requires fuel which is expensive. In rural areas, for medical treatment most people depend on government hospitals. Even though the doctor's fee is an affordable Rs.3 people have to buy medicines out of their pocket. Most deliveries take place and are taken to hospital only in case of complications. In one location, people have to spend Rs.50 to reach the hospital in addition to crossing the river. In stormy weather one has to avoid river route even if the patient is very critical condition. Government field officers only come to vaccinate children. Poverty has also lead to malnutrition, especially in the rural areas which as aggravated the already existing health problems.

In India, women home based workers complained of eyestrain, back and leg pain and shoulder strain. During pregnancy, due to constant sitting, the position of the baby is disturbed. Many a time they have to go for a caesarean- section , which is very expensive. Women also reported heavy menstruation. Most of the deliveries are conducted at home.

At all places, participants asked for assistance in getting spectacles made. There is a lack of government health facilities. Wherever government facilities are available, the government hospitals consume lots of time for procedures and they felt that the treatment is not effective. Therefore even for minor ailments, they have to visit a private clinic and buy medicines which increases costs tremendously – Rs.200. In Indore participants also mentioned need for accident insurance. In Uttar Pradesh, since there is lack of any health facilities, childbirths are conducted at home and the children do not receive any vaccination. If they need any special care during pregnancy, they have to go to the city which is very time consuming and expensive. Only the pulse polio programme is conducted effectively. In many places, the children had not been vaccinated.

In Nepal the vast majority of participants said that they were in urgent need of health check-up facility. Most of the participants of the group were well aware on HIV/AIDS. Participants reported that their health problems such as back pain and eye problem were affecting productivity.

In Pakistan, health emerged as a major issue of concern in the study. Women were afraid of getting sick. *“Who will look after my children and run my house if I get sick?”* Women reported a wide range of problems which they attribute to the type of work that they do. Poor eye sight, back pain due to constant bending and finger injuries are a constant occurrence. They complained about pain in arms and legs due to frequent electric shocks from the machine that they are using. When there is load shedding, they run their machines by their own hands which makes their hands and shoulders stiff. Participants complained of knee pain because of continuous bending. Skin allergy was common due to termites and malaria scabies, blood pressure, tiredness, fever and other seasonal diseases were widely reported. Many women looked anaemic. None of them had adequate access to health care. They had to continue working even though they suffered severe illnesses or painful injuries. Availability of health care depended on the location of the study. Access to dispensary or hospital was most difficult in rural area, while urban centres had better access. In most areas, people relied on private practitioners. In one area the charge was as little as Rs. 12, other reported Rs. 50. Some participants could not

afford the fee of private doctors. For those in rural and peri-urban areas access to health care means a trip to the town.

### **3.3.5 DISASTERS**

The impact of disasters was mentioned in discussions in Bangladesh and India. In Bangladesh seasonal disasters such as floods cause destruction periodically. Fatima in a rural location mentioned, *“Last year flood washed away my entire house along with the household belongings. The current was so fierce that I couldn’t retrieve anything. I had built the house in the government’s khaas land. In a single night flood shattered our dream of being self sufficient. We stayed for entire two months on the roof of our house suffering scorching heat of the sun and torrential rains without any polythene shades. All the members of my family had summer boil and blisters. We used to go hungry many days. We usually cooked one meal at night. It was even more miserable as my husband didn’t get paid in flood time. The employer said since the car can’t ply on the road due to flood there is no need to come to job. I broke the clay bank of my daughters and survived with that little money. Now I have taken shelter in a generous lady’s house.”*

In Ahmedabad (India), the workers have been hit by multiple disasters which has had a serious impact on their livelihoods. The first blow was the killer earthquake of January 2001. This was followed by riots in 2002, and since then a general sense of insecurity prevails due to which outside traders have stayed away from Ahmedabad. The periodic riots hamper their livelihood. One lady, whose husband was a victim of the 2002 riots, got a sewing machine from SEWA. She gets Rs. 7 per dozen for stitching shirts. She has to pay for the thread and the electricity from the daily wages. She rolls *bidis* in her spare time. The meagre compensation from the state government (about Rs. 2000) and the help from SEWA for the books and fees of her children, are helping her to be independent. When the research team visited the place, the women were worried about the decreasing livelihood in the aftermath of the riots. During floods, the organization would help them to prevent epidemics and provide some essentials like cooking oil and vegetables.

## **3.4 Social Protection**

- **Awareness and Participation**

**Table 19: Membership of social protection schemes: in percentage\***

	<b>Bangladesh</b>	<b>India</b>	<b>Nepal</b>	<b>Pakistan</b>
<b>Whether member</b>	<b>37</b>	<b>46</b>	<b>11</b>	<b>0</b>

\* Percentages based on the number of responses

In the survey 37 percent of the garment workers in Bangladesh, 46 percent in India and 11 percent in Nepal reported being members of any social protection scheme. In Pakistan none of those surveyed were members of any scheme.

In India, awareness about social protection schemes varied with location. Wherever any NGO was working awareness and membership was evident, while in other areas, women were unaware about social protection schemes. In the locations where SEWA was active, participants knew and some had even taken membership in schemes evolved by SEWA or others. Women said that their only security is their labour. In other places, especially in Uttar Pradesh, most workers were unaware of any scheme, including any government or other social protection schemes. Here lack of access to common resources has worsened the plight of the workers. The village had a common pond where the villagers would rear fish to be used in the lean season. Now, the pond is controlled by the *Thakurs* and the other communities have no access. In one location in Uttar Pradesh, ever since the SEWU centre was set up a year ago, women get regular work. They are also trained in working out new designs..

In Pakistan, the majority did not know much about social protection schemes in all locations. Only a few women were familiar with life insurance schemes. During the discussion they showed an interest in health insurance. They believed that if the government takes steps for their welfare, their living conditions can improve.

- **Identified Problems and Needs**

**Table 20: Work related problems**

Country	Months without work: Mean no. of months	Percentage reporting problems in receiving	Percentage reporting problems in acquiring raw	Percentage reporting problems of lack of space for

		payments	materials	materials & goods
Bangladesh	1.28	28	74	40
India	3.67	24	9	67
Nepal	2.76	63	14	63
Pakistan	2.00	55	6	0
Pakistan	NA	51	NA	93

**Table 21: Type of problems in receiving payments in percentage\***

Problem	Bangladesh	India	Nepal	Pakistan
Delayed	39	41	47	31
Incomplete	12.5	18	22	26
Irregular	12.5	36	14	39
Lesser than agreed	33	5	17	4
Other	3	0	0	0
Total	100	100	100	100

*\*Percentage based on the number of responses. Respondents could report up to two problems.*

The survey revealed that on an average, home based garment workers are without work for nearly four months in India, nearly three months in Nepal, two months in Pakistan and for over a month in Bangladesh. Sixty-three percent in Nepal and 55 and 51 percent in Pakistan reported problems in receiving payments, while 28 percent in Bangladesh and 24 percent in India reported the same. In all countries delayed payment was the most common problem faced by workers. Delayed payment was reported by 39 percent in Bangladesh, 41 percent in India, 47 percent in Nepal and 30 percent in Pakistan. In Pakistan the most common problem reported was irregular payment. In Bangladesh the second most common problem was receiving lesser than agreed (33%), in India 36 percent said that payment was irregular and 22 percent said that payment was incomplete in Nepal. Nearly three-fourths of the respondents said that they had problems in acquiring raw materials in Bangladesh, while nine percent in India, 14 percent in Nepal and six percent in Pakistan had the same problem. No one in Pakistan reported a lack of space for

keep materials, but 67 percent in India, 63 percent in Nepal and 40 percent in Bangladesh reported lack of space.

- **Priorities**

**Table 22: Most important needs (in percentage)**

Needs	Bangladesh	India	Nepal	Pakistan
Housing	19.	18	2	4
Credit	21	0	4	8
Loans	1	14	1	2
Timely payment	4	0	18	27
More work	2	23	21	21
Skill training	28	8	23	12
Health care centre	12	7	3	0
Health insurance	6	11	0	4
Maternity benefits	0	1	0	2)
Medicines	0	6	2	6
Storage space	4	7	0	0
Access to market info.	1	2	5	2
Educational facilities	0	1	5	0
Transport	1	0	3	0
Roads	0	0	0	2
Minimum wage	1	1	10	10
Other	0	1	3	0
Total	100	100	100	100

*\* Percentages based on the number of responses*

Skill training, more work, timely, housing and access to loans and credit were the major needs of home based garment workers as revealed in the survey. In Bangladesh the main needs were skill training (28%), credit (21%) and access to housing (19%). More work (23%), housing (18%) and loans (14%) in India, skill training (23%); more work (21%) and timely payment (18%) in Nepal; and in Pakistan timely payment (27%), more work (22%) and skill training (12%) were the main needs of home based garment workers.

In the FGDs in Indore (India), home based garment workers expressed a need for scholarships for the children, health care centre, accident, health and maternity insurance. For health insurance, they were willing to pay Rs.50 as insurance premium per year. They wanted identity cards and a fixed minimum wage as they are unable to bargain with the contractor. Benefits for widows and for childcare were also mentioned.

Need for credit and loans was mentioned by many in Pakistan. Workers wanted loans on easy installments to be able to start their own business. Garment workers wanted access to a large market in Lahore where they could sell their products. They also wished that there was a training centre in their neighbourhood. The other needs discussed were schools for their children and government health facilities in their area.

In Nepal, the most important needs mentioned were credit to invest in better machines, skill development to be able to cater to the market demand and access to a market.

### **Experience of organizing home based workers in India**

There have been some efforts to organize home based workers which have had mixed results. For instance in Uttar Pradesh, women, despite efforts of several organizations are very reluctant to organize and work together. When the research team asked the women as to whether the local bodies are not doing anything to clean the garbage and drains, the women commented that no one would speak about such things. Previously, there used to be a mobile health clinic but it has stopped and the women are too diffident to enquire about it. On the other hand in Indore, Sonaliben says that after joining SEWA, she shed her veil and has become more articulate. She is a member of the SEWA dramatic club and has performed in plays with a very strong social message. She has also joined SEWA saving bank and insurance scheme and pays an annual premium of Rs.150. She also took Rs.10,000 loan from SEWA to buy saris and sells them at a profit of Rs.50 each.



To sum up, key findings on the garment sector include

- In all countries, the majority of garment workers work on a piece-rate basis. In the survey 71 percent in Bangladesh, 80 percent in India, 63 percent in Nepal and 94 percent in Pakistan are piece rate workers. The largest percentage of self-employed workers were reported in Nepal (37%) followed by Bangladesh (29%). In India seven percent reported working as unpaid family labour. In contrast to weavers, unpaid family labour is not a common feature among the garment workers.
- While in the case of India and Pakistan garments work has been learnt from familial relations, the majority of Bangladesh and Nepal workers have learnt skills through training.
- As in the case of weaving, children especially girls often drop out of school/ remain unenrolled and the reason given for this was economic compulsions, as well as concern for physical safety where schools are far.
- Women garment workers are usually main earners in the family. In the survey in terms of changes in earnings, most reported increased or constant earnings, and the greatest percentage reporting decrease in earnings was in Nepal.
- Most workers started young, before the age of 15, and in Nepal and Bangladesh training had been received by a majority of workers (in contrast to India and Pakistan where skills are mainly acquired from others in the family).
- In the survey most respondents mentioned that regarding non-routine major expenditure, major amounts are spent on social occasions, for medical purposes and on residence maintenance. In times of need, people borrow from informal sources. In Bangladesh where many NGOs are providing credit facilities, most workers reported borrowing from them (48%). In India and Nepal relatives (48% in both countries) were relied upon for borrowing. In Pakistan the moneylender (40%) was the most important source for borrowing.
- Overall, skill training, more work, timely payments, housing and access to loans and credit were the major needs of home based garment workers as revealed in the survey.

***The affect of gender on women's work: a case from Bangladesh***

After completing her Secondary School Certificate (SSC) examination economic constrains forced Rubina (name changed) to drop out of school. However, she considers herself quite privileged that she could complete her secondary school. Rubina is the youngest among five sisters and brothers and since her father couldn't educate her elder sisters; therefore, it was her fathers dream to educate Rubina. With his limited income he tried his best to continue her studies along with her three brothers. After his death Rubina's education had to be was stopped and she joined a local ready-made garments factory as a helper. She worked for 10 hours and received a salary of Tk. 930 each month. Sometimes she had to work for 12 hours a day and received Tk. 1200/ accumulating overtime dues. However working in the garment factory was very tough. She had to work from morning to night and could not say a word aganist the management for the fear of loosing her job. However, she always received her salary on time. Soon after joining the factory she was harassed by the local hooligans on her way to the garments factory. To avoid any unwanted incident her family married her to her cousin. Unfortunately, the garment factory closed down. The management said they were not getting sufficient orders to run the factory. Rubina along with some other colleagues didn't receive their monthly payment.

After losing her job at the factory, Rubina started working as a home-based garment worker. She came to know about it from her sister-in-law who is also a home-based worker. Rubina also learnt some easy ladies dress cutting. However, she has not received any orders as she doesn't have any sewing machine of her own. Her sister-in-law has, meanwhile, has acquainted her with one contractor who provides her embroidery orders. For each set of dresses she receives Tk.150. As she is not very swift at sewing, these dresses take approximately four to six days to finish. Therefore, she hardly earns Tk.600 in a month. Rubina is very concerned about their future as she is expecting a baby in a couple of months. At her present physical stage the doctor has advised her to have a special diet. Her husband is very cooperative, but it is difficult for him as he too has to send money to his parents.

Rubina said it is very difficult to run a family. “My husband and I live in a rented santi. Each month we need to pay Tk.1000 as house rent. In addition we need to pay Tk.50 for using the community toilet and kitchen. For each bulb we are paying Tk.10. Not to mention the food and medical expenditure.”

Rubina was suffering from fever accompanied with mild chest pain. She said that she could not afford to go to the doctor for a check-up. Rubina mentioned that she was unable to sit in one position for a long time. As they have to pay Tk.10 for each bulb, they have only one 40 watt bulb which was insufficient for stitching at night. A 100 watt bulb would have been a better option but that is more expensive than the 40 watt bulb.

At the time of the interview, Rubina was taking as many orders as possible as she wanted to save some money for the safe birth of her baby. Therefore, she was working till midnight in that insufficient light. Moreover, she needed to concentrate on each stitch because if the stitches are not neat the contractor would not give any further orders. This was causing headache and watering of eyes. Rubina requested the interviewers to assist her by providing medical assistance and more embroidery orders so that she could secure her future.

#### ***Disasters and Risks: a case from India***

Sajidbhai, is a ready-made garments dealer of Shahpur, the hub of the garment trade of Ahmedabad. Till 1969, there were no ready-made garments in Ahmedabad. The only items available were petticoats and undergarments. Sajidbhai started helping his family in their stitching work since the age of nine years. In between he worked in a garage also. He started working in the same mill (Rustam Jahangir) as his father at the age of 18 and worked for 21 years in that mill. In 1988 he quit to start his own small business. Initially, working from home he would pay Rs.300 for a sack of *chindi* (waste pieces of cloth from the mills). One sack would contain 30 kg of *chindi*. He employed two women for stitching frocks from the *chindi* and paid them Rs.10-12 per dozen frocks. After the mills shut down in Ahmedabad, he would get material from Surat and work progressed.

Formerly, one pattern would last a year but now designs change every fortnight or even in a week. If the goods remain unsold in the shop for more than 15 days it is a loss. From 1988-2001, Sajidbhai was able to lead a comfortable life. He educated and married his two daughters and son without taking any credit. He dealt with traders from the states of Gujarat, Madhya Pradesh, Maharashtra and Rajasthan. There were at least 300-400 dealers in ready-made garments in Shahpur area of Ahmedabad.

Since 2001 his situation started to go downhill. The first blow was the killer earthquake of January 2001. The riots in Ahmedabad in 2002 changed everything. There has been a steep fall in garment work in Ahmedabad. Traders stopped coming to Ahmedabad due to the riots and a general sense of insecurity prevails. He was unable to recover his money after the riots. Gradually, he reverted to working on a daily basis. He got Rs. 40,000, making posters and banners for elections, which was used to cover medical expenses for his wife. She required a spine operation. At present, he has one employee to do interlocking on a new machine, which he obtained second hand for Rs. 50,000. A new machine costs Rs. 80,000.

His life witnessed a complete cycle- from mill worker to ready made garment trader to again a worker. His son helps him in his new venture. According to Sajidbhai, mill workers (now retrenched) dominate the Shahpur area. A general air of despondency prevails over the place. The present generation has no alternative to the garment trade. Some drive autos or work in garages. There is also lack of quality education. For the first time in two years in October 2004, workers had large orders. Sajidbhai felt that women home based workers were receiving much less work in comparison to earlier times primarily due to two reasons. Firstly, due to the riots, many young teenagers had dropped out of school and had joined the garment trade. These boys work at the owners home or shop. As a result of this increase in the number of workers, the home based workers were not getting enough work. The second reason was that due to constantly changing designs, work is given to those who work on the owners premises and due to a short lead time, the work is not distributed to home based workers. Sajidbhai felt that this was the way things would be in the near future.

## **Recommendations**

- **While dominant discourse on the garment sector and workers associated with the field stress explicitly on global value chains and export orientation, the study suggests that the sources of demand for a predominant section of the home based garment workers are local. They cater to seasonal domestic markets and face the impact of global markets indirectly. In remote areas most workers are engaged in face to face relationships with customers. Survey respondents who classify themselves as piece rate workers usually sell to middlemen and have little idea of the larger chain that exists in the production process. Thus, much needs to be done in terms of linkages to the urban or export market.**

## CHAPTER 5: RISKS & VULNERABILITIES faced by WOMEN HBWs in the WEAVING SECTOR

### 1. BACKGROUND & CONTEXT<sup>1</sup>

#### 1.1 Introduction

Weaving often referred to as the “sunset” industry in South Asia has not only been a means of employment, but a way of life for many in the region. The sector spans a variety of products and regions, using varied processes, raw materials and technologies. Engagement in this sector has been historically symbolic with certain castes and communities in the region<sup>2</sup>. The products of weaving range from carpets and rugs to tea coasters and textiles. Thus, it is an immensely heterogeneous sector, influenced by several pulls and pushes, both in demand and supply.

The art of weaving in the region can be traced as far back as the Indus Valley civilization. Excavations at the ancient cities of Mohenjodaro and Harappa have established the view that it was the Indus Valley civilization which developed the use of woven textiles. Further, each nation has developed its own unique form of weaving and type of product. These vary at intra and international levels from the *Benarasi* silk’s found in India to *Dumbara* weaving in Sri Lanka.

#### 1.2 Production Process and Employment Patterns

The process of weaving constitutes the interlacement of two sets of threads. The equipment, which assists this interlacement, is called the *Loom*. The loom can be simple lion loom of a Manipuri weaver household in India or the modern complicated shuttle less power loom of Switzerland employed in Pakistani factory units.

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<sup>1</sup> The background & context section of the study borrows extensively from Reddy, N, *Weaving Woes On the Handlooms*, Centre for Handloom Information and Policy Advocacy, 2006.cited in India Together , <http://www.indiatogether.org/2006/feb/eco-handloom.htm>

<sup>2</sup> Boudy, E, *The Book of Looms*, 1993

Broadly, looms can be classified under two groups- handlooms and powerlooms- based mainly on the motive power employed in their weaving. The regions in South Asia are well known for the variety of traditional handlooms used in the production process.

There are varied handlooms used in the region such as Pit Looms, Tribal looms, Throw Shuttle looms to name a few. The handloom tradition is complex and ever changing. Many regions are known for producing a certain type of sari or textile, and that is how most such products get their names, i.e. from the place or through the process they are woven. Thus, we have the Khadi, Ikat, Pashmina, Banarasi traditions.

Many weavers such as jute weavers in Bangladesh and Bamboo weavers in the North East of India do not even use looms, relying on the simple needle and weaving kits for their production.

In much of South Asia, the weaving sector comprises of the following components— modern textile mills, independent powerlooms, handlooms sector and textile tailoring. A large share of the weavers using handlooms work in what have been designated *cottage industries*<sup>3</sup>. In Bangladesh, the Agricultural Census of 1983-84 defined the cottage industry as household level manufacturing units that produce goods manually and with elementary tools within households and use the sale proceeds for subsistence of household members. The census recorded 932,000 such households, 20.7% of which were involved in weaving<sup>4</sup>. In Sri Lanka, the handloom sector consists of small units, under the mixed purview of the private, corporate, and public sectors. In India, the fragmented powerloom and handloom sectors account for about 95% of weaving. Weaving in India is highly biased towards cotton; the share however has been decreasing at a steady rate over the past few years<sup>5</sup>. The handloom units are classified as cottage industries in India too. The sector in India employs 12.5 million people as of 2005.

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<sup>3</sup> The maximum number of workers in a cottage industry unit is 20, if it uses indigenous technology and is not run by power, and not more than 10, if it uses power-run machinery.

<sup>4</sup> The major places of concentration of weaving and hosiery were identified as Narsingdi, Baburhat, Bajitpur, Bhairab, Tangail, Shahjadpur, Muradnagar and Kumarkhali

<sup>5</sup> CII Online Weaving Sector Report

<http://www.ciionline.org/sectors/66/default.asp?Page=Sectors%20of%20Textile%20Industry%20.htm>

### **1.3 Weaving and HBWs**

The sustenance of weaving itself has not been dependent on the government or any modern formal institution, but based on households and communities. The relatively simple production process of weaving caters itself to be a home based enterprise for many. For causes related to the historical community based evolution of weaving and the low capital required to set up handloom units; weaving is an occupation taken up in vast volume by women in rural and urban areas as part of family production units<sup>6</sup>. In India, it is estimated that more than 38, 00,000 such units exist. Pakistan houses 250,000 such small units<sup>7</sup>.

For many agricultural workers, this is off season employment. Recent studies have described the labour process of weaving in the context of global subcontracting chains in parts of South Asia as ‘putting-out systems’ dependent on home –based work in which ‘raw materials are brought to the home of the producer and finished products are returned to the supplier or agent’<sup>8</sup>. These workers are paid on piece meal basis and earn between Rs.30 to Rs. 70 per day<sup>9</sup>.

### **1.4 Demand and Consumption Patterns**

While the weavers face destitution and penury, there is a large market for South Asian handloom products both domestically and internationally. For instance, the handloom production has significant contribution to the Indian GDP and export earnings. According to the Ministry of Textiles, export earnings as late as 1998-99 were Rs.1, 956 crore.

While South Asian nations record highs in textile and garment exports; the composition is skewed in favour of factory capital intensive products. Taking the Indian example further, according to the year-end release published by India's Ministry of Textile in December, while exports of woven textiles which include handicrafts, jute, and coir formed 24.6% of total exports from India in 2001-2002, this percentage has decreased to 16.24% during the year 2004-05.

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<sup>6</sup> Bawa, I, South Asia Forum Quarterly, vol 4, no 4: Fall, 1991

<sup>7</sup> [http://www.dailytimes.com.pk/default.asp?page=story\\_1-1-2005\\_pg5\\_6](http://www.dailytimes.com.pk/default.asp?page=story_1-1-2005_pg5_6)

<sup>8</sup> De Neve, G. 2002. Weaving Rugs for IKEA: the dynamics of subcontracting work for the global market in rural Tamilnadu. Centre of South Asian Studies Occasional Paper No 4, August.

<sup>9</sup> *ibid*



Even in the case of Pakistan, the textile sector contributed 60% of the nation's exports. The figure went up to US\$8.926 billion in 2004-05 from US\$8.252 billion in 2003-04, showing an increase of about 8.1%. Between July 2004 and June 2005, major categories that registered an increase over the previous year were: cotton fabrics which went up to US\$2.050 billion from US\$1.711 billion in previous fiscal year; readymade garments US\$2.722 billion (US\$2.452 billion); textile made-ups including bedlinen US\$1.916 billion (US\$1.799 billion). While export of towels increased to 139,168 million kg from 101,806 million kg, raw cotton also went up to 117,084 million tonnes from 37,307 million tonnes. However, this was accompanied by a decrease in certain woven textile items such as yarn, art silk and synthetic textiles.

Recent trends though, seem encouraging for small scale weavers with consumer demand for 'authentic' hand woven organic textile products on the rise.

### ***1.5 Market Problems and Potentials***

#### *Domestic Competition and Scale*

With the growth of mechanized textile production internationally, the division between handloom and powerloom operators have sharpened domestically. Intense competition from the powerloom sector has compelled many in the handloom sector out of work or to join or merge with the powerloom units at minimal wages. Handloom weavers have lost much of their market and are almost non-existent in most countries. Powerlooms have thrived vis-à-vis the mills given the cost structure they operate under. The powerloom units have taken advantage of the low labour cost, tax and fiscal benefits; however the technology absorption in the sector is very low. Thus, even those engaged in the powerloom units are rendered in a deeply dependent relationship with contractors and factory owners. Further smaller powerloom units do not thrive and only large scale players reap benefits of domestic demand.

In response to the change in the domestic market, there have been often suggestions made calling for reform in the handloom sector design, visibility and marketing. The resistance to change is seen as a result of the unwillingness of the investor to take risks and provide incentive to weavers for effecting the change. There is also need for changes in the way

co-operatives operate in the region; as they are currently host to corruption, patronage and politics.

### *Trade Potential*

Several organizations working for the rights of weavers cite globalization and the resultant international trade competition as the key cause of havoc for workers in the sector. From silk weavers in India selling blood to survive<sup>10</sup>, to 50% of the Pakistani small scale looms<sup>11</sup> shutting down, the cheaper Chinese yarns have flooded the market and cause immense devastation.

As the controls on exports get liberalized and domestic markets open up, the textile scenario in the country is likely to undergo further drastic changes in terms of skills, inputs like designs, market trends and changing demands therein. These changes need to ensure that weavers are gainers from this liberalization by equipping them in terms of production capacity and skills.

### *Raw Materials, Infrastructure and Technology Constraints*

The technological distinction between handlooms and powerlooms is the moot cause of the increasing redundancy and destitution of various weavers in the sub-continent. Prior to the modernization of the sector, the master weavers of the region required only the most rudimentary of looms and weaving implements and the simplest of weaving techniques and raw materials, all available locally. While, the sector developed vast indigenous technology in the looms and weaving methods used, it was still a labour intensive industry relying on handlooms.

Formal education systems have not included teaching skills for this profession into its fold. As a result, any innovation and change has been left to the weaving families. In the recent decades, due to lack of information and fast paced changes, practices in handloom sector became static and thus caused mass scale unemployment and impoverishment.

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<sup>10</sup> [http://news.bbc.co.uk/1/hi/world/south\\_asia/3764246.stm](http://news.bbc.co.uk/1/hi/world/south_asia/3764246.stm)

<sup>11</sup> [http://www.dailytimes.com.pk/default.asp?page=story\\_1-1-2005\\_pg5\\_6](http://www.dailytimes.com.pk/default.asp?page=story_1-1-2005_pg5_6)

Further, skewed government policies hamper the access small producers have to raw material such as yarn, dyes and dye stuffs. Weaving is a rural and semi-rural production activity and weavers have to go far to get these raw materials. For instance, many South Asian nations offer tax free yarn to powerloom units, thus diverting raw materials.

Investment in handloom sector has thus far been limited. There is no investment on sectoral growth. Facilities such as land, water and electricity need to be provided in many places that are a harbour for handloom manufacturing. On the other hand, powerlooms are getting more usable support from the government in procuring land, water and electricity.

### *Patenting*

Designs patenting is another key issue. A major reason of handloom decline is the copying of their designs by power mills that sell these products at much cheaper rates. An<sup>12</sup> estimated one hundred thousand weavers in Andhra Pradesh, India benefited from the granting of Intellectual Property Rights to the traditional tie-and-dye fabric, which has seen falling demand due to competition from cheaper powerloom fabrics. In the past decade, almost 50% of the estimated 5 lakh such weavers had to switch to other vocations. Under Geographical Indications, a product and its attributes are linked to a specific region.

### *Working Conditions*

Work conditions and security are abysmal for weavers. As of 2005, a minimum of 1 million weavers in India had lost their jobs<sup>13</sup>. Child labour and poor occupational health safety is rampant. While certain governments have schemes pertaining to the interests of the weaving community, weak implementation of the schemes and the changed context of the textile industry with the increasing competition from the powerloom and mill sectors have been largely responsible for the crisis in handlooms. Workers are exposed to

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<sup>12</sup> [www.ndtv.com](http://www.ndtv.com), December 14, 2004

<sup>13</sup> [http://www.laborrights.org/press/sweatshops/indiaweaving\\_dpa\\_120705.htm](http://www.laborrights.org/press/sweatshops/indiaweaving_dpa_120705.htm)

skeletal deformities, ergonomic problems, eye sight problems and health problems due to exposure to toxic chemicals.

## **2. METHODOLOGY OF PRESENT STUDY**

The present study, with its focus on the home based weaving sector includes a variety of products that range from cloth to carpets. The common thread that unites them all is the technology involved, which is the manually operated loom.

### **2.1 Context Note: Products and Locations of Study**

The study on the weaving sector has included various products in different countries. In Bangladesh it has included Benarasi silk sari weavers and cotton cloth weavers. In India weavers from different parts of the country weavings saris and cloth. In Pakistan most weavers are piece-rate workers weaving carpets, rugs and woollen sheets in all the study areas. In Nepal Cotton, Dhaka and indigenous fibres (Hemp Clothes) have been selected for the study.

The research was carried out in two phases. In the first phase, a qualitative methodology comprising focused group discussions and in-depth interviews was carried out in each of the countries. Based on the findings from the first phase, an interview schedule for a survey was designed to be canvassed in the second phase. Due to lack of time and resources, the survey was held at fewer places than the qualitative part of the study.

Table: Locations of study of weavers

Country	Qualitative		Quantitative	
Bangladesh	Dhaka Shirajgonj Shahjadpur	Urban Rural Rural	Sirajgong Gazipur Norshingdhi	Rural Rural Rural
India	Impahal Chanderi Kheda Anand Bangalore	Urban Urban Rural Rural Rural	Chanderi	Urban
Nepal	Kathmandu Lalitpur Bhaktapur Dhading	Urban Urban Urban	Kathmandu  Bhaktapur	Urban, peri-urban Peri-urban, urban, rural

			Lalitpur Dhading	Rural Rural
Pakistan	Sheikhupura Kasur Bhai Pehru	Rural Rural	Hyderabad  Karachi Mustoong  Ameer Buksh Mominabad Dhok Sheikhabad	Per-urban Rural Urban Peri-urban, rural Rural Per-urban Rural

### 2.1.1 Qualitative Study locations

In Bangladesh FGDs and interviews were carried out in the rural areas of Thana Sirajgonj and at Shahjadpur and in Dhaka city among Benarasi sari weavers. In India the qualitative phase of the study was held in Imphal, Kheda and Anand districts of Gujarat with Chanderi sari weavers who happened to be visiting Ahmedabad, and in Bangalore district. In Nepal due to the ongoing conflict between the Maoists and the government, the study could be conducted in the Kathmandu valley and surrounding districts only. These areas are Kathmandu, Lalitpur, Bhaktapur and Dhading. In Pakistan all the FGDs and interviews were held in Punjab province in districts Sheikhupura, Kasur, in the city of Bhai Pehru.

### 2.1.2 Survey locations

In Pakistan the first survey in which a different interview schedule was used was carried out in Punjab province and the second survey using the common schedule was conducted in Baluchistan province, North West Frontier Province and Sindh province.

**Table 1: Respondent Details**

	Bangladesh	India	Nepal	Pakistan	Pakistan*
Total Number of Weavers	50	57	79	19	56
Urban (%)	0	100	48	15	11

Peri-urban (%)	0	0	15	31	0
Rural (%)	100	0	37	54	89

*\* Two different interview schedules were used in Pakistan*

We tried to get a mix of urban rural and peri-urban based weavers in the survey. However this was not possible in all the countries. In Bangladesh all the weavers surveyed are rural based while in India all are urban based. In Nepal 37 percent are based in rural areas, while 48 percent are from urban areas. In Pakistan in both surveys, the majority of weavers are based in rural areas - 54 and 89 percent respectively.

### **3. MAIN FINDINGS OF PRESENT STUDY**

#### **3.1 Context and Demographic Profile**

**Table 2: Demographic Profile of Survey Respondents**

	Bangladesh	India	Nepal	Pakistan	Pakistan*
Total Number of Weavers	50	57	79	19	56
Females (%)	94	88	72	100	91
18&above (%)	98	84	100	84	NA
Ever married (%)	94	96	89	63	52
Nuclear family(%)	72	44	76	42	64
Family size	5	6	5	6	NA

*\* Two different interview schedules were used in Pakistan*

#### **Age and Sex**

The majority of the sample of home based weavers in the study is female and over 18 years of age. The Nepal sample has the highest percentage of males – 28 percent – and all those who participated in the survey are above 18 years of age.

## Marital Status

The majority of respondents were married or had been married at some time. The highest percentage of respondents who have never been married is in the Pakistan sample. In Bangladesh and Nepal, close to three quarters of the respondents live in nuclear family setups while in India 44 percent and in Pakistan 42 and 64 percent in the two surveys.

## Education

**Table 3: Level of literacy (in percentage)**

	Bangladesh	India	Nepal	Pakistan	Pakistan*
Illiterate	70(35)	55(31)	32(25)	80(15)	80(45)
No schooling but can read & write	2(1)	5(3)	10(8)	5(1)	0
Primary	14(7)	19(11)	24(19)	10(2)	18(10)
Middle	10(5)	12(7)	5(4)	5(1)	2(1)
Secondary	4(2)	7(4)	29(23)		0
Other	0	2(1)	0		0
Total	100(50)	100(57)	100(79)	100(19)	100(56)

In the survey 70 percent in Bangladesh, 55 percent in India and 32 percent in Nepal reported being totally illiterate. The highest percentage of illiteracy was reported in Pakistan with 80 percent.

During FGDs most of the home based weavers, especially women across the region reported that they were unable to read and write. Even those who had gone to school had dropped out early and could not remember anything. While workers were keen to send their children to school but many could not afford to.

In Bangladesh workers said that though the primary school was free but they are too poor to pay for the stationary and other accessories. Many parents would like to send their children to learn technical education rather than normal school curriculum. Parents were

content if children learnt to read and write and were able to count. *“Why study further? He needs professional training. He sells ice-crème on streets. After a year or so I will send him to learn auto-repair. This business is thriving now,”* Jamil explained. Many men felt that if they help their mother then the family could earn more. There is a gender bias against sending girls to school. In any crisis situation the girl child had to quit school. However, all are willing to send their sons to school. Sending the girl child to school is considered wastage of time and money. They believe their daughters will be married off to another family and thus spending money on daughter is not worth considering.

In India many weavers, especially women had not had any schooling. However children of all weavers included in the study had been to primary school. Beyond that, the level of education was found to be location specific. However, a gender bias is evident, with boys being sent to better schools.

In Nepal literacy rates were found to be very varied in the study locations, irrespective of whether it was an urban, rural or peri-urban setting. The matter of concern was that children could not be sent to school due to economic constraints. This was more in the rural and peri-urban areas.

In the study locations in Pakistan, the participants were either illiterate or had been to primary school only. In the rural and peri-urban areas, only boys were going to school while girls were working at home. Participants said that it was unsafe for girls to travel to the schools in other villages and they could not afford to educate their girls. In one location even though children attended school, many were unable to write their name. Therefore some families believe that sending their children to school is a waste of time and money. They would prefer to have a government training centre where their children could learn some skills that would help them to get jobs and earn money. On the other hand, Rashida who lives in an urban area is sending two of her daughters to school in the hope that they would have other work opportunities.

### **Status of Employment**



**Table 4: Status of employment, number of persons reporting by country (based on number of responses)**

Labour status	Bangladesh	India	Nepal	Pakistan	Pakistan
Piece rate	77	90	25	61	45
Self-employed	10	2	75	11	NA
Unpaid family labour	13	6	0	28	NA
Casual labour	0	2	0	0	NA
Other	0	0	0	0	NA
Total	100	100	100	100	NA

*Note: Some persons may have two types of employment*

The majority of home based workers in Bangladesh (77%), India (90%) and Pakistan (61%) work as piece-rate workers and the second largest category is that of unpaid family labour in these countries. In contrast 75% of workers in Nepal are self-employed followed by piece-rate workers – 25%.

In Bangladesh many women of the household work as unpaid family labour. Most women starch, colour, and spin the yarn. Most do not sit at the loom while in a few areas, they also weave the *gamcha* (a small traditional towel).

During FGDs in India, weavers in all study locations reported working on a piece-rate basis, which corresponds with the findings of the survey where 90% reported working on a piece rate basis. In Imphal where women do most of the weaving, initially the contractor who provides the yarn would ask for a surety of Rs.1000 or some gold. But once the relationship is established, no such surety is required. Yarn is given in terms of weight, hence less thread is required if the yarn is thick. Most of the women had been

dealing with the same contractor for the past 15 years. At times they work for more than one contractor. In rural Bangalore all the weavers in the study site were employed by the Karnataka Handloom Corporation, which provides them with raw materials and markets the finished products. While in Chanderi there is no fixed employer. In Kheda, all the weavers are members of SEWA which supplies yarn and markets the products.

In Pakistan most participants reported that they get help from other family members, especially from their daughters. The discussions also revealed that in many cases women's earnings are not marginal but an essential component as their husbands are either unemployed or get seasonal employment only. Many men work as daily-wage labourers.

### **3.2 Economic Insecurities**

#### **3.2.1 INCOME**

- **The earnings of home based weavers in the region are much lower than the per capita incomes for the respective countries.**

As percentage of the per capita income, the highest earnings were found to be in Nepal and the lowest in Bangladesh. These are not per capita earnings but include the unpaid family labour of other members of the household. (In Nepal, the sample is restricted to the Kathmandu valley, the situation in interior areas may be different.)

**Table 5: Average earnings, peak and lean period in US\$ and as percentage of per capita income**

	Bangladesh	India	Nepal	Pakistan
Peak	US\$ 7.46 (4.5%)	US\$ 28.33 (11%)	US\$ 37.60 (30.1%)	US\$ 29.87 (16.4%)
Lean	US\$ 4.33 (2.6%)	US\$ 19.21 (7.5%)	US\$ 20.71 (16.6%)	US\$ 22.13 (12.2%)

*\* As per 2004 estimates by World Bank, India-US \$ 3100, Bangladesh- US \$2000, Nepal-US \$1500 and Pakistan-US \$ 2200*

- **Heterogeneity of sector results in lower end workers receiving minimum returns**

Weavers in rural areas of Bangladesh receive Tk.20-40 per gamcha while the same is sold for Tk.40-60 in the market. Both the *gamchha* and *lungi* workers are paid on weekly basis. Weaving of *Benarasi* saris in Dhaka was found to be contractual. The worker is paid on a piece-rate depending on the design of the sari. An intricately and heavily designed sari would take three weeks to weave and the worker will get only Tk.850 for that job. The worker had to remain idle for one week. Weavers reported a reduction in the demand for traditional saris. Saris that used to be sold in the adjacent market for Tk.1,500/ are now sold for Tk.850 and the weavers are paid Tk.350 only for that sari. The same sari sells at the big shopping malls for Tk.4,000 to Tk.5,000 but the profit is kept by the middleman and shop-owner. On the other hand if the sari is sold Tk.100 less then the weaver has to pay this price by receiving fewer wages. “*We could never anticipate that the labour cost would fall so low. By doing this job we can barely survive.*” Women workers engaged in the colouring, starching, spinning the thread are paid very marginally for their job in both urban and rural areas. In Dhaka women who prepare yarn for Benarasi saris are given the yarn by the employer. The yarn is coloured, starched and made into bundles. Eight *noris* can be rolled from one bundle of yarn. Approximately 20-25 *noris* are required for one sari. They are paid not by the number of *noris* rolled but by the number of saris for which the *nori* is rolled. Regardless of the number of *noris* used, the workers are paid Tk.25 per sari. Earlier when business was better they used to get Tk.30 per sari. It takes three to four hours to make *nori* for one sari. In a day women can roll *nori* for three saris. Previously women earned Tk.400 per week now as there is not enough work, they earn Tk.200 per week. The payments are cleared every Friday.

During FGDs in India, women in Imphal reported that they weave *mekhlas* (sarongs), cotton and woollen shawls, bed-sheets and mosquito nets. They can finish a shawl in two days and earn Rs.90 per piece. But due to increase in the number of weavers, the price per piece has gone down from Rs.45 to Rs.37 in the last year. Weaving a silk *mekhla* fetches them Rs.600-700. The silk loom is different and heavier to use. If the design is very intricate, it takes them seven days to prepare a single piece. If the piece is sold for Rs.2500; their labour charges are Rs.500. Sometimes, even after 2-3 years, a contractor

can return a piece if it remains unsold, citing poor quality. In rural Gujarat in the study locations all the participants had joined SEWA. Earlier they were working for the handloom co-operative which used to pay them Rs.8 per sari, but since this has been taken over by SEWA, they are paid Rs.45 for a simple sari which takes three-four days to weave. SEWA provides the cotton yarn and pays the electricity charges. However if the stock remains unsold, it turns stagnant. In rural Bangalore, weavers work for 10-12 hours and produce six saris in a month. If the design is simple or if there is high demand, they work for 15 hours and produce eight saris in a month. The Handloom Corporation gives them the raw material but in the market, it costs Rs.100 less per kilogram. The material required for weaving a silk sari costs Rs.1400, the labour charges paid are Rs.800. It takes a week to weave a silk sari. The Corporation sells it for Rs.2500 and by the time it reaches the show room, the price is Rs.5500-6000. Chanderi sari weavers said that for one sari they receive Rs.80. In one week, three simple saris can be woven. If there are more designs, only one sari can be woven in a week. The yarn and designs are provided by the employer. Though records are kept, often the employer does not give the complete payment.

In Pakistan all the participants in FGDs were carpet and rug weavers. No major earning difference was found between rural, peri-urban and urban areas. Most workers put in 7-11 hours of work in a day. The monthly earnings vary from Rs.2000-3000 in which they get the help of other members of their family, especially daughters. The earnings are based on the intricacy of the design. Participants reported receiving Rs.5 per design sheet (which can be completed by two adults in two weeks) to Rs.225 per design sheet for a very intricate design carpet that takes a year to complete. The middleman provides the raw material and the design sheets. Workers feel that this work is time consuming and it does not pay sufficient money. Some were getting only getting 50 or 60 rupees as daily remuneration. This remuneration was deducted in case of late delivery of work or in case of any fault in carpet or material shortage. Workers are paid after the delivery but at times, payment may be delayed for two-three months. Noor in rural Punjab said, *“I receive Rs.5 per design sheet. I and my husband complete a carpet in 15 days and get Rs.1200 for it. Currently, I am weaving two large design sheets for Rs.150. Usually we*

*get paid immediately after completing the work, but sometimes the payments are delayed for 2-3 months.”*

Earnings in the weaving sector in Nepal depend on the type of weaving that is done and the labour status of the worker. Cotton and Dhaka cloth weavers reported an income of between Rs.900- 1200 per month. The rate for a plain cotton cloth with the size 42” per meter is Rs.80 which requires 12-15 hours of work to finish. Participants also reported that self-employed home-based workers receive higher remuneration in comparison to piece rate workers while piece-rate home-based workers have to put in more labour than self-employed home-based workers. The average monthly remuneration for self-employed is between Rs.1,200-1,500 and the monthly remuneration for piece-rate weavers is between Rs.950- 1,200. Self-employed weavers in a rural area mentioned that they had to go a long distance to have the thread dyed which increases the time, money and labour spent. Repair of the loom is expensive rural areas. Seema Devi reported, *“I have to get the wooden loom repaired at least twice a month and only technician available lives about six kilometres from my home who charges Rs. 100-150 for per visit.”*

### **Changes in Earnings**

**Table 6: Changes in earnings in last two years**

Change	Bangladesh	India	Nepal	Pakistan
Increased	2	30	20	37
Decreased	20	12	28	26
Remained the same	78	58	47	21
Don't know	0	0	5	16
Total	100	100	100	100

Other than in the case of Pakistan, majority responses in each sample suggest a general stagnancy of income levels of the home based weavers. In Bangladesh and Nepal, greater share of the respondents felt a decrease in earnings than those experiencing an increase. The majority of respondents in Bangladesh (78%), India (58%) and Nepal (47%), reported that there had not been any change in their earnings in the last two years. In Pakistan a significant 37 percent reported that there had been an increase in their earnings in the last two years.

### 3.2.2 ASSETS AND WEALTH

Table 7: Land Ownership

	Bangladesh	India	Nepal	Pakistan	Pakistan*
Land ownership (%)	12	9	72	5	NA

Other than the case of Nepal, home based weavers have close to no sustainable asset base. While only 12% of the sample owned land in Bangladesh, this share was 9% in India and as low as 5% in Pakistan.

### 3.2.3 WORK

#### Work History

- **Period of work**

Table 8: Age at starting work in this sector (in percentage)

Age	Bangladesh	India	Nepal	Pakistan	Pakistan
15 & below	58	42	2	68	68
16-25	36	54	70	16	NA
26-35	4	4	23	11	NA
36 and above	2	0	5	5	NA

Total	100	100	100	100	100
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The survey reveals that 58 percent in Bangladesh, 42 percent in India, two percent in Nepal and 68 percent in Pakistan had started weaving by the age of 15. Thirty-six percent of respondents in Bangladesh, 54 percent in India, 70 percent in Nepal and 16 percent in Pakistan started weaving between the age of 16-25. A significant 23 percent in Nepal and ten percent in Pakistan reported that they started weaving after the age of 25. In Nepal in comparison to other countries in the region, the vast majority started weaving only after the age of 15. Since the question pertained to the specific sector of work, this does not tell us at what age they started working for a livelihood.

In Bangladesh, Benarasi workers are very skilled and experienced. Most of the participants are working for significant period of time. Gaffer said that he is working since last 12 years. Nasim said that he use to work in a *paan-bidi* shop at the age of 16 then his parents gave him to this weaving sector as the business was in full bloom then. Anwar said that he is working since 12 years now. In everywhere there are so many weaving factories that the labour cost is very cheap. Munna and Wasim also started this job at the age of 10. The discussions in India, most weavers said that they had started working by 12 years of age and had learnt weaving in their natal family.

- **Training and Learning**

**Table 9: Where did you learn this work? (In percentage)**

	Bangladesh	India	Nepal	Pakistan	Pakistan *
Natal family	37	42	29	74	59
Marital family	55	47.5	11.5	16	
Training	6	3.5	6	5	5
Friends	0	3.5	11.5	5	15

At work	2	3.5	42	0	5
Self	NA	NA	NA	NA	9
Other	0	0	0	0	7
Total	100	100	100	100	100

In Bangladesh, India and Pakistan, over 90 percent of the respondents reported that they had learnt weaving from the family , either natal or marital family. In Nepal on the other hand, the workplace and the family were the main avenues of learning work.

In Pakistan most of the participants had been weaving since childhood, the majority since the age of eight or ten years. Most of the women learnt it from someone in the family and some from their neighbours. They have continued weaving even after their marriage. A few women in one of the locations did report that they learnt it in a training centre or from the dealer.

- **Gendered Labour Process**

In the study areas of Bangladesh, there is a very clearly marked gender based division of labour. Women spin the yarn, starch, colour and roll the thread while men do most of the weaving. Women only weave the *gamcha* which is a small and thin cotton all purpose cloth. It is believed that women do not have the strength to weave the saris or the *lungis* which are larger. Benarasi sari weavers stated that women usually spin yarn in rollers staying their own house or sometime they gather in someone’s place and spin thread together. These rolls are later used for horizontal weaving. Many have their own hand spinner. Women prefer to stay at home. Outside works is highly discouraged by the male members. “*There are numbers of garment factory in this area but our women are not allowed to work in the garment factories*”, said Hasina.

In India both men and women were found to be spending time on the loom in all study locations. In Imphal the prevailing custom is that every married woman should have the skills to work on the family loom. However in rural Bangalore, where the weavers are



associated with the handloom corporation, payment was made to only one weaver in the family. This suggests that there is a high incidence of unpaid family labour. Given the patriarchal structure of society, it can be assumed that in most cases, the male members would be receiving the money.

In Pakistan, in most of the locations women said that despite the hard work and low returns, they did this work as they did not know any other skill. Some said that they had to continue doing this work as they did not have the mobility to go out for other types of work opportunities, and some women did not want to go out of the house to work. Except for one women who only spins the thread, all women in the study locations weave carpets. In one rural location only women were found to be weaving while the men were unemployed to a large extent.

In Nepal no gender differentiation was found in the study locations among weavers. However it seems that people from all communities do not do this work. *Ms. Rajeshwari, a 23 years old educated women from the same village said that she is the only woman who does such kind of work from her family and society. Nobody is happy with her work. But she wants to teach her skill to other women in need so that they can earn money.*

### Working Conditions

- **Hours of work**

**Table 10: Number of hours of work in a day**

Period	Bangladesh	India	Nepal	Pakistan	Pakistan* Average No. of work hours in a day
Peak period	10.46	6.70	8.21	9.15	8.80
Lean period	7.1	5.26	4.32	5.10	

*Note: Peak period is defined as those times when work is easily available and lean when work is less.*

The maximum number of peak and lean period hours of work was reported by weavers in Bangladesh. In Nepal the findings from the focused group discussion in rural areas reveal that the majority of weavers work on piece rate basis. The piece-rate workers are also much exploited. Most of them work for 9-11 hours a day. In one rural location, piece-rate workers reported that they worked for 12-15 hours a day.

- **Labour Relations**

Several respondents complained about the problems they faced in receiving payments due to middlemen. In discussions in Nepal in all types of locations – rural, urban and peri-urban – many workers complained about not receiving payments from the middle man on time. Sometimes there is a delay of 3-4 months in receiving payment. Across board, they all expressed the need for mechanisms to protect the rights of workers.

**Table 11: Type of problems in receiving payments (in percentage)\***

Problem	Bangladesh	India	Nepal	Pakistan
Delayed	39	39	31	39
Incomplete	0	30	18	5
Irregular	15	17	29	28
Lesser than agreed	46	10	22	28
Other	0	4	0	0
Total	100	100	100	100

*\*Percentage based on the number of responses. Respondents could report up to two problems.*

- **Seasonality and Work Fluctuation**

**Table 12: Number of months of work**

Period	Bangladesh	India	Nepal	Pakistan	Pakistan –How many days in a week do you get

					work
Peak period	7	8	8	6	7
Lean period	4	4	3	4	

The survey had gathered the number of months in which work is available during peak and lean periods. In all countries on an average, work is available for six to eight months during the peak period. The maximum number of hours of work during peak and lean periods was reported by weavers in Bangladesh. In terms of availability of work, 84 percent in Bangladesh, 51 percent in India, 42 percent in Nepal and 31 percent in Pakistan said that it had remained the same.

**Table 13: Changes in availability of work in last two years**

Change	Bangladesh	India	Nepal	Pakistan
Increased	2 (1)	36.8 (21)	25.6 (20)	36.8 (7)
Decreased	14 (7)	12.2 (7)	24.3 (19)	31.6 (6)
Remained the same	84 (42)	51 (29)	42.3 (33)	31.6 (6)
Don't know	-(0)	-(0)	7.7 (6)	-(0)
Total	100 (50)	100 (57)	100 (78)	100 (19)

During discussions in all countries weavers felt that lack of market and too many weavers was the most important reason for low earnings. In Bangladesh, weavers told that in the previous decade, the weaving sector was thriving they all engage their sons in this profession thinking it as a profitable business. Now no one is interested in this profession. Even the workers themselves are engaging their children in some other professions. The market has diminished due to various reason. Due to tighter borders, the saris cannot be sent to India, which previously was an important market, they also have to compete with 'Pabna Jamdani' saris which have copied the Benarasi designs but use cheap material. The weavers also said that due to the influence of satellite television, people prefer to

wear georgette and chiffon saris. In some areas, muggings have also affected business as saris used to be snatched and taken away. Weavers in rural areas mentioned that during floods the owner usually detaches the machine and hence, these workers have to remain unemployed during the entire period of flood. They have to survive by doing different job like working as housemaids, pulling rickshaw or selling kerosene. Naved said, *“We would also like to change our profession but if we join another profession our 10-20 years experience in this sector would be wasted. We have to start afresh again from square one.”*

In India, participants in all locations except rural Gujarat reported that they get work throughout the year. However the work and earnings are not sufficient and they have to supplement their income by doing other work such as rolling *bidis*, agricultural labour, selling vegetables, etc. Only in rural Bangalore, where the weavers get work from the Karnataka Handloom Corporation, work is halted only for 15 days during Ganesh Puja.

In rural Gujarat where work is irregular, participants said that they could not compete with machine made clothes which are attractive, easy to maintain and less costly.

In Nepal, insufficient work and lack of market was reported as a constant problem. However participants mentioned that due to import of cheaper good quality machine made cloth from Tibet, traditional forms of weaving were declining. Very few people have knowledge of the market price. In an urban setting, only 17 % had awareness of price. In Pakistan, work is available in the summer months and is irregular in winters. In the rainy season production becomes very difficult as the thread breaks easily. Participants in all areas stated that the earnings from weaving were not sufficient. Wherever possible women take up other work to supplement their income, such as labour work, domestic work, sewing, lace making, gem encrusting and embroidery. In rural areas the availability of alternative work is more limited. Here too, the market is declining. The orders for quilts that landlords used to give earlier have stopped. The women do not have courage to go to the market for selling their products and are dependent on the middle man to sell the product.

### **3.3 Social Insecurities**

#### **3.3.1 Crisis and Coping**

In all countries with regards to non-routine expenditure, spending for medical reasons emerged as an important category. In Bangladesh medical reasons (40%) and residence maintenance (39%) emerged as the two most important causes. In India and Nepal, medical reasons and social expenditure were the major causes for expenditure while in Pakistan social expenditure (42%) followed by medical expenditure (33%) were the two main reasons. The study revealed that when workers need to borrow, they depend on informal sources rather than formal sources except in the case of Bangladesh. In the survey, 48% borrowed from NGOs in Bangladesh, 15 percent from relatives and 11 percent from banks. In India and Nepal 48 percent depend on relatives for borrowing money for major expenditure. In India other important sources were money lender, shopkeeper and neighbours and in Nepal, the employer and money lender. In Pakistan, the money lender and relatives were sources for credit in times of need. The survey also looked into other coping strategies that home based weavers use in times of crisis. Across board, over 75 percent of the respondents in all countries reported that borrowing money was the most frequent strategy used. Other strategies used were selling ornaments and reducing food intake. The cause for concern is that working as bonded labour was reported in India, Nepal and Pakistan as a coping mechanism.

**Table 14: Major non-routine expenditure in last two years: in percentage\***

Expenditure	Bangladesh	India	Nepal	Pakistan
Medical	40	53	41	33
Social expenditure	9	33	24	42
Residence Maintenance	39	12	14	17
Machines, tools,	9	0	0	0

implements				
Consumer durables	3	2	21	8
Other	0	0	0	0
Total	100	100	100	100

\* Percentages based on the number of responses

Note: Social expenditure refers to marriage + other rituals + death

**Table 15: Borrowing from whom: in percentage\***

	Bangladesh	India	Nepal	Pakistan	Pakistan <sup>14</sup> (Whom do you ask for help)
Bank	11	2	2	0	0
Money lender	5	11	14	40	0
Neighbours	4	11	10	0	18 (10)
Relatives	15	48	48	27	66 (37)
Credit society	9	0	2	0	0
NGO	48	5	0	0	0
Contractor	0	3	0	20	5 (3)
Employer	0	5	17	0	0
Shopkeeper	0	11	7	0	0
Other	8	4	0	13	11 (6)
Total	100	100	100	100	100(56)

\* Percentages based on the number of responses

<sup>14</sup> Two questionnaires used for Pakistan survey.

*Crisis Coping Strategies*

**Table 16: Coping strategy used in times of crisis by country in percentage: in percentage**

Coping strategy	Country			
	Bangladesh	India	Nepal	Pakistan
Borrowed money	77	78	76	75
Worked as bonded labour	0	11	2	25
Withdrew children from school	3	0	2	0
Sold ornaments	10	11	4	0
Reduced food	5	0	8	0
Sold assets	0	0	6	0
Other	5	0	2	0
Total	100	100	100	100

*\* Percentages based on the number of responses*

Despite being well known for the various micro finance institutions, no one was associated with any social or financial institution in the rural locations in Bangladesh. (The survey was carried out in Dhaka among Benarasi sari weavers who are economically better off than weavers in rural areas.) According to the participants the micro finance institutions provide loans only to people who have their own business, not to piece-rate workers. In addition they said that no one was willing to become their

guarantor. The micro finance institutions (MFIs) target the slightly well off, i.e. people who have their own house, land or fixed income and thus the poorest are left out. In Dhaka, weavers reported that they had opened savings accounts with an NGO. *“Their field officer comes everyday to collect money and I deposit Tk.10 per day. At the end of one year I will receive the capital amount with 12% interest. There are other MFIs in this locality which provide micro credit but their interest rate is much higher and after seeing their officers’ behaviour we are afraid to take loan.”* When people need money for medical or other emergencies, they usually borrow from their neighbours. Neighbours provide loan at an interest rate of 10 percent. In addition they are flexible, and sympathetic, and extend the time in case of returning the principal amount.

In India in all the study locations, people depend on relatives and friends who charge between four and six percent interest. One of the biggest reasons for spending in all locations was daughter’s wedding in which about Rs.70000 to 1, 00,000 is spent.

In the discussions in Nepal workers reported that they needed credit at low interest rates to buy looms. At the moment they borrow at high interests from the landlord or at times taking an advance from the middleman at rates as high as 24 percent.

In the urban location in Pakistan, some people had saved money by contributing in ‘committees’(chit funds). These savings are for daughters’ weddings, other special occasions and unexpected hazards. A few reported applying to the *Zakat* fund but got a much lesser amount than required. In a very backward rural study location, the participants wanted government loans on easy instalments. They said that it was possible to ask the local landlords for a loan, but they had to pay high rate of interest on it. For example, they have to pay at least Rs.500 interest for a Rs.2000 loan. If they take a loan for their daughters’ dowry, they have to work very hard to pay back the loan. They wanted to free themselves from the landlords and re-engage in weaving, the traditional work of these people.

### *Savings and Debts*

Home based weavers in the survey were also asked what they did with their savings. The responses differ according to the location of the study, however some of the common responses were keeping the savings in the house and buying consumer durables. In



Bangladesh, weavers reported that the savings are used to repay the loan or is kept in the house. In India buying consumer durables and in Nepal, the savings are most likely to be kept in the house or used for buying consumer durables. In Pakistan most said that they use savings to repay the existing loans.

**Table 17: What is done with savings by country in percentage\***

	Countries			
	Bangladesh	India	Nepal	Pakistan
Buy ornaments	13	13	7	0
Bank	0	1	1	0
Post office	2	15	10	0
Pay off loan	33	1	7	60
Give credit	1	9	4	0
Keep it in house	33	15	30	0
Land	0	1	1	0
Consumer durables	16	22	21	0
Other	2	23	19	40
Total	100	100	100	100

\* Based on the number of responses

### 3.3.2 Shelter

**Table 18: Household Infrastructure**

	Bangladesh	India	Nepal	Pakistan	Pakistan*
Family/Own house (%)	100 (50)	29	65	74	95
Pukka walls (%)	2	37	63	42	28 ( <i>pucca</i> )

Tiled or cement roof (%)	4 (2)	28	86	37	house)
Average no. of rooms	2	2	4	2	62 (have up to 2 rooms)
Tap in household (%)	2	26	44	6	39 (access to tap water)
Toilet in household (%)	50	42	81	42	NA
Electricity (%)	48	88	97	95	95

### **Ownership of Household**

In the survey the majority of respondents in Bangladesh, Nepal and Pakistan lived in own or family owned house. This implies that the respondents were not paying rent for their house. In India only 29 percent owned the dwelling place. In contrast in Bangladesh all respondents lived in self or family owned dwellings. However this does not tell us whether the construction and land on which it made is authorised or otherwise.

### **Type of walls and roof**

Questions were also asked regarding the material used in house construction and availability of basic amenities. Among all the countries, in Bangladesh household infrastructure was found to be meagre in many respects. Only two percent of the sample had *pucca* walls in Bangladesh, while in India, Nepal and Pakistan 37, 63 and 42 percent respectively reported that they had *pucca* walls. In terms of the type of roof only four percent in Bangladesh while 86 percent in Nepal had a tiled or cemented roof.

### **Water, Electricity and Sanitation**

Water Tap connection in the house also varies across countries. While 26 and 44 percent in India and Nepal have a connection, only two percent and six percent in Bangladesh and Pakistan respectively reported a tap connection.

In contrast, a much larger percentage reported having a toilet in the house in all the countries - 50 percent in Bangladesh, 81 percent in Nepal and 42 percent in Pakistan and India – however the type of toilet was not defined in the survey. This may have led to over reporting in many locations, since even the space for bathing in the house may be referred to as toilet. Except in Bangladesh, the majority reported having electricity. In Nepal and Pakistan – 97 and 95 percent respectively and 88 percent in India reported having electricity.

### **Space Adequacy**

The average number of rooms in the house in Bangladesh, India and Pakistan is two, while it is four rooms in the house in Nepal. Seventy-two percent of respondents in Nepal also reported owning arable land, however it is not clear whether they are still cultivating it since many have left the hills and have migrated to the valley due to conflict between the Maoists and the Government.

### **Overall Housing Conditions**

The effect of lack of housing on livelihoods was brought up in the focused group discussions. In Bangladesh, housing is a problem in both rural and urban areas. Rural areas have far fewer amenities and are more prone to natural disasters. In rural areas, the participants reported being affected by a series of natural disasters with no means of overcoming them. Most of the respondents in rural and urban areas live in shanties made of tin sheets or of bamboo and plastic. In the rural area of Shajadpur a major storm struck the area a day before the FGD resulting in destruction of most shanties. *While explaining her double tragedy Anwara said her ancestral house along with the land, trees, one cow, two goats, household belongs all were swooped away by the river Jamuna. She with her family was living in a shanty with three tins by the side of the Bornia Road. Unfortunately, the north- western storm had blown away two of her three tins to the nearby paddy field. Now the tins are so much broken that they cannot be used for construction of the dwelling. Anwara has made a shelter with polythene and remaining*

*one tin.* All participants had similar stories to tell. Most of the workers also lost their equipment. However since the owner suffered minor loss, piece rate workers didn't lost their job. But the owner will not give an advance for rebuilding her house. *"We only get paid on finish products on weekly basis, which is finished in buying consumers' durables. How I will save from there to rebuild my house?"* Another participant said *"the rainy season hasn't started as yet. In the monsoon our trouble will be doubled. I can't imagine of what will happen if flood occur".* There was no safe drinking water supply in either of the rural locations. They use water from a near by canal, which is also the cause of their prolonged illness. Neither did any of the areas have a sanitary latrine. Although at their workplace there is sanitary latrine but that is only for the employer's family and is kept locked. However, the employer does allow them to drink water from his tube well. In Dhaka all the participants lived in rented properties. Most of the houses are 10'/12' wide, where six to seven member of the family resides. House rent is Tk.200 per month. They have to pay for the electricity. For one bulb one has to pay Tk.15 per month. Fortunately there is one tube well and one sanitary latrine, which was build by government sanitary project. Everyone has to queue in front of the toilet to use it. There is no water facility in the toilet and one has to carry his or her own water to toilet.

In India, the state of housing differs significantly according to the location. The situation in rural areas is much better than in urban areas. In rural areas, most people own their homes and have much more space to keep the loom and raw materials while in urban areas, the loom occupies an entire room and there is no space to store the raw materials or finished products. The exception was Imphal where most participants had their own kitchen gardens, fishponds and poultry. The electricity bill comes to between Rs.200-400 in all the study locations, but voltage fluctuations and irregular supply are major problems. In rural Bangalore the Karnataka Handloom Corporation has built houses for the weavers. They pay Rs.67 per month as instalment and after 22 years, the house will be in the weaver's name. In some areas water shortage is very severe. In Chanderi, people pay Re. 1.00 for two buckets of water. Transport was also cited as a major problem in the area. Those who do not own their house pay a rent of Rs.300 per month.

In Pakistan housing did not come up as a major problem, more so, since most of the people in rural areas own their dwellings. In Nepal problems with housing were reported

by home-based weavers in rural, per-urban and urban areas. Lack of proper lighting and fresh air was reported as a major problem and affects their health and productivity. Rats, kerosene smoke and rain were the other factors destroying the raw materials and finished goods. *Ms. Parvati Devi from Bhaktapur said that lives in a small rented family with her family of four children and husband in which her wooden loom is also placed. The smog of the kerosene stove of her kitchen destroys the clothes. When she has sufficient work she wants to work in the late night but the house owner does not allow her to use the electric light late in the night.*

### 3.3.3 Health

The survey has revealed that in terms of non-routine expenditure, medical reasons constitute the most important category. When asked about the sources of treatment 70 percent in Bangladesh, 60 percent in India and 49 percent in Nepal use government health facilities.

**Table 19: Sources of treatment: in percentage**

Source	Bangladesh	India	Nepal	Pakistan
Private	2	37	7	45
Government	70	60	49	22
Pharmacist	10	0	11	0
Self medication	8	0	9	22
Home remedies	0	0	15	11
Hakim/Vaid	2	3	7	0
Jhad/phook	8	0	2	0
Total	100	100	100	100

*\* Percentages based on the number of responses*

Chest pain, back pain, pain in the legs, cough and eye strain were reported by all participants in the study across countries. In Bangladesh weavers also mentioned abdominal pain due to constant pedalling and uterus related problems. In Bangladesh and

Pakistan women said that they had miscarriages due to pedaling at the loom. Those who are engaged in spinning yarn suffer from eye problems, headache, arthritis, finger joint pain etc. In most of the locations, across the region, people use home remedies to treat illnesses, due to a lack of health services. In Bangladesh, occasionally a private doctor funded by a religious organization comes and gives them medicine. For treatment they prefer to use home remedies. If the situation is out of control they go to the adjacent governmental hospital. In India the source of treatment is dependent on the location. If the government run Primary Health Centre is located close by and if it functions satisfactorily, people use the services. But often medicines are not stocked and only contraceptives are available. Women require gynaecological services but no doctor is available. Due to the floating fibres, weavers reported getting cough, which affects all those in the household.

In Nepal, health problems due to continuous weaving and the low productivity due to health problems were discussed by the participants. Some of the major health problems mentioned by the weavers were backache, eye strain, headache, pain in the legs and respiratory problems. Workers mentioned that they were losing productivity due to health problems. There were fewer health problems associated with the use of machine looms. The dust from weaving was causing a lot of cough problems. This was affecting not only the workers but also other family members, especially the children who stayed besides the mother when she was weaving. The chemicals that are used for dyeing the yarn was another cause for concern. In rural areas of the study awareness about health issues, sanitation and HIV/AIDS were found to be low.

In Pakistan too, most illnesses are treated at home. Except for one rural location, none of the other locations taken up for the study had any government dispensary or hospital. As a result only in cases of serious illnesses people go to private doctors who are very expensive and recommend expensive medicines which they cannot afford. Even in peri-urban areas, they have to go to the city in case of a serious problem. Since there is no doctor or hakeem in the village, weavers treat the sick at home. If the illness is serious, the patient is carried on bed to the highway where they can hire a bullock cart to transport the patient to the government hospital in the city. Often the patient dies on the way to hospital. Many children are not immunized. One respondent told that she quit weaving

work because her children got sick from the dust of the loom. One respondent miscarried during her first pregnancy due to her posture during weaving. Her father-in-law and brother-in-law refused to believe that she lost her baby due to her work. Her third baby was a caesarean. She suffered a lot because her abdomen was paralyzed as a result of this operation. She paid for her treatment by taking a loan. Now she has recovered and is weaving again. She believes she has no choice but to continue weaving since it is the only source of livelihood though she is facing severe health problems, earning in adequate wages and receiving irregular work orders.

### 3.3.4 Disasters

Disasters, whether natural or man-made, were found to have a severe affect on the lives of weavers especially when the disasters become recurrent. In Bangladesh for instance, the FGD at Shahjadpur had to be postponed due to a fierce storm in which hundreds of houses were damaged the previous day. The participants were thankful that there was no death or casualties caused by the storm. Participants in rural locations said that floods affect them the most. The flood not only affects their homes, but also the work is halted. In Nepal, 50 percent of the participants in the study were internally displaced people who had moved to the valley due to the conflict in the hills and were living in very poor conditions.

### 3.4 Social Protection

- Awareness and Participation

**Table 20: Awareness about social protection schemes: in percentage**

	Bangladesh	India	Nepal	Pakistan
Whether member	60	68	16	0

*\* Percentages based on the number of responses*

In Bangladesh 60 percent of those surveyed and 68 percent in India reported being members of at least one social protection scheme. In Nepal 16 percent while in Pakistan none of those surveyed was a member of any social protection scheme.

In India the discussions revealed that social protection schemes for home-based weavers were basically run by community-based or non-government organisations. In rural Gujarat where SEWA has been active, the weavers have been insured by SEWA and have also opened an savings account in the organisation. They wanted an identity card that would give them recognition as workers. Even though weavers in Bangalore were associated with the Handloom Corporation, they did not have any medical benefits such as ESI. However the Corporation had trained some weavers for two months, giving them a stipend of Rs.100 per day during that period. In Chanderi, the weavers organisation (Bunkar Vikas Sansthan) had started literacy classes for adults, a savings scheme and was providing spectacles at a subsidised rate. The few citizen based benefits such as scholarship schemes for children had been withdrawn by the state. In Imphal, where conflict between armed groups and the security forces has been going on for a long time, women in the study were not aware of any policies or welfare programmes

In Pakistan and Nepal, few participants had any knowledge of social protection schemes. In Pakistan this was more so in rural areas. Some participants however, had some knowledge about life insurance. In Nepal most workers have very little knowledge about workers rights, human rights and social protection schemes. No social protection scheme was found in any of the areas. In one urban location, an education support programme had been undertaken for the children of weavers by the Garment Association of Nepal. Workers reported that they dealt with vulnerability in their individual capacity. They had no access to any social protection schemes.

- **Identified Needs and Problems**

**Table 21: Work related problems**

Country	Months without work: Mean no. of months	Percentage reporting problems in receiving payments	Percentage reporting problems in acquiring raw materials	Percentage reporting problems of lack of space for materials &



				goods
Bangladesh	1.8	74	76	76
India	3.25	22	21	83
Nepal	1.9	48	45	47
Pakistan	3.25	47	21	16
Pakistan	NA	37	NA	5

**Table 22: Type of problems in acquiring raw materials (in percentage)**

Problem	Bangladesh	India	Nepal	Pakistan
Insufficient funds	12	29	9	14
Unavailability	0	29	26	29
Lack of credit	21	5	17	0
High interest rate	35	14	0	0
Increased price	31	9	43	43
Other	1	14	5	14
Total	100	100	100 (54)	100

*\*Percentage based on the number of responses. Respondents could report up to two problems.*

The survey revealed that in Bangladesh and Nepal, weavers are without work for nearly two months; while in India and Pakistan they are without work for over three months. Regarding other problems, in Bangladesh three-fourths of the respondents reported having problems in receiving payment, in acquiring raw materials and lack of space for keeping raw materials and finished goods. In India lack of space was reported by 83 percent of those surveyed; the highest for any country. In Nepal 48 percent had problems with payments, 45 percent in acquiring raw materials and 47 percent reported lack of space for storage. In Pakistan 47 and 37 percent reported problems in receiving

payments, but those reporting other problems were fewer. In terms of kinds of problems in receiving payments, delays in payments were reported by a majority in India (39%), Nepal (31%) and Pakistan (39%). In Bangladesh paying lesser than agreed was the biggest problem (46%).

**Table 23: Most important needs (in percentage)**

Needs	Bangladesh	India	Nepal	Pakistan
Housing	1	15	8	3
Credit	13	2	2	22
Loans	5	16	9	3
Timely payment	19	1	2	15
More work	16	17	20	9
Skill training	7	8	5	12
Health care centre	7	9	10	6
Health insurance	4	12	2	6
Maternity benefits	7	1	1	0
Medicines	4	4	3	6
Storage space	0	7	2	0
Access to market info.	0	3	22	12
Educational facilities	0	4	3	6
Transport	0	0	1	0
Roads	0	0	1	0
Minimum wage	17	1	7	0
Other	0	0	2	0
Total	100	100	100	100

*\* Percentages based on the number of responses*

*Note: Credit has been used to refer to borrowing from micro finance/micro credit societies.*

In the survey respondents also reported their most important need regarding work in this sector. In Bangladesh, timely payment (19%) minimum wage (17%) and more work (16%) emerged as the most important needs. In India, weavers mentioned more work (17%), loans (16%) and housing (15%). In Nepal, market information (22%), more work (20%) and health care centre (10%) were the main needs reported in the survey. In Pakistan credit (22%), timely payment (15%) and market information (12%) and skill training (12%) were mentioned as important needs.

In Nepal participants expressed a need for greater local and international markets and better remuneration. Other needs expressed were basic medical aid at the community level, child care centre, loans to buy looms and for house repair. Preventing trafficking of girls also came up as an important issue.

In rural locations in Pakistan, participants felt that if the government constructed roads and invested on the infrastructure for electricity and potable water system for their village, the quality of the life would improve. In an extremely backward location, participants reported that they were completely dependent on the landlords who force them to vote for them. If they disobey the landlords, their livestock gets stolen and they are not allowed to go to the fields to relieve themselves.

**To sum up, this study of the weavers in four countries of South Asia shows that**

- Economic insecurity is high. Given the low wages and general stagnancy of earnings, those who can seek to diversify into other work. If weaving with its high level of skill is to survive, programmes to upgrade technology and guarantee markets might be needed. The need of weavers is clearly for immediate and short term benefits.
- The majority are piece rate workers. An important aspect to note is the high proportion of unpaid family labour (except in Nepal). The majority of home based workers in Bangladesh (77%), India (90%) and Pakistan (61%) work as

piece-rate workers and the second largest category is that of unpaid family labour in these countries. In contrast 75% of workers in Nepal are self-employed followed by piece-rate workers – 25%. The different situation of Nepal probably reflects the sample characteristics, and the fact that these are families that have migrated into the Kathmandu valley and been able to acquire training in weaving, rather than traditional weaving locations.

- A high percentage started work before the age of 15; low levels of literacy as well as inability for economic reasons to keep children in school suggest that there is likely to be a transmission to the next generation of the work and the vulnerabilities.
- Women's involvement in the weaving process varies. Women work as the main weavers in certain cases, as also as helpers engaged in ancillary : the patterns vary from place to place.
- Major non routine expenditures were predominantly on health and social expenditure, and home maintenance. Some health problems are attributed by weavers to the posture required for work.
- The main coping strategy was to borrow from neighbours/ relatives. Informal finance, and location specific schemes in some places provided the main social protection. The latter may provide a cue to the appropriate nature of intervention, i.e. location specific and cluster based approaches are likely to have the maximum outreach.

## **Recommendations**

- **Following the study, increased policy focus and attention is required to address the penury faced by handloom weavers. Taxation structures, Small – scale industry polices and cottage industry promotion need to harness the potential of such crafts for the urban and export market and make their products more economically viable, if these workers are to make a decent living.**

## **Chapter 6: RISKS & VULNERABILITIES faced by WOMEN HBWs in the POTTERY SECTOR**

### **1. BACKGROUND & CONTEXT**

#### **1.1 Introduction**

Identified as a sector on the verge of extinction, pottery has traditionally represented the culture, identity and lifestyle of the people involved in its production, artisans from Bangladesh and Pakistan being no exception. The work of these artisans is intricate and unique using local resources; with the Bangladeshi potters using their alluvial soil in making clay-pots, earthen ware, toys of clay and different idols of gods and goddesses (Poddar, 2003<sup>1</sup>); and the Pakistani artisans making claim to special jars and jugs, from sturdy terracotta to paper-thin ceramics in vivid colours of mustard yellow, deep green, brick red and sky blue<sup>2</sup>.

The origins of pottery in these nations go back to 3,000 years B.C in Pakistan and 1500 BC in Bangladesh. The ancient inhabitants of the region exploited the natural resources for pottery purposes.

#### **1.2 Production Process and Employment Patterns**

While most sectors in these countries are experiencing major changes to adapt to the modern production context, pottery appears to be lagging far behind.

As a production process, pottery does not lend itself to mass mechanization. Production is initiated with a special type of clay being bought, which shall be the principal material for the finished product. This clay needs to be preserved by occasional watering and with hay and water hyacinth covering. Potters need to process this clay by kneading with hand and feet for production. Different products are produced by using paddle machines or simply by hand. These products require direct sun light for drying up. After certain time the products are given the final finishing design. Finally, products are piled up in bulk and are burnt in overt or covert stoves.

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<sup>1</sup> Source: The Daily Star ,Palash Podder, Dept. of Sociology, Dhaka University, August 27, 2003 cited in [http://www.sos-arsenic.net/english/women\\_project/pottery-faridpur.html](http://www.sos-arsenic.net/english/women_project/pottery-faridpur.html)

<sup>2</sup>Source: <http://www.khaleejtimes.com/holiday.asp>

While traditionally pottery housed a large labour force, current sectoral employment has been decreasing due to lack of remuneration, market and skills.

### **1.3 Pottery and HBWs**

Pottery being a traditional art form has often been a source of family sustenance, employment and income. Thus, the nature of infrastructure and the inheritance of skills within communities meant that this art form continues solely within households and community networks. Studies<sup>3</sup> also suggest that many of the extreme poor households in nations such as Bangladesh are engaged in traditional occupations, such as pottery makers, *risbis*, scavengers, and a large variety of cottage industry, producers with significant caste-ethnic identities. Some decline of these occupations is inevitable to some extent in the process of modernization and attendant structural change. However, such a process has adverse implications for the social groups associated with these occupations that need to have access to alternative sources for their livelihood.

Prior to the development of pottery as an art form, many families relied on local or in-house potters for daily usable items such as utensils to store items, food grains etc. While the profession is seen as predominantly male due to the manual power needed to paddle clay, women are involved in finishing the products with embellishments, hand made designs and patterns. Further, women are involved in small scale hand made pottery. This division renders female potters as the weakest link in an already feeble production chain.

### **1.4 Demand and Consumption Patterns**

There is huge heterogeneity in the sector's demand sources. The products vary from designer pottery for home decorations to basic household utensils. While the former high end artistic form of pottery is booming, the latter local utensils market is shrinking due to cheaper substitutes of aluminum and steel. This is forcing many potters to change their ancestral work gradually. Consumption and demand is extremely varied with high end buyers such as international art dealers and consumer chains such as Pottery Barn to local families. The recent past has seen Pakistan export pottery worth US \$366 million to the Middle East alone.

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<sup>3</sup> [Source:www.mdgbangla.org/country\\_progress/bangladesh\\_hdr/chapter\\_3.pdf](http://www.mdgbangla.org/country_progress/bangladesh_hdr/chapter_3.pdf)

Although, there has been a move to market different kinds of pottery from the region such as blue pottery from Pakistan, workers in the sector have not been able to avail of such benefits. Local demand is often catered to by large scale network of potters with greater patronage from the government or private investors. Such products are also preferred due to quality concerns also.

## 1.5 Market Potential and Problems

### *Domestic and Export Potential*

The traditional demand for pottery was hit due to the replacement of such household utensils with cheaper metal and steel. However, recent times with the growth in the South Asian economy have seen the resurgence of such demand.

**Table 1: Pottery Exports 2000-2004**

EXPORTS in US\$ '000	2000	2001	2002	2003	2004
BANGLADESH	9,730	8,072	8,387	6,454	16,852
PAKISTAN	443	353	280	1,298	1,305

(Source: International Trade Statistics, UN Statistics Division)<sup>4</sup>

There is a need to organize and upgrade the age old pottery communities to command increasing domestic and international market shares. As premiums for unusual art forms increase in an increasingly globalized world with strong consumer tastes for the rustic and ancient, potters need to be able to access such markets and opportunities through networking initiatives, marketing and overall improvement in the scale of production.

### *Technology, Raw Materials and Credit Constraints*

Potters often face high input costs and risks due to lack of support and infrastructure. Production is reduced in the rainy season as the products cannot be naturally dried. Utensils often break during the heating process as potters do not have enough know-how about safeguarding their production process. Raw materials constraints are also faced. Workers face constraints in the

<sup>4</sup> <http://www.intracen.org/tradstat/sitc3-3d/er586.htm>

availability of clay, capital, unsatisfactory selling of clay pots and lack of fuel wood for burning raw pots.

## **2. METHODOLOGY OF PRESENT STUDY**

Thus, the home based pottery sector is devoid of linkages to international agents and predominantly faces a dismal market share and falling sales.

### **2.1 Context Note: Location of the Study**

The study on this sector was conducted in two nations—Pakistan and Bangladesh.

#### **Pakistan**

The study consists of FGDs conducted in different parts of Pakistan spanning areas in Punjab and Sindh. Four FGDs for this sector were conducted in Punjab and one in Sindh. The survey however covered parts of Punjab, Sindh, Baloochistan and NWFP. A large section i.e. close to 78% of the survey respondents were situated in peri-urban areas; followed by 11% in urban and 11% in rural areas. A majority of the sample selected for interviews is from the relatively well off province of Punjab.

The Kasur FGDs were conducted with nine women home-based pottery workers. Four of these workers were working alone as daily wage workers, 3 had support from their family i.e. husband and children and the rest were working with their husband or fathers.

FGDs were also conducted in Moga Mandi with 9-12 women each with ages ranging from 22 to 70 in this area. Most women were married and illiterate. The family size varied from 5 to 13 with 4-9 children. Most women work as potters, with pottery being the 'family business' and products included piggy (money) banks, bowls, mud oven, big pots for storing water cups, saucers, water-storing pots (*gharas & chatties*) and design on pottery.

FGDs also took place in Niaz Nagar in Bhakkar Mandi of Kasur, 40 km away from Lahore; in Janaam Assthan & Nankana Sahib, district Sheikhpura with 12 respondents.



## Bangladesh

The study consists of FGDs, conducted in areas of Bangladesh with 60% rural respondents and 40% peri-urban respondents. The FGDs took place in Sirajgonj Sadar with 13 participants, Fulbaria Bazaar with 15 participants, Kayet Para with 12 participants and Shimulia of Savar with 13 participants. The rural area of Bhadrachhat from Sirajgonj was selected and amongst the 13 participants, 3 were male and 10 female.

In the peri-urban area of Fulbaria Bazaar with 15 participants, 2 were male and 13 female. The survey however, has canvassed only rural areas of Bogra, Sirajgonj, Gazipur, Pabna, Magura and Kustia. The survey in Bangladesh covered 25 workers—18 female and 7 male. In FGDs, conducted in Shimulia and Kayetpara, it was also found that pottery workers are mainly Hindu belonging to the Pal Community.

### 3. MAIN FINDINGS of PRESENT STUDY

#### 3.1 Demographic and Context Profile

##### Age

Predominant sections i.e. 96% of respondents in Bangladesh and 100% in Pakistan were above the age of 18.

**Table 2: Demographic Profile of Pottery Sector (in percentage)**

Characteristics	Bangladesh	Pakistan
Females	84(21)	100(18)
Males	16(4)	-
18&above	96(24)	100(18)
Below 18	4 (1)	-
Illiteracy	24(6)	78(14)
Ever married	96(24)	89(16)
Joint family	12(3)	28(5)
Nuclear family	88 (22)	72(13)
Total number of respondents	25	18

### **Caste and Religion**

100% (25) of the respondents were Hindu in Bangladesh, while the entire (18) Pakistani sample was Muslim.

### **Activity Status**

The broad trend that emerges from the survey is the familial and unofficial status of women's work in the pottery sector with a majority 68% and 61% of the respondents saying their work was unpaid family labour in Bangladesh and Pakistan respectively.

**Table 3: Status of Employment in Pottery**

Labour Status	Bangladesh Pottery	Pakistan Pottery
Piece Rate	8% (2)	39% (7)
Self Employed	40% (10)	-
Unpaid Family Labour	68% (17)	61% (11)
Casual Labour	-	100% (18)
Other	12% (3)	-

The differences appear with the entire sample in Pakistan stating it was involved in casual labour, while none in Bangladesh were working as casual labour. 12% of the Bangladeshi sample was also engaged in other work and 40% was self employed. As expected, due to the weak linkages household pottery makers have with producer chains and the nature of production itself, piece rate work is minimal with only 8% and 39% reporting such a status in Bangladesh and Pakistan.

Another key issue that emerges in the several avenues of work activity status reported is one of employment insecurity and flexibility. This is seen in the double reporting of activity status as many respondents worked as piece rate or family labour in the pottery sector, but were also self employed or casual labour some times in the year in pottery or another sector such as agriculture. For instance, in the Pakistani case while the entire sample claimed they were engaged in work as casual labour, they also gave another activity status split between 61% unpaid family labour and 39% piece rate work. Thus each respondent gave more than one activity status in their response.

Most women seemed to be doing this work since their childhood. Women often worked to help their husbands in the family businesses and frequently children were involved in the work as well.

One FGD participant, Bashiran Bibi from Kasur, Pakistan said she would make pots at her parents' house and now she did the same at her husband's house.

### **Education**

There is a difference in the education profiles of home based potters in both countries with close to 78% of the Pakistani sample being illiterate. Amongst the Bangladeshi respondents only 6 i.e. 24% such cases were reported. A majority of the Bangladesh respondent's i.e. 44 % ( 11) had received primary education level; 16 % ( 4) were educated up to the secondary level; 8 % ( 2) had completed education upto middle level. A final 8% (2) could only sign their name.

### **Marital Status**

A majority of the HBWs are married. 96% (24) of the respondents in Bangladesh had been married at some point of time; 89% (16) respondents in Pakistan indicated the same. 11% of the Pakistani respondents were single.

### **Type of Family**

Nuclear family norms seem to dominate the families engaged in home based pottery. In Bangladesh, 88 % ( 22) responses indicate that the families were nuclear in nature while 12 % ( 3) indicated that they were part of joint families. In Pakistan, 28% (5) state that the families in the study were joint families, while a majority, i.e. 72% (13) was in nuclear units.

## **3.2 Economic Insecurities**

### **3.2.1 INCOME**

- **Income levels**

The income levels accruing to pottery makers in both nations are much larger than those in other sectors in which this study was conducted, according to the survey. While a Bangladeshi home based pottery maker in the peak season earns US\$ 35, 21% of the average per capita of her nation, her Pakistani counterpart earns a much higher US\$ 56, 31% of Pakistan's average per capita income. While location bias may be a cause for some degree of inflation, the earnings

reported are much higher than those for other workers. This suggests that there is much scope for the industry to expand and benefit these artisans.

**Table 4: Earnings per month after deducting costs by sector**

Period	Bangladesh		Pakistan	
	Earnings per month	As percentage of per capita income <sup>5</sup>	Earnings per month	As percentage of per capita income <sup>6</sup>
Peak	US\$ 35	21	US\$ 56	31
Lean	US\$ 20	12	US\$ 22	12

Although, the income levels are comparatively higher, the income and earnings status of these workers is far from satisfactory. These earnings drastically drop in the lean season to measly levels of US\$ 20 and US\$ 22 for Bangladesh and Pakistan respectively.

When the FGD team asked women in Bangladesh about the ratio of their work and wages, everybody responded that it was a very hard profession and they get very low wages for the work. Bishwanath Pal, an FGD participant in Fulbaria Bazaar in Bangladesh highlighted the sheer lack of a sustainable livelihood for these workers at the current earnings level. *“We are poor and we don’t have the audacity to choose when to work and when not to. If we don’t work, our children would go hungry. People eat three meals a day. But we eat only one meal a day. One kg rice costs Tk. 20 in Bangladesh. If there are five to six members in a family it require at least three kg rice per day; so it is easy calculation that if we only eat rice it will cost us Tk. 60/ per day”*.

The FGDs in Pakistan revealed that the monthly incomes of the women vary between highs of Rs. 1000-4000 for 8-11 hours of work daily to lows of Rs.60-100 per day. Some women in Kasur, Pakistan only received Rs. 1.50 per cooking vessel. If they make 100 cooking pots in one day, they make Rs 150. The FGDs conducted in Bhakkar Mandi, Kasur with nine women home-based pottery workers revealed that the four women working as daily wage workers were being paid only Rs 50-70 per day while the others did not receive any money for their work.

<sup>5</sup> As per estimates by the World Bank, Bangladesh- US \$2000

<sup>6</sup> As per estimates by the World Bank, Pakistan-US\$ 2200

FGDs conducted in Janaam Assthan and Nankana Sahib in the district of Sheikhpura with 12 respondents suggested that the women sold their products in the local market and received Rs.25 to 30 per water pot. Four respondents were on daily wages and received Rs.60 to 100 per day.

- **Limited Market , Poor Linkages and Product Development**

**The FGDs in both nations revealed the disconnect that exists between urban markets, where earnings potential is higher, and the pottery makers.**

Most potters cater to local rural and peri-urban demand which is short term and does not pay as well. They are yet to gain the resources and know-how needed to upgrade their production to compete in the urban markets. The requirements for the urban and rural market are varied. In urban areas pottery workers can get orders for profitable ‘fancy’ products while in rural areas the pottery workers have to remain content with little or almost nil profits. Each location thus caters to a different type of localized demand.

For Example, in the village of Bhadrghat in Bangladesh, pottery workers have been living from several generations and are very famous for making clay latrines. Shasti Chandra Pal stated that while *‘other materials used for latrine making doesn’t last long but these clay rings would stay forever’*. People order rings depending on the size or number of people who’s going to use it. If the family is large it may require 20 rings and if it is a small family it may require only 6 rings. Each rings sells at Tk. 30. Besides clay latrine rings they also make different household utensils and fancy items such as clay bank, fruit, animals, and birds, which has a high demand in the local fairs. In Kamarkhand, people still use clay utensils, though, plastic and aluminum has squeezed their market than before. Most of the female workers make clay utensils where as the rings are made by men only. A participant stated that clay products such as fruits, animals and dolls were priced between Tk. 3/ to Tk. 5/ for each piece. Compared to urban market prices in Dhaka these prices were very cheap. Participants admitted these items wouldn’t sell at Dhaka as they were made according to local standards and tastes, without using expensive colors or finishing for the products.

Moreover working on the finishing, shape and colour is also very time consuming and expensive. *‘Without any advance money or order we don’t do that’*, said Dipali Pal.

When asked why they don't they sell their pottery products in Dhaka , which was only a three hour drive away , Jiten replied that although the transportation system was good, they didn't think that they could make profits after bearing the transportation costs and moreover were skeptical about the market in Dhaka. This is because of the belief that '*only fashionable and luxurious clay items sells at Dhaka*'. Thus, their main target group was rural people who still use clay utensils for daily use.

In Fulbaria Bazaar, the most popular products were rice bowls (shanki), curd bowls and other household utensils. However, the demand of rice bowls had decreased tremendously in the last two decades due to easy and affordable price of other aluminum, plastic and melamine rice plates in the market. These plates are durable and are available in different eye-catching designs. Clay utensils are simple in design and are susceptible to breaking. However, even today clay rice bowls are still used in remote villages, as they are cheaper. "*And these people are our main customers.*" Beside household utensils other fancy and decorative pottery, clay animals, fruits also fetch a good price in the market. But since the pottery makers don't own any shops in the city they are unable to make profits or even access the city demand.

Joy Mala, one of the participants, noted that in the rural fairs children often buy piggy-banks, different animals and fruits made of clay, to play with, while in cities children store money in the bank or play with sophisticated toys. This was her justification for being skeptical about selling her products in the city.

Some participants contradicted her skepticism in the FGDs and stated that in big cities affluent people did indeed buy clay products such as tall vases, pitcher, animal figures to decorate their houses and gardens. However, without any orders potters usually would not make these goods as it was too risky. This risk was due to the expensive production costs and raw materials such as rod, bamboo, hay and fine clay.

In Pakistan, similar concerns about a shrinking market were echoed. These were more focused on the utensils market. Many felt the modern market and consumer did not appreciate the significance of pottery and clay. Zainab Bibi from Mohallah Awian, Kasur, complained about the recent trend of using stainless steel or china crockery that was killing the art of making pottery. In FGDs conducted in Niaz Nagar of Kasur the participants complained about media advertising expensive and harmful utensils and storage, though using clay utensils for eating, drinking and

cooking is a far healthier alternative. They complained that people choose to keep the water in refrigerators and paid huge electricity bills instead of purchasing a clay vessel for a cheaper Rs. 20.

FGDs conducted in Janaam Assthan in Sheikhpura saw respondents say that their pottery work had become valueless due to the fall in the demand for their goods due to the use of fridges or coolers to store cold water.

- **Raw Materials and Production costs cause depressed earnings in Bangladesh**

This is an area where the survey shows opposite results for the two nations. While 92%(23) responses in Bangladesh state that they have a problem in acquiring raw materials; 94% (17) of the Pakistan sample said that they had no such problems in acquiring raw materials. Only 6% (1) of the respondents in Pakistan said that they had problems. The respondent attributed this problem to the insufficiency of funds. 89% (16) respondents in Pakistan stated that they owned their own work tools. A similar 88% share of the Bangladesh sample (22) owned their work tools as well.

While the survey data in Pakistan does not highlight the problems associated with production costs and raw materials supply for the workers, the FGDs are able to supplement more information. In FGDs conducted in Janaam Assthan and Nankana Sahib areas in district Sheikhpura, respondents complained about the fuel and raw materials cost. In many cases, the Pakistan respondents were not aware of raw materials costs due to gendered norms. Bashiran Bibi from Kasur, Pakistan stated that her sons bought raw material from the market. They bought two types of mud, one for making pots and another for painting. They also purchased cow dung or wood for heating the pots. Sardaraan Bibi from Moga Mandi, Nankana Sahib revealed that every month mud was brought for Rs.800 to1000 per trolley. They also bought fuel for Rs.2000.

In Bangladesh, the dent that raw materials cost and other production costs such as transport make on the earnings of workers was highlighted through the FGDs and survey data.

In FGDs conducted, many respondents felt this dent most acutely as the high production costs inflated the prices of their products, which rendered them unprofitable and uncompetitive.

While comparing prices of pitchers (kolshi) Sheba Dashi said “we sell one pitcher at Tk. 15/ whereas the same size one can buy at Tk. 7 / in the Shimulia or Kayetpara market”.

The lack of technology was also cited to cause higher production costs which hurt earnings.

Sheba further elaborates this point;

*“We don’t have any machine to make these products. Since we make everything by hand it becomes heavier and requires more clay. Hence, we have to include the price of the clay as well. Moreover, Fulbaria is nearer to Dhaka, whereas Shimulia and Kayetpara is comparatively far and transportation cost is also higher. Mahajan’s can’t take the truck over there. First the pots are loaded in three wheeler non- motorized van and then fill up the truck. In this entire procedure Mahajan needs to pay money to the van owner and the persons who are engaged in loading the products. Therefore, potters are compelled to sell at half price to maintain their market”.*

Bishwanath Pal from Fulbaria Bazaar also mentions the difficulties associated with acquiring new technologies.

*“We are so poor that none of us has a paddle machine. If we had paddle machine we could make 300 pieces per day but by hand one can make only 140 to 150 pieces by working entire day for 10 hours. In peak seasons if they receive a good order we have to work day and night. We don’t mind that. Paddle machine usually costs Tk. 5,000/ to Tk. 6,000/. “How can we afford it when we have to think about our day to day affairs. ”*

Khani Rani Pal, another participant in the Fulbaria Bazaar FGDs, makes the problem associated with transport costs more clear.

*“Our village is quite far away from the main road, this raises the cost of transportation”.*

The earnings registered in these areas would barely covers the cost of the clay let along the time and labour that is added to make that product said Shudebi, another FGD participant.

In some parts of Shimulia and Kayetpara, potters had to incur labour costs as well. In the month of Baishak (April – May), they had to pay Tk. 80 to workers hired for cutting clay from morning to 1:00 pm in addition to the cost of the clay.

Beyond transport costs, the cost of clay appears to be a major concern for these potters as it is the basic input for their products. The purchase of clay and footing production costs are a new phenomena for the traditional pottery makers.



*“Previously people were nice”, said Lali Rajbanshi in Fulbaria Bazaar. “Now nobody wants to give clay at free cost, you have to pay good amount of money to fetch the clay. Potters buy clay mainly from Kashimpur and use boats to transport the clay. The transportation cost need to be added too”.*

An elderly woman comparing the present scenario with the previous days said,

*“Previously clay was available at no cost. Now to get clay we have to pay double the price. Clay products have lived their lives. In early years, one pot used to sell at one coin and one coin was worth much to us.”*

Clay prices have been increasing due to brick makers, who push the prices higher, due to their demand and greater capacity to pay the landowners who supply the clay from their soil. Ram Prashad from Kayetpara explained by saying that recently the price of the clay has been appreciating because the brick kilns owners also bought the same type of clay to make bricks. He continued,

*“They are rich businessmen and thus can afford paying good prices for the clay, which is too expensive for us. The owner of the land charges the same amount to us. If we don’t pay that price the landowner would sell it to the brick kiln owner. Therefore, now we buy less clay with high prices.”*

As clay can only be cut in the dry summer season, the pottery-makers also need to pay the landowner for storing the clay for the entire period when the clay has to be cut. This rent was dependent on the opportunity cost of that land. For instance, if the landowner planned to yield a crop then the potters had to pay the price of that crop for two months. They also needed to pay Tk. 200 as transportation cost of a boat. In addition, fuel had to be bought at the rate of Tk. 70 to 80 per stack. It takes approximately 28 to 30 stacks (Tk. 2000/ approx) to burn the finished potteries.

In Fulbaria Bazaar, Belai Pal said that clay was becoming more and more difficult to find. Clay for pottery was not available throughout the year. To make pottery, a special type of clay was required. Bishanath Pal explained,

*“After that the river starts to fill out, extraction of clay becomes impossible. After extracting clay, it needs to be stored for the rest of the year. There are four quality and categories of clay. The finest ones are rare to find and feel smooth as silk”.*

- **Pottery is a major source of regular income for these households; however migration into other areas for work is also prevalent.**

This was a characteristic which was common between pottery makers in both nations. 8% (4) of Pakistan’s respondents and 8% (12) of Bangladeshi respondents stated that they were doing other work to sustain themselves. This may seem a smaller share than expected due to the dying state of the pottery trade. However, greater shares of the FGD participants were engaged in other sectors and work. Their accounts throw more light on how income insecurity has pushed these workers into other trades. Issues relating to worker’s migration also came up.

Jiten Pal, a member of the Pal community which has been traditionally associated with pottery in Bangladesh stated that during month of Durga Puja he migrated to a different district for a better job. While he could make very beautiful idols for Puja’s near his residence, he preferred to migrate to Rajshahi as migrant worker for decent payment. He would usually return on the day of Puja to celebrate the festival with his family.

All the female FGD participants in Bhakkar Mandi, Pakistan were engaged in other activities due to insufficient income received from pottery. 2 women were making kites; 4 were engaged in crochet-making and rearing livestock and 3 sowed garments to supplement their income. The Janam Astha respondents in Pakistan also stated that to supplement the family income, 5 women had to resort to construction work while 2 younger girls were engaged in stitching garments.

FGDs in Moga Mandi, Pakistan with 12 respondents revealed that families received around Rs.3000 to Rs.4000 per month. The women in the families, to supplement household income, travelled to the cities everyday to work as house-maids for 3 to 4 hours after which, they joined their husbands in pottery-making. This trend for girls to work as domestic workers was further confirmed by the FGD participants from Niaz Nagar in Bhakkar Mandi. Participants said that

‘Many young women are sent to urban centers like Lahore to work as domestic workers. Sometimes mothers go to help their daughters as well when the workload increases in periods of birth, marriage etc celebration. They do receive a small remuneration for the extra work’.

- **Mode of Payment**

The entire Pakistani sample was paid in cash and these payments were usually made on a task basis with 56% being paid after the task was complete. 22% were paid weekly. 11% of the sample complained about their payments being delayed.

The entire Bangladesh sample was also paid in cash. However, some women in the FGDs referred to payments in kind which they would receive for their products, for instance, rice or wheat. FGDs also refer to the existing Barter system, where, clay utensils were used to exchange rice and fuel or other daily amenities. 40% of the Bangladesh sample was paid weekly; 24% fortnightly, 20% monthly and 16% at the end of task. 64% of the sample respondents stated they were not paid in time for their work.

- **Changes in Earnings**

In Bangladesh, there are negative signs in this feature of pottery maker’s income, as per the survey. None of the respondents reported an increase in their income. A majority 60% (15) of the sample said that their earnings in the last two years has decreased and the remaining 40% (10) said that earnings had remained the same.

In Pakistan, for 33% (6) respondents earnings had seen an increase in the last two years while 17% (3) stated that their incomes had decreased. Another 17% stated that earnings had remained the same. For a significant remainder of 33% of the sample, workers noted they had no knowledge about the earnings changes and this lack of information could be due to the gendered division of labour where women often do not maintain or have access to knowledge about household earnings and expenditures.

**Table 5: Changes in earnings in the past two years**

Change	Bangladesh Pottery	Pakistan Pottery
Increased	-	33% (6)
Decreased	60% (15)	17% (3)
Remained same	40% (10)	17% (3)
Don't Know	-	33% (6)
Total	25	18

This situation was also present in Bangladesh as many of the women who participated in the FGD in Fulbaria Bazaar were unaware of the market prices of the goods, as they had never gone to the market or fair. Only the male workers sold the items.

### 3.2.2 ASSETS AND WEALTH

The Bangladesh survey reveals that 60% (15) of the respondents owned their own land, while only 6% (1) of the Pakistani pottery making respondents owned this resource.

### 3.2.3 WORK

#### Work History

- **Period of work**

Child labour is a strong phenomenon traced in the sample. A majority of the respondents engaged in the sector started work below the age of 15. This share is 72% and 61% for Bangladesh and Pakistan respectively.

**Table 6: Age at starting work in Pottery sector (in percentage)**

Age	Bangladesh	Pakistan
	15 & below	72(18)
16-25	16(4)	22 (4)
26-35	8(2)	6 (1)
36 and above	4(1)	11 (2)

Total	100(25)	100 (18)
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Naziran Bibi in Nankana Sahib, Pakistan revealed that she had been engaged in pottery making for the past 38 years. She started making pottery with her family as the pottery business was a family tradition. Her grandfather was a pottery maker. After marriage she continued to make pottery with her husband for his family business as her in-laws were also engaged in the pottery tradition.

- **Training and Learning**

Pottery making is a family and community based traditional labour process. This is corroborated by the survey results where a majority of the sample has learnt their work through their natal family. While 80% (20) of the Bangladesh respondents learnt from their natal family, 67% of the Pakistan sample credited the same source of learning. An interesting fact is that some proportion i.e. 8% (2) of the Bangladesh sample learnt pottery through training. Although, this training could be community based.

**Table 7: Where did you learn this work? (In percentage)**

Source	Bangladesh	Pakistan
Natal family	80 (20)	67 (12)
Marital family	12 (3)	28 (5)
Training	8 (2)	-(0)
Friends	- (0)	-(0)
At work	- (0)	-(0)
Other	- (0)	6 (1)
Total	100(25)	100 (18)

- **Reason for Entry**

**For most respondents in both nations, taking up pottery was not a choice but compulsion due to the lack of alternative employment.**

Most pottery-makers in the FGDs in Bangladesh were unpaid home-based family workers. In FGDs, conducted in Shimulia and Kayetpara, it was found the potters are forced to continue with pottery-making due to the absence of alternative employment opportunities, especially for women. The women in the FGDs stated that they would continue to do this work, as it was their ancestral occupation.

The FGDs in Kasur, Pakistan brought to light the case of Bashiran Bibi. She revealed that she was, 'Tired of making clay pots but she does not know any other work so she feels compelled to continue this work'.

Sardaraan Bibi in Moga Mandi, Pakistan believed that she was 'lucky to have work'. She was happy to be able to marry all her children and provide dowries for her daughters.

Chinta Rani said that pottery work was also considered as "best for the women" as they are skilled in this work and "don't have any knowledge in other field except this". In addition, they can work at home and don't need to go away from the house to work. It may not be profitable but good occupation for home workers women.

**FGDs did suggest that communities involved in pottery for ages, were hesitant to continue with their ancestral trade due to meager returns. However, this transformation is gendered. Discussions suggest that women are more likely to remain engaged in this sector, despite the low returns, due to gender discrimination in human capital investments and social norms.**

In FGDs conducted in a village called Bhadragehat in Sirajgonj Sadar, Orhana, Dipali and Hiru informed the team they had been working as potters since generations in Bangladesh. They expressed concern about the future of their work. It was felt that without adequate governmental or non-governmental incentives, they might very well be the last generation in this business. Dipali said, "*My son has dropped out from school due to economic hardships. He is not interested in pottery. He wants to engage himself in some other business*".

FGDs conducted in Janaam Assthan & Nankana Sahib in Pakistan, saw the older members stress that pottery work would no longer exist in the near future since their new generation was not interested in the same. The young and educated respondents of the group stated that '*they know it is a time consuming work with little returns and that they are doing this work since there is no*

*other working option*'. Movement away from pottery has not been easy as the families complained that even though their sons were educated, they had not been able to get any other work.

Bulu and Anjali also added that their children were not interested in pottery. Anjali Pal said, *"My son is studying at school. No matter what, I want him to become educated and do a decent job in an office; I don't want my son to have the same fate as ours."*

50 year old Bashiran Bibi and her 63 year old husband in Kasur, Pakistan had 5 daughters and one son but neither their son nor their daughters liked making pottery. The son was a clerk in the army and the daughters preferred to sew and to do embroidery.

Other cases from Pakistan do show movement away from the pottery sector. Sardaraan Bibi in Moga Mandi had 5 sons and 5 daughters, all of whom were married She taught the pottery skill to 3 of her sons and 4 of her daughters. Two of their sons were matriculates and were working currently in a government office. Two of their other sons and their wives were working with them in the pottery business.

Zanib Bibi in Mohallah Awian, Kasur taught her sons the skills when they were very young. Now all four sons were engaged in the same work. Yet she did not want to teach her grandchildren the same art. She felt that there were other professions with more dignity and respect along with a steady income.

The gendered aspect to continuing with this work with low returns was touched upon during the FGDs. Shayndha Rani in Bangladesh said,

*"Males are not interested but we, the females will carry on this business. As home-based workers we can earn at least something from pottery. It is hard work but our parents don't have money to marry us off. We will do this business as long as our health permits us to. We have no other skills except this."*

During the same FGD, Kalpana added,

*“Boys are not interested as this work is daunting and the profit is very limited but women remain content with less profit, even if they can survive from hand to mouth they will run this business to hold onto the legacy of their forefathers.”*

Bulu said that *“this morning I have given 10 rice dishes in exchange for 5 Kg of rice. If I didn’t have this skill today my children would go hungry. My daughters can’t afford going school; they help me in making pottery”*.

The research in Pakistan also highlighted gender discrimination in education of girl children. FGDs in Niaz Nagar revealed that only male children were sent to school and that they did not engage in pottery making. Very few girls attended school and after returning from school, they would assist their mothers at home.

Many participants echoed the social norms and practices in Bangladesh which view women’s participation in economic activities outside the home as derogatory. Hence, they unanimously agreed that pottery making was the,

*“Best job for females as they can earn by staying at home without going outside or engaging themselves in outside income generating activities”*.

However, there were a few cases where women had different ambitions for their girl children. Naziran Bibi in Nankana Sahib, Pakistan had arranged the marriages of three of her daughters and gathered them dowries through pottery. Now she was paying for the education of her youngest daughter. She did not want her daughter to learn pottery making as she believed it was a very time consuming profession with low remunerations. She hoped her daughter would become a doctor in the future.

## **Working Conditions**

- **Working Hours**

The life of these workers contains heavy work loads. During the peak season, pottery makers in Bangladesh and Pakistan work for an average of 14 hours and 9 hours daily.

**Table 8: Number of Hours of work in a day**



Period	Bangladesh	Pakistan
Peak	14	9
Lean	6	5

These figures halve during the lean season, where workers in Bangladesh have a working day of 6 hours and those in Pakistan work for close to 5 hours daily. This excludes their daily domestic chores.

FGD participants in Bangladesh said that decoration and designing took the longest time. Pratima further adds, *“You have to have right knowledge about timing. If the clay is over dried you can’t pierce it and on the other hand if it is raw it will break while piercing. You can’t design clay items when it is raw. It takes one entire day to dry out”*.

A day in the life of Bashiran Bibi, a pottery maker in Pakistan starts at dawn after *Fajr* prayers. Her husband goes to the kiln and starts making pots while she finishes her household chores. Two of her daughters sew and do embroidery and so Bashiran Bibi manages the household. After finishing her household chores she goes to the kiln and assists her husband. During the monsoon and winter season, she spends the whole night worrying about the rain. If it rains, all pots that are kept outside are ruined. If it starts to rain at night, she and her family members run towards the kiln and gather the clay vessels which would otherwise dissolve in the rain.

Naziran Bibi in Nankana Sahib, Pakistan said that since her three older daughters were married and the youngest was in school; she did not have anybody to do the domestic work. She would wake up early in the morning, after completing her religious activities and domestic work; she joins her husband and son for making pottery. She worked for 6-8 hrs per day. Zaniab Bibi in Mohallah Awian, Pakistan worked for 10-11 hours daily. However, Zaniab does not do any domestic work. She is the only master designer in her area.

- **Labour Relations**

**Most FGD participants complained about the role of unscrupulous Mahajans or Middlemen.**

There is discordance in the record keeping results between both nations. While 84 % ( 21) responses in Bangladesh state that they maintain record books for payment, none in Pakistan claimed to do so.

The FGDs, conducted in Shimulia and Kayetpara shed light on instances of fraudulence. In recent past, for instance, in Shimulia one of the mahajans received the product delivery from the potters without clearing up the balance with a verbal promise that he would pay the money in a day or two. However, he never returned. Seven potters had investments in that particular order worth Tk. 40,000/-. They were still to overcome from the shock of this fraud. In Kayetpara people also referred to similar type of incidents. They said that they don't trust any new mahajans.

FGDs conducted in Janaam Assthan & Nankana Sahib in Pakistan had the respondents stating that they preferred to sell their products in the local markets because the middleman did not give them a reasonable price for their products.

- **Seasonality and Work Fluctuation**

**Table 9: Number of Months of work**

Period	Bangladesh	Pottery
Peak	8	6
Lean	4	<i>6(needs to be rechecked)</i>

The extent to which tradition has a role in determining work of the potters is evidenced from the fact that the FGDs conducted in Bangladesh refer to the fact that in the Bangla month of Baishak (April 14 – May 15) people of both places celebrate ‘Paloi’ – a ritual when they can’t make new pottery. At the beginning of this month a tiny clay pot is hung from the tree where they put water each morning. And at the end of the month they offer puja and bring down that pot from the tree. More or less all Pals follow this ritual. During Paloi they usually dig clay and burn the finished products. Because of this ritual Chaitra (month before Baishak) is the busiest month for the Potters. In Chaitra they work from 5:00 am in the morning to 10:00 pm at night.

Most work in Pakistan is done in summer yet family businesses continue to operate during the winter. Difficulty of production in the rainy season and during winters also emerges as a common problem. For instance, the FGDs conducted in Bhakkar Mandi, Kasur with nine women home-based pottery workers states that 4 women said that they got work only in summer season and 5 said they work for the whole year.

- **Availability of work**

**Table 10: Changes in Availability of work in past two years (in percentage)**

Change	Bangladesh	Pakistan
Increased	-(0)	28 (5)
Decreased	60 % (15)	33 (6)
Remained same	40% (10)	17 (3)
Don't know	-(0)	22 (4)
Total	100 (25)	100 (18)

While 28% (5) of the Pakistan respondents stated that work availability had increased, none in the Bangladesh sample said so. Further a sizable majority i.e. 60% (15) of the Bangladesh respondents felt that work availability had dropped.

### **3.3 Social Insecurities**

#### **3.3.1 CRISIS AND CREDIT**

**Responding to queries about receiving benefits from work**, 28% (7) in Bangladesh said that they did not get any other benefits through work. 8 % ( 2) of the sample stated they would receive payment for overtime.

#### **Major Expenses and Borrowing**

The dominant expenditures in Bangladesh are those pertaining to medical ailments and residential maintenance. These are followed by social expenditures such as those on marriage and rituals<sup>7</sup>. A major amount had been spent in the past two years by the Pakistan sample on social expenditures such as rituals, feasts, family member's death and marriage (48%). These were followed by medical (13%) and residential maintenance (11%). However, FGDs in Bangladesh did produce certain comments which emphasize the weight of social expenditures on the pottery community in Bangladesh as well.

*"I don't know how I'll marry off my three daughters. Moreover, we don't follow the custom of marring off our children with their cousins as the Muslims do. We have to look for groom. Marriage is the most expensive social rituals where we had to spent huge amount of money as dowry. Usually groom's family would ask for five bhorī (11.66 gram) gold ornaments and Tk. 50,000/ cash".*

92 % ( 24) responses in Bangladesh stated that they had to borrow from neighbors. 4 % ( 6) borrowed from credit societies and 3 % ( 4) borrowed from banks, moneylenders and NGOs. 1 % ( 4) borrowed from their landlords. In Pakistan, a large section of the sample did not borrow money to finance such expenditures<sup>8</sup>. 29% (6) borrowed from contractors; 14% (3) borrowed from neighbours.

### **Savings**

Predominant sections of the sample in both nations used savings to pay off loans. Bangladesh responses state that savings were used to pay of loans(19 responses). deposited in a bank (15 responses). kept in the house or used to purchase consumer durables (14 responses). for buying ornaments (7 responses) and for buying land (4 responses). Savings in Pakistan were used for paying off loans (2 responses) and kept in house (3 responses)<sup>9</sup>.

### **Crisis situation and Coping Strategies**

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<sup>7</sup> Need to place table

<sup>8</sup> 43 % ( 9) did not reply to the question.

<sup>9</sup> The question was largely to be NA by 43 responses.

84% (21) said that they have faced a crisis situation in the last two years. 16% (4) said that they had not faced such a situation. 66.7% (12) said that they had not faced a **crises situation** in the last two years. 33.3% (6) said that they had.

Bangladesh respondents largely borrowed money to cope with crisis. 28% (7) of this sample borrowed money while 24% (6) sold ornaments. 20% (5) resorted to other miscellaneous strategies and 4% (1) had to sell their houses<sup>10</sup>. In Pakistan, 17% (3) of the respondents had to borrow money; 6% (1) stated that they had worked as bonded laborers; reduced food intake; sold off their assets.

### 3.3.2. CHILD PROTECTION

- **Low earnings perpetuate poverty through child labour.**

The FGDs, conducted in Shimulia and Kayetpara, Bangladesh shed light on the fact that in both the areas the schools are in close vicinity. However, sending children to school is expensive to the potters. Although the government school provides free education, parents have to buy the stationary, books and other necessary things. As per the government rule they are supposed to receive Tk. 100/ as stipends. Unfortunately, they don't receive the stipends from their school, complained Lakhi Rani Pal, a school student. "Only pupils having a jack with the school committee receive that money. Our parents are poor and don't have any link with the affluent people of the society." In Kayetpara people have more positive approaches towards sending their children to school.

Most girl children as per the FGDs in both nations were working mainly as unpaid family workers and contributing to the family income from very young ages.

### 3.3.3 SHELTER

**Table 11: Household Infrastructure in Pottery**

Characteristics	Bangladesh	Pakistan
Family/Own house	92%(23)	78% (14 )
Pukka walls	-(0)	17% (3)

<sup>10</sup> 16%(4) did not reply and 8%(2) regarded the question as NA

Tiled or cement roof	- (0)	17% (3)
Average no. of rooms	4	2
Tap in household	12% (3)	50% (9)
Toilet in household	84% (21)	39% (7)
Electricity	32% (8)	84% (15)
Total Respondents	25	18

- **Ownership of Household**

In 78% (14) of the Pakistan cases, the family owned their houses. The remaining 22% (4) of the respondents in the study were tenants. A higher share i.e. 92% (23) of Bangladesh responses indicated that those houses were owned by the HBWs themselves or by their families. Only 8% (2) of the responses stated that they were tenants.

**Comments made during the FGDs show how difficult the process of acquiring the houses was for these workers.**

Bashiran Bibi **from Kasur in Pakistan** revealed that with much difficulty, she saved enough to make a house. She sold her jewelry, spent very little money on food, took a loan and saved by other means. Now she was paying off the loan she took to build her house. **Sardaraan Bibi in Moga Mandi, Pakistan also** stated that she took some loans from her relatives to buy her own house and is now paying the installments of these loans.

### **Type of Roof**

While none of the Bangladesh respondents live in tiled or cement roofed houses, 17% of the Pakistan sample did. 50% (9 responses) of the latter sample stated that their roofs were made of plastic and straw. In Bangladesh, 88% (22) of the sample had tin roofs and 8% (2) had plastic and straw roofs for shelter<sup>11</sup>.

**FGDs revealed that tin roofs in Bangladesh were necessary to cope with natural disasters. In FGDs conducted in Sirajgonj Sadar, Bangladesh,** housing emerged as a major problem due to the phenomenon of floods. Due to the location of Sirajgonj, it suffers river erosion. Tin shaded houses are very common in this area, as they make dismantling easy, at short notice. Most the

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<sup>11</sup>

FGD participants in this area had lost their homes on different occasion due to annual floods. In the recent past a large area and a bazaar have been destroyed completely due to the river erosion. Due to this reason the area is underdeveloped as compared to the other parts of the country. Only 45 families reside in this area. Previously the entire area belonged to the pottery workers but later due to the economic hardship; they sold their land and moved somewhere else, leading a hand to mouth existence for their survival.

### **Type of Wall**

According to the Pakistan survey, 83% (15 responses) respondents have *kucha* houses while 17 % ( 3 responses) have *pucca* houses. In Bangladesh, the workers walls were predominantly made of tin. 60% (15) was tin/plastic while 40 % ( 10) was *kucha*.

The FGD conducted with one Naziran Bibi in Nankana Sahib, Mohallah Janaam Asthan reveals Naziran Bibi who is 50 years old has 3 sons and 4 daughters. She lives in her own house, which consists of two rooms and a courtyard. Naziran Bibi uses a mixture of red clay and water to dip small mud bowls and pots. She quickly turns them upside down to dry beside a wall. There are many bowls, pots and gharas lie outside the houses drying or waiting to be fired.

FGDs also took place in Niaz Nagar in Bhakkar Mandi of Kasur, 40 km away from Lahore. The area was considered urban but this *mohala* was totally different from the other part of the city. There were open drainages and *kucha* (mud) houses in this locality. The group in the FGD asked for open spaces from the government, where they can do their work.

### **Water, Sanitation and Electricity**

**In Pakistan**, 50% of the sample (9) had taps in the household and 28% (5) had access to a well. 11% (2) had access either to a communal tap or to a tubewell/handpump. 56% (14) of the Bangladesh sample were using tubewell/handpump and 24% (6) were using a communal tap. Only 12% (3) had a tap in the household and 8% (2) were using the water of a pond.

61% (11) in Pakistan were using open spaces for toilet purposes while 39 % (7) had a toilet in their household. 84% (21) had a toilet in the household in Bangladesh while 8% (2) were using open areas for toilet purposes. 4% (1) were using communal toilets; and another 4% (1) were

using other facilities. However, within the large section which reported a toilet within the household, the definition and concept of a toilet was unclear.

A majority i.e. 83% (15) had electricity in Pakistan while 17% (3) did not. In Bangladesh, 68 % ( 17) responses stated that electricity was not available to the workers; only 32 % ( 8) stated that electricity was available.

In Sirajgonj Sadar, village Bhadraghat, the FGDs state that there exists only one tin shaded sanitary latrine which belongs to the neighboring house. This latrine is kept under lock and key. The neighbors don't allow everyone to use their latrine. "They often misbehave with us if we want to use it in emergencies", said Bablu. Everyone uses the nearby ditch. Some potters has planted bamboo trees in a circle so that it can be used as a toilet. It seems that potters of this area don't even have sanitary toilets of their own. They use nearby toilet of a neighbor for which they have to pay Tk. 40 to Tk. 50 in every three months. Participants reported that even then they sometime misbehave with them for using the toilet. Most of the children use the riverbank for toilet purposes. It seems that the Government has provided one tube well and they fetch drinking water from that tube well.

### **Space Adequacy**

In Bangladesh, 72%(18) responses stated that they had enough spaces to keep their materials and finished goods while 28%(7) responses state that they do not have enough spaces to keep their materials and finished goods. The average numbers of rooms in this sample were 2. In Pakistan, 83% (15) said that they had space to keep materials and finished goods; while 17% (3) said that they do not have adequate space. The average numbers of rooms for the Pakistan sample were 4.

From the FGDs, conducted in Shimulia and Kayetpara, Bangladesh, it emerged that pottery work required sufficient amount of space to enable the wet clay to dry in direct sunlight. Moreover, because fuel costs are high, the workers would usually pile up the products and burn them at one occasion. Therefore, storing also requires sufficient space. The poor space condition was more severe in Kayetpara than in Shimulia. In Shimulia the houses were comparatively bigger and most of the houses had their own premises for drying and storage. However, in Kayetpara houses were small and they hardly had any place in their premises.



Space is the main problem here said Kartik Pal of Kayetpara, “*as I don’t have my own place I have built the pottery stove at my brother’s place. He has allowed us to use this place for free, since the last three years, but now we have to pay for using that stove.*”

In Fulbaria Bazar, FGDs reveal that almost all workers have migrated from different districts under compelling circumstances and recite stories of repression by the land grabbers and feelings of dire insecurity. These workers later settled in the government *khaas* lands at Raj Fulbaria Savar beside the river Dhaleswari. The small shanties barely accommodated all family members, let alone, provided any working space. Most of them didn’t have any space in front of the house which was necessary to dry the pottery. For drying and storage purposes, they were using an isolated and abandoned office building which was made during the reign of the British. The building is very old and can collapse at any minute. However, they were thankful to the guard (*Nayeb*) to let them use this place for free. In this building they store their products. But the local children also use this place for playing and sometimes accidentally break things while playing. For this reason potters had to guard the place in turns.

### **3.3.4 HEALTH**

**Health problems are persistent and linked to the working conditions and labour process.**

**While many do access curative treatment from local private care or community arrangements, the root cause for health conditions needs to be addressed through adequate preventive occupational health and safety measures.**

- **Frequency of Illness and Sources of Treatment**

In Bangladesh, all the respondents stated that they had been ill in the past 2 months and each person had sought treatment for the same. A large section of 56 %( 14) respondents went to a private clinic for treatment. Only 16 %( 4) accessed the government hospital. Another 16 %( 4) sought treatment for short term illnesses from pharmacists. 4% (1) shares resorted to self-medication, local hakims and *jhad- phook* respectively.

Health problems are persistent in the Bangladesh sample. All the respondents also said that they have had illness lasting more than two weeks in the last two years. 96% (24) of these responses stated that they had sought treatment for the same while 4% (1) said that they have not. For such

problems, government clinics were a more popular choice. 42% (10) of these affirmative respondents went to government hospitals to seek treatment; 30% (7) to private clinics for treatment. 21% (5) sought help from a pharmacist and 7% (2) resorted to the *jhad-phook* form of exorcism.

The intensity of health problems in the Bangladesh sample was alarming. Each respondent also stated that they suffered from frequently recurring health problems or disabilities. 96% (24) said that they did seek treatment. In this subset of those tackling long term illnesses, access to private or government care was minimal. 38% (9) visited a pharmacist. Only 21% (5) went to a private clinic and 13% (3) went to a government hospital. Another 13% (3) resorted to *jhad-phook*. 7% (2) went for self-medication. 4% (1) sought home-remedies and the remaining 4% (1) visited the local hakim or vaid.

In Pakistan, the situation appears a tad better. 50% (9) of the respondents said that they had been ill in the last two months. Within this group, 33 % (3) said that they had received no treatment. Amongst the remaining 6 respondents who had sought treatment, only 2 members had accessed a government hospital and one a private clinic. The remaining 3 had resorted to self medication in consultation with the local *vaid/hakim*<sup>12</sup>..

A smaller share of 39% (7) said that they had had illnesses lasting more than two weeks in the last two years. Each member reported seeking treatment. 58% (4) of this sub set went to a government hospital for treatment while 14% (1) to a private hospital and another 14% (1) went to a *hakim/vaid* for treatment. The final member had no response to this question.

44 %( 8) of the Pakistan sample said that they suffered from a frequently recurring health problem or disability. 88% (7) of this group said that they had taken treatment for these frequent health problems. However, the source of treatment is home based. In this group of 7 whom sought treatment, a significant 43% (3) said that they resorted to home remedies.11% (2) took self-medication. 6% (1) went to the government hospitals and another 6 %( 1) went to the *hakim/vaid*. The final 6 %( 1) did not reply.

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<sup>12</sup> There might be a case for double reporting with a few members within this sample, offering two sources of treatment. (3) were on self-medication while another (2) resorted to home remedies; another (2) go to government hospitals. (1) go to private hospitals; (1) visit hakims/vaids. The total number of responses being 9 and the number of respondents who said they were ill for this period and sought treatment were 6.

- **Occupational Health Issues**

When asked about health issues in Pakistan, the FGDs reported that women '*feel exhausted and their shoulders are paralyzed due to heavy work*'; but they regard the solution to be '*good wages and not medicine*'.

The difficult nature of the work was also revealed in the FGD as women stated that '*sitting and crafting pottery on the wheel is a difficult task*'. Mostly, therefore, the men sat on the pottery wheel; while the women sifted and prepared the clay. They painted designs on the pottery and helped to load the finished products on trucks.

The FGDs state that health problems such as common colds and aching shoulders seemed to be common ailments.

Jamuna from Kayetpara, Bangladesh said that pottery making was hard work. She explained that to prepare a product *Bele* clay and *Abal* clay needs to be mixed together with water by treading with one's feet for a couple of days. Then this was processed after which they made clay balls of required sizes by churning with the hands. The clay needed to be free from grass and has to be very smooth for it to be used clay for the making of pottery. This work process resulted in muscle pain and joint pain.

Moreover, they remained seated in a squatting position for hours together for work. It caused complications in the uterus and they also had pain in the knee joint and arthritis. Participants also shared that while processing the clay it was '*usual*' for them to have skin diseases in their hands and feet. These caused itching sensations and lead to the formation of pus. Rakhali, a participant, mentioned the use of "*Bandorer rong*" (a green liquid; people are unaware of its scientific name). They warmed their hands by building a fire to get relief from the same.

The FGD members in Bangladesh also noticed the presence of hookworm in a woman, Rekha Rani's feet. Both of her feet, it seems, has '*several small holes*'. The latter mentioned these as being "*very common*" with "*almost everyone suffering from this disease*". This occurs due to excessive contact of the feet with clay. "*These are nothing*", she added, "*If the itching is too much we use 'tut' mulberry to ease the itching.*" For cuts and septic wounds they use a leaf locally known as "*ghaopata*". It was believed that this leaf would suck all the poisonous substances from the septic wound. No one went for medical consultation for treatment of these diseases. However,

if the situation went beyond control they sought treatment from the homeopathic doctor. In Kayetpara there was one homeopathy store called “*Niramo Homeo Hall*” which was adjacent to the pottery workers village.

In Fulbaria Bazaar, Bangladesh women in the FGDs stated that while processing clay their hands needed to mash the clay continuously. Due to this process they get ‘*hives in their hand, creases in fingers and the colour of the hand changes to white*’.

Many of the elderly people in this sector had completely lost their eyesight. One of them said that since they had to look constantly at one point while making pots it increased the pressure on the eyes. “*At first my eyesight became blurred and then I completely lost my sight*”.

The FGD conducted in Nankana Sahib, revealed old-age related health problems in Pakistan as women suffered from severe backaches, due to postural problems cause due to sitting in a particular position for long periods of time.

Beside this stomach ache, muscle pain, arthritis seems to be quite common amongst the potters.

- **Reproductive Health and Vaccinations**

It was considered too expensive to have deliveries in the hospital in Bangladesh.

“*If a child is born in the government hospital, at least Tk 3,000/ to Tk. 4,000/ have to be spent*”.

In Kayetpara and Shimulia in Bangladesh, generally babies were born at home. There was one permanent labour room at Shimulia where a mid-wife delivered babies. The baby and the mother then had to stay in this ‘*shabby labour-room for a month*’.

After this, a *puja* was offered and then the baby and the mother were allowed to enter their house. Critical cases were recommended to the hospital by the mid-wife. In Shimulia *Gonoshayata* hospital and Dhamrai hospital were close. In Kayetpara, Islampur Government hospital was nearby. In both locations the government field workers visit intermittently for vaccination.

In Fulbaria Bazar, Bolai added that many young girls are crippled due to Polio, “*as we didn’t have government field officer’s then for vaccination .Now government people come and give*

*shots to children and they sometime provide tablets (they were unable to say the name but presumable vitamin tablets) to young kids”.*

Sheba Dashi said that she has seven children four daughters and three sons. All her sons and one daughter are crippled due to Polio. They are “liability” for her.

*“We don’t have any government hospital in our area. We need to go to Savar under compelling situation,”* said Radha Rani. However, the government hospital was considered to be too expensive. Although, the doctor would check patients for free, one had to buy their own medication and bare charges for other services like medical examination; like X-rays.

### **3.3.5 DISASTERS**

40% of the respondents in Bangladesh stated that they have been affected by natural disasters.i.e cyclones and floods in the last two years. 36 %(9) responses said that these had occurred for a period of less than 6 months.40%(10) responses stated that such natural disasters occur frequently.40%(10) responses indicate losses in terms of housing due to such natural disasters.

- **Compensation missing**

40 %( 10) responses indicated that they did not receive any compensation for the disasters. The same 40% (10) responses indicated that they did not even receive medical or other assistance for this crisis they faced.

FGDs highlight the plight of these workers in Bangladesh. In each flood these workers suffered the most. Every time their house was affected. Ganga Dashi sighed, *“last year all my goods were destroyed, which I piled up after working for a month. They were ready to burn.”* Other women joined, *“during flood our main concern is how to save our lives. Leaving our home and all households utensils we have to stay on street for months together, very occasionally we receive any relief. The local influential people loot all the relief. We never have any scope even to see them.”*

Joshoda Rani said, *“During flood we took shelter in the school class room. I along with my husband and two children used benches to sleep at night. When water reaches above the bench*

*level we raise the height of the benches with bricks.” She continued, “floods occur every Srabon-Bharda (July - September). We literally had to beg during that period we remain hungry for the entire day and ate very little at night. Some of us were not as lucky as us. They took shelter in open street. They made shade with polythine as protection against sun and rain. Of the children cry out in hunger we offered them polluted floodwater to drink to ease the hunger pain. Since all of them are poor. They couldn’t help each other during flood or any crisis.”*

### **3.4 Social Protection Priorities**

#### **Awareness and Participation**

67%(12) responses in Pakistan stated that they are aware of social schemes. However, 91 % ( 13) stated that they were not members of such schemes. All the respondents said that they had no information about organisation working for the welfare of home-based workers.

60%(15) responses in Bangladesh stated that there were no organizations working for the welfare of home-based workers. 16% (4) stated that there had been an effort to form a union of home-based workers. Only 20% (5) said that they had joined such an organization or scheme.

The FGDs in Pakistan state that the women had little or no information with regard to social protection schemes. The FGDs conducted in Bhakkar Mandi, Kasur with nine women home-based pottery workers revealed that only one woman out of these nine, was familiar with Life Insurance schemes. There were complaints from the respondents that ‘no real welfare work’ exists in practice such as provision of loans, economical, social security and medical facilities etc for the poor. FGDs in Moga Mandi, District Sheikhpura revealed that only the male members of the families interviewed were familiar with the life insurance policy. Women in the Nanakana Sahib FGD agreed that these schemes were good for their future, but they said that they had ‘no money for its installment’. Moreover they said that they are ‘not in the position to decide on these schemes since their husbands deal with financial matters’.

The workers in Bangladesh alleged that they had never received any government social security benefits like old age benefit or VGD, VGF scheme. They stated that many times government officials had taken their name and thumbprints but they never received any benefits. An elderly woman said, “we have heard that we are supposed to get 20 kilograms rice per month per person

*but we even don't receive 1 Kilogram per month. I don't remember when I ate a fruit last time she continued. Now at this age I don't even manage vegetable to eat."*

There are government schools in these areas. However they are expensive. *"We can't send our children to school"*, said Gita Rani. The school provides free books only. Other stationary has to be bought by the students. Hence, the drop out rate is quite high. Only the regular and meritorious students in primary school receive stipend of Tk. 300/ each semester. Some of the participants said that, *"to be a good student one needs to send their children for private tuition to school teacher's house, by paying the salary of Tk. 100 to Tk. 200 per month. If you don't send your children to tutors house then the teacher will not recommend his/her name for the government stipend. But it is impossible for us to bear; therefore, our children never receive any stipend"*.

### **Bad experiences with Micro-Financing Institutions (MFIs)**

In FGDs, conducted in Shimulia and Kayetpara, it was found that some respondents had *'some bitter experiences with the MFIs and local land grabbers'*.

In FGDs conducted in Sirajgonj Sadar, village Bhadrachhat the participants informed that many MFIs were working in the area. However, the potters were very skeptical about the work of these MFIs. They had experienced the harsh realities of the local land grabbers, who had dislodged many of their neighbors and relatives from their homes. Despite existence of no such cases, when the MFIs ask for documents such as papers relating to property before providing micro-credit, they fear that they might misuse the document and dislodge them from their ancestral houses. Though there have been cases, it seems, where the MFIs have taken cattle and household valuables, ornaments etc to create a psychological pressure to make the clients repay the loans. However on paper, the existing MFIs deny these charges and said that *'they don't practice such nasty games with their clients'*. Amongst the workers in this locality only few have dared to take loan or micro- credit from MFIs. Although their experiences with MFIs have been favorable till date but other workers, were still skeptical about their activities.

In Fulbaria Bazar, Bangladesh the potters like the other places in the FGDs are very much skeptical about the activities of MFIs due to their ill experience with a fraudulent Islamic Bank operating in that area. It seems that the bank opened savings accounts for some workers and after one year the entire bank vanished taking away all their hard earned money. Later they found that

the bank was a fraudulent one. Jamuna said, “I saved money in a saving scheme of Islamic Bank for my daughter marriage by eating half stomach. And they fled by gobbling my money.” Though institutions like ASA and BRAC are working in this area, it seems that the potters are still skeptical to take loan from them or any other MFIs. Moreover, if they take loan and fail to return money on time then they can be harassed. Hence, many prefer to stay alone from these MFIs. In addition, one of the conditions to qualify for receiving a loan is that client has to have a permanent residence. Although they are living at that area for the last 20 to 22 years, they don’t have their own land and have built their houses on government *khaas* land from where they can be evicted anytime.

- **Identified Problems and Needs**

**Table 12: Problems identified**

Problems	Bangladesh Pottery	Pakistan Pottery
UNEMPLOYMENT (Mean number of months without work)	1	5
PAYMENT(Percentage reporting problems in receiving payments )	64% (16)	13% (2)
RAW MATERIALS (Percentage reporting problems in acquiring raw materials)	92% (23)	6% (1)
LACK OF SPACE(Percentage reporting problems in space adequacy)	72% (18)	83% (15)

A common concern in both nations emerging from the above table, is the lack of space. 72% felt the space crunch in Bangladesh, 83% felt the same in Pakistan.

While the pottery maker in Pakistan faces 5 months of unemployment compared to the one month faced by her Bangladesh counterpart; only 6% (1) of the Pakistan sample complains about the problems about acquiring raw materials. This is contrary to 92% of the Bangladesh sample who experience difficulty in acquiring raw materials. A significant 64% of the respondents in Bangladesh also complain about the receipt of payments. 13% of the Pakistan respondents share this grievance.



### *Revival of Pottery*

Participants in Pakistan asserted that the government needed to pay attention to this sector because as it was a traditional, vanishing art. One woman said that loans with easy installments should be offered to pottery makers. She believed that they deserved health insurance and other pensions. She pointed out to the lack of schools and hospitals in the area and wanted the government to pay special attention to this area.

### *Law and Order*

FGDs, conducted in Shimulia, Bangladesh with 13 people suggested that an alarming law and order situation existed in these regions inhabited by pottery-makers which made life more difficult for them. Usha, for instance, mentioned incidents of theft as being “very common in their area”. A few weeks ago her pottery machine was stolen. The machine was worth Tk. 6,000/-. It was a big sum of money for Usha and she could not afford to buy the machine again. Adding with Usha, Khani Rani mentioned that these are common incidents. Rural life is very difficult. We all have to work very laboriously from dawn to dusk. Therefore, at night when we sleep it is very deep and sound. As a result we can't even hear the small noises that the thieves may make while digging hole at our house or while taking our machine away.

Other women discreetly mentioned that “*we all know who the thieves are. They are local hooligans and have link with the Chairman and powerful person of our Union. Therefore, nobody even the police would dare bring them under the court of law. It is better for us not to identify them. The police don't even agree to record a GD (General Diary) against them. So now they don't bother going to the police station*”.

- **Priorities**

#### **Credit emerges as an important need in both nations.**

The most important needs of this sector as identified in Bangladesh are credit (with 25 responses); housing (23 responses) and skill training (17 responses). These were followed by the need for more work; access to market information; medicines (3 responses) and minimum wages (1 response).

The most important needs for the Pakistan pottery makers were timely payment (10 responses); credit (9 responses) and more work (8 responses). These were followed by the need for minimum wages (6 responses); skills training (5 responses) and health care centers (3 responses).

To sum up, key findings on the pottery sector include:

- Despite the growth in exports and local demand for niche rustic pottery products, the HBWs surveyed are catering local products such as utensils and toys to the local market which is not as remunerative and stable.
- Local demand is dwindling due to cheaper substitutes from aluminum and steel goods and thus earnings are decreasing or stagnant.
- Close to 60% of the Bangladesh sample stated that work availability had decreased. 33% of the Pakistan sample experienced the same.
- Home based pottery workers are placed in the relatively best-off sector in Bangladesh and Pakistan as per the survey.
- Transport and raw materials costs are eating into earnings and profits that the workers could earn. Women are in a more vulnerable position as they cannot access the market space or marketing information due to social norms of *purdah* etc.
- Reorientation of the worker's products and processes may be needed if the art is to survive and to benefit pottery workers in pecuniary terms. Assistance in enterprise development and linkages with markets beyond local areas is needed. However mere enterprise assistance will not boost female workers positions directly as they are often discouraged from entering the market sphere and possessing monetary assets.
- Majority of workers are unpaid family labour and this is followed by a significant segment of the Bangladesh home based pottery workers who are self employed. In Pakistan's case the second largest group comprises of piece rate workers.
- Close to 78% of the Pakistani sample was illiterate. Amongst the Bangladeshi respondents 24% such cases were reported. Child labour is a strong phenomenon traced in the sample. A majority of the respondents engaged in the sector started work below the age of 15. This share is 72% and 61% for Bangladesh and Pakistan respectively.
- Majority of pottery workers have learnt their trade through their natal families in both nations.

- Most girl children as per the FGDs in both nations were working mainly as unpaid family workers and contributing to the family income from very young ages.
- Health problems are persistent and linked to the working conditions and labour process. While many do access curative treatment from local private care or community arrangements, the root cause for health conditions needs to be addressed through adequate preventive occupational health and safety measures.
- A common concern in both nations is the lack of storage and working space. 72% felt the space crunch in Bangladesh, 83% felt the same in Pakistan.
- Many pottery workers are moving out of their traditional field to find stable employment and income. Women appear to be taking up domestic work in urban areas as a major alternative.
- Credit is a key need identified by both nations in the sector.
- The most important needs of this sector as identified in Bangladesh were credit; housing and skill training.
- The most important needs for the Pakistan pottery makers were timely payment; credit and more work.

### **Recommendations**

- **The sector is being plagued with problems surrounding the lack of adequate production technology or marketing know-how. Workers are facing shrinking local demand and markets as they do not have the production capacity to bear transport costs or raw materials to produce niche products for the urban or export market in bulk. Thus, they are engaged in an extremely localized form of production and sale earning minimal returns. Thus, enterprise support especially in the form of raw materials and transport access could assist the workers.**
- **The sector also faces immense competition in the local market from cheaper substitutes such as aluminum and steel based utensils. Thus, workers are moving away from their traditional crafts. Innovative ideas are needed to ensure the art of pottery does not fade away in the region. Or clear employment alternatives need to be envisioned.**
- **Most of the women workers are unpaid family labour and any social protection scheme needs thought about how enterprise benefits can accrue to them through a gendered policy.**

## CHAPTER 7: RISKS & VULNERABILITIES faced by WOMEN HBWs in the SHELL/PEARL SECTOR

### 1. BACKGROUND & CONTEXT<sup>1</sup>

#### 1.1 Introduction

Bangladesh is famous for its freshwater pearls that grow organically and are renowned for their lustre. Pearls are found in varied colours and textures. Historically, Bangladesh is famous for these natural pink pearls, locally known as “mukta”. Work in this sector is associated with certain castes and communities, many of whom are now involved in other forms of aquaculture. This study pertains to one such community engaged in the sector known as the *boids*.

#### 1.2 Production Process and Employment Patterns

Pearls are collected from a species of freshwater mussels which are found in abundance in inland bodies of water such as lakes, rivers, ponds and dams.

Pearls can be classified into three categories: natural, cultured and artificial. Artificial pearls are manufactured in the factory and are not a product of living oysters or mussels. They may be plastic, processed in a way that makes them shiny like natural pearls. They may also be made of rounded material such as glass or plastic, and then painted with pearl essence, a silvery extract made from fish scales.

There is little difference between natural and cultured pearls because both are made of calcium carbonate and produced as a secretion of living oysters. The only difference is that natural pearls are formed by accident when a foreign material, such as a grain of sand, enters the oyster and settles on the fleshy part of the body. The tendency of the oyster, if a foreign body enters, is to spit it out, but when not able to do so, especially

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<sup>1</sup> This section draws heavily from 1986, Pagcatipunan, R , Manual on techniques and methodology for Fresh water pearl culture in Bangladesh, FAO, <http://www.fao.org/docrep/field/003/S2622E/S2622E05.htm>

when embedded, will coat it with pearl secretion to lessen irritation. This results in the formation of natural pearls. As natural pearls are formed by accident, they are rare. Cultured pearls, however, are produced by inducing the oysters to produce pearls. It was the Japanese who perfected the technique of producing cultured pearls.

The sector employs scattered communities of people, along with a minute labour force involved in artificial pearl making. At first the shells are extracted from the river bed through searching by hand and feet.

The case studied here is of a lower community called the '*Boids*'. The production process entails collecting shells in a small net attached to their waist. After collection, the shells are briskly rinsed in a bamboo pitcher to get rid of the clay. The next step is to incubate them by covering with clay, hay and water hyacinth for seven days. After incubation; shells are opened to extract pearl. Finally the shells are washed after removing the oyster. Shells are dried in the sun light and packed in gunny bag for selling.

### **1.3 Pearl and Shell Extraction and HBWs**

Such river gypsy communities, people who live in houseboats, collect shells which are converted into lime<sup>2</sup>. Occasionally, natural pearls are collected and are sold in jewelry and novelty shops in Dhaka and other large towns throughout the country.

In Bangladesh, most of the families, especially in the villages, own ponds near their houses which are used for domestic purposes, such as washing clothes, bathing, as a source of drinking water, and also for cultivating fish. On the bottom of these ponds, mussels can be grown for pearls, thereby providing an additional source of income for the families.

### **1.4 Demand and Consumption Patterns**

The cost of pink pearls may run up to US\$ 100,000 for a single strand of 8-10mm pearls.<sup>3</sup> There have been efforts by the Government of Bangladesh and individuals to

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<sup>2</sup> lime is an ingredient in chewing beetle nuts, which is very popular in Bangladesh

<sup>3</sup> ([www.eco-pearls.com/history\\_of\\_pearls](http://www.eco-pearls.com/history_of_pearls) and [www.pearl-guide.com/forum/showthread.php?t=272](http://www.pearl-guide.com/forum/showthread.php?t=272))

increase pearl cultivation in the country. Given the unique topography comprising ponds and wetlands Bangladesh is naturally suited to cultivation of freshwater pearls. Pearl cultivation has been recommended as an income generating industry in rural areas as it is a small family undertaking. The Government of Bangladesh started in 1985 with the assistance of the FAO the Freshwater Pearl Culture project to improve mussel culture techniques.<sup>4</sup> Traditionally wild pearls have been collected and sold in a rather disorganized manner, as there is no organized market for trading pearls Wild pearls that are usually sold to jewelry shops for a fifth of their true market value.<sup>5</sup>

## 1.5 Market Potential and Problems

### *Domestic Scale and Competition*

In Bangladesh, the commercial pearl industry is not as well developed as in other Asia-Pacific counterparts. While a natural abundance of natural pearls is recorded from freshwater pearl mussels and several marine species; pearl culturing has not been developed in a mass scale. Thus, traditional collectors and extractors face difficult market conditions due to poor international linkages and stiff domestic competition from the artificial pearl industry.

### *Trade Potential*

**Table: Exports of Pearls/Precious Stones from South Asia**

EXPORTS in US\$ '000	2000	2001	2002	2003	2004
Sri Lanka	-	153,256	300,151	203,021	221,619
India	6,477,201	6,188,235	7,592,166	8,415,082	10,535,369
Pakistan	2,871	1,636	2,057	3,678	3,614

<sup>4</sup> ([www.fao.org/docrep/field/003/S2622E/S2622E01.htm](http://www.fao.org/docrep/field/003/S2622E/S2622E01.htm) and [www.ashoka.org/fellows/viewprofile3.cfm?reid=97452](http://www.ashoka.org/fellows/viewprofile3.cfm?reid=97452))

<sup>5</sup> ([www.ashoka.org/fellows/viewprofile3.cfm?reid=97452](http://www.ashoka.org/fellows/viewprofile3.cfm?reid=97452))

Bangladesh is not as significant an exporter of Pearls or other precious stones as other South Asian countries. As of 2001, global pearl industry exports were valued at 51,108,100 thousand US Dollars. These exports have registered a growth of 138% between 1988 and 2001<sup>6</sup>. Japan and Australia are key exporters. While the share of black pearls and silver pearls are improving, the market for pink pearls found in Bangladesh is lagging behind<sup>7</sup>.

### *Technology and Skills Constraints*

As the work of extraction has been passed on through generations solely through the community, the workers engaged in this form of aquaculture can benefit through upgrading the skill and technology pool they have access to. Diversification into culturing of pearls and other value added activities can assist the socio-economic improvement in the status of such communities. The FAO programme dealing with pearl culturing is such a step in the right direction.

## **2. METHODOLOGY OF PRESENT STUDY**

In Bangladesh, a study was conducted with the pearl and shell collectors who are one of the poorest of the poor home based workers in Bangladesh. The study was conducted in the peri-urban Savar area of Dhaka division. The study included three FGDs and a quantitative survey was also conducted with 25 workers.

### **2.1 Context Note: Location of the Study**

The workers surveyed are part of an indigenous group of home workers who extract shells and collect pearls is locally known as '*boid*'. The *boids* have been living for generations in this area on house boats, anchored by the banks of river **Dholeshoiri** for

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<sup>6</sup> <http://www.ids.ac.uk/ids/global/pdfs/RKJRupgradingMarch%2004.pdf>

<sup>7</sup> [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/docrep/005/AC890E/AC890E06.htm](http://www.fao.org/documents/show_cdr.asp?url_file=/docrep/005/AC890E/AC890E06.htm)

more than 50 years. They live in this area as they believe the pearls extracted from this part are larger in size and therefore, can fetch a good price. The *boids* search for shells at the river bed without any equipment. They have to keep their eyes open under water and search with their bare hands.

At present there are 5000 people who are engaged in this profession on this river bank. Everyone from children to adults are occupied in this sector. Some of the children who go to school also join their parents after school hours. In recent times more children have started to go to school than previously. However the drop-out rate is high.

Two of the FGDs were conducted in the lean period when availability of shells is limited, and another was conducted in peak season, to compare the differences of their living style. The first two FGDs were conducted on a large boat. Unfortunately most of the big boats had drowned in a recent tornado, therefore, the final FGD were held at a neighbouring housing premise by the bank of the river. The participants were not known to the researcher. All the FGDs were conducted with the help of the BHWA area coordinator who is neither an employer nor linked with these workers in any ways. Therefore, the workers could freely express their views. Their responses were not restricted in any form by the presence of any person who could influence their opinion.

### **3. MAIN FINDINGS of PRESENT STUDY**

#### **3.1 DEMOGRAPHIC AND CONTEXT PROFILE**

All of the workers (100%) surveyed were female, above 18 years and had been married at some point of time.

##### **Age**

Their ages ranged from 25-70 and the average age of the women in the sample is 41 years. Not surprisingly a majority of them i.e. 24 % (6) were 40 years old. Close to 42% (10) of the sample was at least 50 years old.



**Table: Demographic profile of respondents (in percentage)**

Characteristics	Bangladesh Shell/Pearl
Females	100% (25) <sup>8</sup>
Males	-(0)
18&above	100% (25)
Below 18	-(0)
Illiterate	92% (23)
Ever married	100% (25)
Joint family	20% (5)
Nuclear family	80% (20)

### **Education**

From this community no one has completed secondary education yet. Amongst the workers surveyed, 92% (23) were illiterate and the rest could sign their name only.

### **Activity Status**

Each worker (100%) surveyed stated that she was self-employed. None were reported piece-rate workers or casual labour.

**Table: Status of employment**

Labour Status	Shell/Pearl
Piece Rate	-(0)
Self Employed	100% (25)
Unpaid Family Labour	-(0)
Casual Labour	-(0)

### **Type of Family**

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<sup>8</sup> Figures in brackets represent the total number of respondents who responded affirmative in this category.

While 80% (20) of the sample is part of nuclear family units; 20% (5) were living within a joint family arrangement.

## 3.2 Economic Insecurities

### 3.2.1 INCOME

- **Meager and Unstable income**

The earnings of the women HBWs engaged in extracting pearls and shells are meager and unstable amounts and rates paid are minimal by the middlemen, compared to eventual market prices. What complicates matters further is that the peak season is extremely short in this sector, thus the income one can earn is limited. As this is a community practice, entire households are usually involved in the extraction work. Average income the workers in the sample receive per month from this sector is Rs 333 per month in the peak season. This constitutes a meager 5% of the average per capita income of Bangladesh. In the lean season the earnings of these workers almost halve, pegged at Rs. 179 per month; 2% of the average per capita income.

**Table: Earnings per month after deducting costs by sector**

Season	Earnings per month	Percentage of Per capita Income <sup>9</sup>
<b>Peak</b>	INR 333.48 US\$ 7.54	5%
<b>Lean</b>	INR 178.65 US\$ 4.04	2%

<sup>9</sup> As per estimates by the World Bank, Bangladesh- US \$2000

FGDs reveal that all members of the family are involved in extracting shells and collecting pearls. In the peak season the respondents earned ,on an average , 40 to 50 Tk by selling two mounds (1 mound = 37kg 324 grams) of shells per day. The FGDs also suggest that processed shells earn a premium. For instance, the women remarked on how they could sell the shells for Tk. 25 per mound if the shells were washed, opened and cleaned. If the shells contained oysters then the price would be lesser at Tk. 20 per mound. Respondents stressed that the six days of ebb time during the peak period were very crucial. Some stated that their incomes were very unstable as the peak season in this sector only consists of a 2 month time period.

In the longer off-peak season they would get even lower prices for the shells. The middleman they dealt with barely gave them Tk. 20 per mound for the cleaned shells. The middlemen claimed that they could make only Tk. 10 profit per mound by selling it to *Mohajon* at Tantibazaar. The shells fetch a good price as these are used for poultry feed and production of lime. However, in the lean period the shells are not easily available let alone pearl.

- **Branching out to other forms of work for sustenance**

The *boids* said that with the earnings one could survive but couldn't afford to buy nutritious food for their children. Thus, the workers cannot rely on this activity to manage expenses. 76% (19) of the respondents are engaged with other forms of work to ensure their survival and sustenance. While shell extraction is necessary for their survival, during the lean period these extractors take up other work to survive, such as lock and umbrella repairing and fishing. Most of the men prefer to work as day labourers. On the other hand the women said they preferred to remain home-workers. They fetch orders from the adjacent tailoring shop to do the hemming on both hands of ladies blouse and button/ hook stitching. For each piece they are paid only Tk.1.

- **Mode of Payment**

While the entire sample was paid in cash, 71% (17) complained about their receipt of payments. A majority of these women said that their payments were delayed .52% (13) of the women were paid fortnightly and 40% (10) were paid weekly.

- **Changes in Earnings**

There is a sense of dismal stagnancy in the earnings for these workers, which is associated to the ignored state of the pearl and shell industry. None of the sample reported an increase in earnings. 92 % (22) of the sample said that their earnings had not changed over the past two years.

**Table: Changes in earnings in the past two years**

Change	Bangladesh Shell/Pearl
Increased	-(0)
Decreased	8% (2)
Remained same	92 % (22)
Don't Know	-(0)
Total	100% (24)

### **3.2.2 ASSETS AND WEALTH**

Besides ownership of their boats, in which they lived; none of the respondents reported owning any assets such as land or tools. This community has traditionally been without access to sustainable asset sources.

### 3.2.3 WORK

#### Work History

As collecting shells is an arduous task only young and energetic men and women do this job where as, processing, opening and cleaning part is done by comparatively weak and old persons.

- **Period of work**

The women have been involved in this form of labour since childhood. 72% of the sample started work below or at the age of 15. The women in the survey have been extracting shells and pearls for a minimum of 10 years. The average number of years they have spent in this work is close to 29 years.

**Table: Age at starting work in Pearl/Shell sector (in percentage)**

Age	Pearl & Shell
	In Percentage
15 & below	72(18)
16-25	24(6)
26-35	4(1)
36 and above	0
Total	100(25)

58% (14) of the women involved in this activity started this work between the ages of 6 and 10 years. The young ages of starting work is due to the labour process which needs immense energy. However, many of the older women in the sample said that they did not extract the shells themselves, but still worked in the sector.

Maya Begum (40) said, “I can’t extract shells as I have arthritis pain. Both my hand and feet swells if I remain in one position for longer time while opening shells for pearl. Now I only incubate shells and my daughter (who is 15 years of age) does the other work.”

- **Training and Learning**

As this form of work is part of the Boid community’s traditional livelihood, most of the sample i.e. 96 % (23) learnt about their work from their natal families. None attended any formal training and one member learnt from her marital family.

**Table: Where did you learn this work?**

Source	Pearl and shell
Natal family	96 (24)
Marital family	4 (1)
Training	-(0)
Friends	-(0)
At work	-(0)
Other	-(0)
Total	100(25)

- **Working Hours**

The workers reported that finding pearls was so rare that after searching 100 to 200 shells one tiny pearl would usually be found. Fifty years ago when the first generation of *boids* settled on this bank, shells were abandoned and pearls were bigger in size. Now to extract shells people have to work much harder. **Thus, during peak season women work for an average of 11 hours in a day. During the lean season, they work for 6 hours per day.**

**Table: Number of Hours of work in a day**

Period	Bangladesh Shell/Pearl
Peak	11(D=260)
Lean	6 (D=133)

- **Seasonality and Work Fluctuation**

While some respondents in the FGDs suggested that the peak season lasts only for two months, the survey states that the number of months women find work in the peak season amounts to 5 months.

**Table: Number of Months of work**

Period	Bangladesh Shell/Pearl
Peak	5
Lean	3

During the lean season this drops to 3 months. The mean number of months reported by the sample to be without work is a large 3 months. For the past two years this situation has been maintained as 100 % of the sample said that there was no change in the availability of work.

**Table: Changes in Availability of work in past two years**

Change	Bangladesh Shell/Pearl
Increased	-(0)
Decreased	-(0)

Remained same	100% (25)
Total	100 % (25)

### 3.3 Social Insecurities

#### 3.3.1 CRISIS AND CREDIT

- **A look at the expenditure and crisis-coping strategies reveals how these workers receive minimum benefits from their employers.**

The entire sample was faced with a crisis in the past two years and most of these were health related. They received no health benefits as a majority of workers (57 % i.e. 6) borrowed money to cope. Others sold implements and one woman worked as bonded labour to manage the crisis.

Major expenditures emerge as medical and marriage related spending. To manage these costs, 79.2 % (19) of the women borrowed from their neighbours. However, 21% (5) did receive help from their employers as they were able to borrow from them. Marriage of daughters is very expensive and many have not been able to marry their girls due to high dowry. The dowry given is at least Tk. 10,000. The people have to take loan from the affluent people of the neighborhood at 10% interest rate per month. *“We can’t ever afford paying for the principal amount let alone the interest.”*

#### 3.3.2. CHILD PROTECTION



- **Work increases risk for children**

Not only does work put the *boid* women’s health at risk; their children’s lives are made more dangerous as well. One woman said “*when we go for shell extraction in deep river keeping our young children unguarded sometimes they fall into the water and drown*”.

There are no maternity benefits or day care or education facilities for children. Thus, the phenomena of poverty and child labour reinforce each other. While the age profile of the respondents suggests this, the status of their children’s health and education is cause for future concern.

### 3.3.3 SHELTER

The housing conditions of the women are precarious. None of the houses have pukka walls. Most of the respondents live in boats, which are about 14-16 feet length and 4-5 feet wide in the middle. The boats are covered with hoods made of jute mats and plastic sheets. In the survey 96% (24) were living on boats that were owned by the family and only one was living as a tenant.

**Table: Household Infrastructure**

	Bangladesh Shell/Pearl
Family/Own house	96% (24)
Pukka walls	-(0)
Tiled or cement roof	-(0)
Average no. of rooms	1
Land ownership	-(0)
Tap in household	-(0)
Toilet in household	-(0)
Electricity	-(0)

During a storm they have to pull the boat with ropes tightly or the pole will be break away causing the boat to sink. If the velocity of the storm remains for a couple of hours

then they do this job by turns. Another women said if the boat is damaged it takes Tk. 10,000 to make a new boat and Tk. 5.000 to repair an old one. In these cases they usually make temporary shelters on the riverbank with the hood of the boat. In a latest storm 20 to 30 boats were drowned and most of these boats are still underwater. The people don't have the money to pull them on-shore. Another woman said, "My boat sunk recently. I couldn't even retrieve my household belongings." These women have to learn to combat such natural disasters. Each year during the storm they suffered immense losses. One woman exclaimed that the boat swung like a leaf and there were chances of their children falling into the water.

There are other costs associated with living on the boat. Every year the boat requires repairing. One *haft* of fuel costs Tk. 4/. To cook a meal it takes several *hafts*. Therefore, they save fuel by making simpler foods to cook, like *khichuri*<sup>10</sup>.

### **Water, Sanitation and Electricity**

None of the respondent's homes have a water source (tap), toilet or electricity connection.

92 % (23) of the respondents have to walk half a kilometer to reach their nearest water source, **which is a communal tap**. During the FGDs the boid women said that in the past they used to drink river water only, but now some of them were conscious of problems associated with impure water consumption. They fetched drinking water from the government tube well situated a mile away. Although this water is supposed to be free, they all pay Tk.10/ to Tk. 20/ to the person in whose premises the government has set the tube well. Therefore, most of the people prefer drinking the river water. For this reason water borne disease like typhoid, Diarrhea, Hepatitis etc are very common in the community. In addition, occupational hazards are severe in this sector. One woman said she had access to a tube well or hand pump. No one in the community boils water to

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<sup>10</sup> Mixed rice with lentil & vegetables.

disinfect it before consuming, as it would require much fuel. To save fuel, people consume the polluted river water and suffer from many water borne diseases.

Although the area where they live by has electricity, the *boids* are deprived from having electricity in their boats. Some young people use battery charged radios & transistors. Since they don't have any electricity the women have to finish their work before sunset. Thus the working time depends on weather and sunlight. Hence, in some cases one can't work even if she/he wants to.

### **Space Adequacy**

The average number of rooms these houses had was just one. Thus, 96 % (23) of the respondents complained about a lack of space for their materials and finished goods.

### **3.3.4 HEALTH**

- **Health emerges as a downward spiral associated with harsh working and living conditions**

The women HBWs involved in pearl and shell extraction seem perennially suffering with illnesses. 96 % (23) of the respondents have been ill in the past two months. 87 % (21) faced an illness which lasted for more than two weeks in the past two years. 100% (24) of the sample complains of a chronic illness or disability.

The *boid* have to wade through water to reach the river bank. The river water in which their boats are anchored is used for drinking, cooking, cleaning and sanitary purposes. As a result the shell extractors suffer from a variety of water borne diseases and skin diseases.

Women are unable to go to health institutions for pregnancies and deliveries. They give birth on the boat itself. People pay minimum Tk. 200/ to a midwife. Many people give sarees if a boy is born. Women have to continue working even during advanced stages of pregnancy. The following accounts summarize the turmoil women face during pregnancy.

*“My husband beats me if I fail to work. But I hardly can breath as the baby is growing. I will die if he forced me to extract shells with nets tied on my waist. Now I work more for incubating.”*

*“One has to tightly tie a net around his/her waist and deposit the shells in that net while extracting shells. This is more taxing during pregnancy. During my last pregnancy my husband went with another wife. To rear all my children I had to work even harder. Especially, throughout the third trimester I carried the weight of the baby as well as the weight of the shells together. It is a hazardous job both for the baby and the mother. Knowing all this I was left with no other choice but to extract shells till the due time. After childbirth I couldn't take sufficient rest. For these reasons the uterus came out. I am still having the problem.”*

Until recently the babies were not vaccinated. Like other children of the community her eldest son was not immunized against common diseases. After the flood of 1988 government field officer started visiting them occasionally to vaccinate the children.

Occupational injuries are severe in this sector. While extracting shells people often receive cuts on their hands and feet by the sharp edges of the shells. For treatment of most such diseases, people rely on household remedies. Most common diseases seen in these areas are fever, typhoid, and jaundice. Earlier there were no medicines and they used to depend on *jhaar-phook*. In addition, fever, cough, cold, swelling of hands and feet, septic due to underneath insect bite, eye irritation, itching are very common occupational health

hazards. However, they have to work under these conditions, because they do not have an alternative.

In cases of injuries during work, most people are unable to afford proper treatment or spare time to stand in the long queue in the government hospital. Despite injuries they have to continue with their work. As people have to search without any eye protection, they are prone to eye diseases. But they are unable to afford the cost of treatment.

#### **4. Social Protection Priorities**

- **Awareness and Participation**

While the entire sample was aware of programmes and social welfare schemes which existed to help them, none were participants in these schemes. Despite being eligible for social benefits, none of the existing schemes have been able to reach this community.

Kamini (70) said *“I am too old to go to river to extract shells. I have to survive on the mercy of my sons. I never received any social protection benefits or old age benefit from any government and non-governmental organization but several times in past years the government officials came and enlisted our names.”*

There are several NGOs working in this area; however, the respondents said that none has come to see their situation let alone assist them. Most depended on neighbours to lend them money in difficult times. The research team was requested for medical assistance. There are times such as the lean periods when they are unable to borrow from each other.

*Lack of proper housing is restricting access to Microfinance*

Although different organizations operate in this area, the lack of proper housing conditions creates a bottleneck for these workers to gain benefits. The micro finance institutions (MFIs) don't trust these workers since they don't have a permanent residence. One woman reported that since they live on the boats the MFIs do not lend them, as they believe that 'boats' will go away despite the fact that they had been living on that riverbank for 50 years now and had no other place to go. Other women sarcastically said, "thank God we don't have a home or else we had to pay the house rent".

People believe that if they are able to receive some micro-finance, they will be able to start their own business. One woman said that if she had her own land then her children could choose some other profession than this.

- **Identified Problems and Needs**

This community faces a whole host of problems associated with their work and livelihoods. Unemployment and work insecurity is rampant and a majority of 71% complained that payments were not received adequately.

Problems	Bangladesh
UNEMPLOYMENT (Mean number of months without work)	3
PAYMENT(Percentage reporting problems in receiving payments )	71% (17)
RAW MATERIALS (Percentage reporting problems in acquiring raw materials)	46% (11)
LACK OF SPACE(Percentage	96 % (23)

reporting problems in space adequacy)	
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Due to the difficulty faced in finding pearls and the lack of equipment to assist the process of extraction, 46% stated that raw materials access was a problem. Much of this problem is due to the sheer unavailability of shells with pearls or finance to access better tools.

As the housing situation was becoming increasingly precarious, 96% of the sample stated that they faced space inadequacy problems.

- **Priorities**

**Housing** emerged as a key need that needs to be addressed through the survey findings and the FGDs. The entire sample asked for the improvement of their shelter.

This need was followed by the need for **maternity benefits** which were voiced by 20 respondents which is 83% of the sample. This figure is significant, especially after

various miscarriages and accidents involving children were mentioned during FGDs. The third most important need identified by 33% respondents was for credit, which workers were denied.

This is followed by the needs for **timely payment and minimum wage allocations**, which are crucial seeing the income insecurity these workers face in their daily lives.

#### Key Findings:

- Housing emerged as a key need that needs to be addressed through the survey findings and the FGDs. The entire sample asked for the improvement of their shelter. This need was followed by the need for maternity benefits which were voiced by 20 respondents which is 83% of the sample.
- Although different micro finance organizations operate in this area, the lack of proper housing conditions of the boids creates a bottleneck for these workers to gain benefits.
- None of the respondent's homes have a water source (tap), toilet or electricity connection.
- Unemployment and work insecurity is rampant and a majority of 71% complained that payments were not received adequately. As the housing situation was becoming increasingly precarious, 96% of the sample stated that they faced space inadequacy problems.
- The women HBWs involved in pearl and shell extraction seem perennially suffering with illnesses with minimal access to sufficient health care facilities.
- Not only does work put the *boid* women's health at risk; their children's lives are made more dangerous as well. Many complained about past accidents involving children and the local water bodies as the workers brought their children to work with them.
- The entire sample was faced with a crisis in the past two years and most of these were health related. 79% of the borrowings for assistance were from neighbours.
- Majority of 96% of the sample has learnt their trade from natal family. Close to 72% have also been working much prior to the age of 15.



- 92% stated that their earnings were the same while 100% of the sample indicated that the work availability was the same too.
- While the entire sample was paid in cash, 71% (17) complained about their receipt of payments. A majority of these women said that their payments were delayed.
- The earnings are amongst the lowest across South Asia.
- 92% of the workers were illiterate
- 100% were self employed.
- The protection policy for these workers will have to focus on the entire area within which they live and focus on social infrastructure such as adequate health and housing.
- This case study provides examples of how community based protection schemes in certain cases are imperative, as the boids are a traditionally backward section engaged in a sector with meager returns.

### **Recommendations**

- **The root causes for the devastation faced by the *boild* community engaged in shell and pearl extraction lies in their general backward and cut-off status in the region. Poor housing, health and education infrastructure cause their working and living conditions to worsen. Any attempt at a protection plan for these workers shall have to use the community and locale as its central unit as most problems faced are not only employment oriented. However, building such a community based intervention shall require thought into what future one sees for the *boids* as a whole and their future trade.**

# CHAPTER 8: RISKS & VULNERABILITIES faced by WOMEN HBWs in the AGARBATTI SECTOR

## 1 BACKGROUND & CONTEXT<sup>1</sup>

### 1.1 Introduction

*Agarbatti* is a popular term for an incense stick<sup>2</sup> in India and are a ‘central element in Hindu worship rites<sup>3</sup>. The origins of *agarbatti*-making as a cottage industry can be traced from the 1900s to regions in the South of India such as Thanjavur in Tamil Nadu and Bangalore in Karnataka. Incense sticks were initially made by the priests of temples using raw material such as sandal powder, natural herbs, oils etc. During 1920s and early 1930s, chemical materials<sup>4</sup> started being used<sup>5</sup>. Since then its rapid production and consumption has given birth to a significant cottage/artisan industry.

An important turn came during the year 1942 when the Import trade control came into force. The new policy helped the *Agarbatti* industry to start importing chemicals, perfumes etc directly instead of going to the importers. There was significant contribution to industry by the way of perfume blending between 1965 and 1988. Many famous brands entered the market at that time, some of which are still used. Karnataka is currently the largest producer of *agarbattis* in India, followed by states such as Andhra Pradesh, Gujarat and Bihar.

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<sup>1</sup> The background & context ; section on raw materials; patterns of production and consumptions; cost structure and employment spectrum of the study borrows extensively from H. G. Hanumappa “*Agarbatti: A Bamboo-based Industry in India*” INBAR Working Paper No: 9, 1996 cited in [www.inbar.int/publication/txt/INBAR\\_Working\\_Paper\\_No09.htm](http://www.inbar.int/publication/txt/INBAR_Working_Paper_No09.htm). and UNIDO 2001.

<sup>2</sup> These sticks contain substances, usually made from natural derivatives such as tree resin, which emanate pleasant aromas when burned

<sup>3</sup> Waved gently before the Deity as an offering, especially after ablution. *Agarbattis*, besides being a part of the traditional Hindu practice of offering prayers in temples and other places of worship, are also used in houses and in other public places as air-fresheners and mosquito repellents.

<sup>4</sup> Like Musk Xylol, Musk amberette and Crystarose

<sup>5</sup> Interestingly, use of such chemicals was earlier prevalent mostly in Muslim families involved in this activity but later other communities joined the practice and by 1940 the *agarbatti* became a popular household article.

## ***1.2 Production Process and Employment Patterns***

The production of *agarbatti's* engages large numbers of informal home-based workers spread across rural and semi-urban households, at minimum levels of socio-economic security. In India, the industry is estimated to provide income to 0.5 million people, most of whom are contract or sub-contract labourers for small-scale processing enterprises.

The major raw materials used in the *agarbatti* industry are bamboo, wood charcoal and processed perfumes. These are collected through contract labour system, which is widespread in the unorganized sector and leads to wide differences in wages because of the differences in minimum wage that exist among different states<sup>6</sup>.

Essentially, *agarbatti* requires the rolling of sticks, the paste of which is made of *jigat* powder<sup>7</sup>, charcoal powder, and various natural products, in various combinations, to provide the fragrance. Bamboo is the preferred species for making sticks, but timber from several other species is also used as a substitute. In 1989-90, the preparation of the sticks alone involved about 30 million workdays. "Rolling" the sticks with glue; incense paste and charcoal powder (the end-product of rolling is "non-*masala*" sticks) also employs a large labour force. The raw materials - sticks, paste and charcoal - are provided by entrepreneurs and the rolling is done largely at home (Hanumappa, 1996).

The production of *agarbatti*, involves two stages<sup>8</sup>: i.e. the production of non-perfumed (non-*masala*) *agarbatti*, and the production of perfumed (*masala*) *agarbatti*. The costs of production can also be disaggregated by these two stages as labour costs are significantly different in the two stages. This is because while the former stage of non-perfumed bathi's are rolled at household units; the latter stages of perfuming and blending are done at factories by micro-enterprises.

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<sup>6</sup> Previously, bamboo required for making the sticks was available from the Western Ghats. Currently, most of it comes from North-East India. *Maclilus makarantha*, the source for *Jigat* is rapidly decreasing in South India (where the main manufacturing sites of *agarbatti's* are located) and is increasingly being obtained from the northern states such as Uttar Pradesh. Charcoal is largely from *Prosopis juliflora*, which mostly comes from Tamil Nadu

<sup>7</sup> An adhesive-like substance made from powdered bark of the *Maclilus makarantha* tree

<sup>8</sup> See Appendix A

The ratio of labour is approximately 80% home based to 20% factory based. Home based labourers are linked to factories through local business units. Non-perfumed *agarbattis* are generally produced at home through the family contract system and this stage takes up to 80% of the total labour required; its share in the total production cost, however, is about 10% in preparing raw *agarbattis*. The addition of perfumes is carried out in factories and takes about 20% of the total workdays required for the production and, along with packaging, accounts for about 60% of the production costs. Another 20% of the cost is incurred in marketing the *agarbattis*.

Packaging is a key variable influencing costs. Finished *agarbattis* are packed in paper or cardboard tubes<sup>9</sup>. Both the input costs and the value of the output differ from season to season and from place to place. This is because the materials are mostly purchased as residues from other industries.

The cost of the basic ingredients and the labour to produce the raw *agarbattis* accounts for only 10% of the cost of finished *agarbattis*. Perfuming ingredients, two-thirds of which are imported, cost three times such a figure. The various blending and individual ingredients are generally treated as "trade secrets"(Hanumappa, 1996).

### ***1.3 Agarbatti & Home-Based Workers***

Out of the 5000 estimated units across the country, a majority of them are house-hold or small family businesses, which contribute approximately 80-90% of the production (UNIDO 2001). As the production of Agarbatti's is considered a very simple technique which can be learnt by straightforward practice and training, the manufacturers in the inchoate days of the industry went to the doorstep of the rural folks and the weaker sections in urban areas to give training and work to women. As a result, thousands of women got drawn into this form of work, which could be done during leisure hours and also fetched some money (UNIDO 2001). Since, the *agarbatti* sector has evolved to become a major source of income to unskilled women and children.

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<sup>9</sup> Usually paper from printing presses or cardboard is supplied to labourers under tie-up arrangements to produce the requisite packaging.

Thus the labour force engaged in this sector is largely unorganized, although some workers, states Hanumappa (1996), especially those working for large establishments and particularly in Bangalore, receive some of the social security benefits enjoyed by their counterparts in organized private undertakings. Manufacturing is done on a piece-meal basis, with individual families being contracted to assemble *agarbatti* sticks being the most common mode of production.

The packaging and rolling processes are particularly suitable to women and the unemployed in both rural and urban areas since these provide opportunities for labourers seeking self-employment and piece-meal work. While adult labourers earn Rs 70 - 100/day, children earn Rs 30 to 50/day depending on the time spent and their efficiency (Hanumappa, 1996).

Over the years, the employment characteristics of the industry have changed. Hanumappa states that the *agarbatti* industry is gradually becoming a “national industry”. In Bangalore, considered the *agarbatti* capital of India, more entrepreneurs from Andhra Pradesh and North India have set up *agarbatti* businesses than the local people. Workers are also increasingly coming from the adjoining states to replace the traditional labour from Tamil Nadu and Karnataka. Traditional labourers – Muslim women - are gradually shifting to the more lucrative garment industries. There are also cultural and ethnic factors associated with the employment structure of the industry. Families from the poor and minority communities from Tamil Nadu and neighbouring states are found to be predominantly engaged by the industry.

#### ***1.4 Demand and Consumption patterns***

The Agarbatti market is mainly consumer driven. India's population growth has provided an estimated market size of Rs 1250-1500 crores. People took Agarbatti burning as better and convenient way of offering prayers. The buying capacities of people caught the attention of producers and low-quality Agarbattis have invaded the markets to suit the different sections of society.

A market survey by the National Council of Applied Economic Research (NCAER) puts the total quantity of *agarbatti* produced in the country at 147 billion sticks, valued at around Rs. 7 billion (US\$ 196 million) (NCAER 1990). The distribution of the consumption is skewed in favour of the lower income group, which earns less than Rs 25,000 (US\$ 700) per year but consumes a little over two-thirds of the production. The highest income group, with above Rs, 56,000 (US\$1,570) of annual income, purchases only 3% of the production.

Consumption is also highly concentrated in rural areas with these regions reporting close to 61% of the total consumption. The trend is similar throughout the country with southern and eastern states reporting 64% consumption each in their rural areas.

### ***1.5 Market Potential and Problems***

#### **Market Entry**

*Agarbatti* manufacturing is classified as a small-scale industry. Hanumappa (1996) states that although there are bureaucratic hurdles that investors have to go through - such, as the procedures for getting licenses and tax benefits - the low capital requirement and simple technology that characterize this industry make it easy to establish units in rural or semi-urban areas. Thus, there are few formalities observed and the investment can range from a mere Rs.1000 to 11 lacs. The absence of technological complications and easy availability of perfumes in the market have led to an uncontrolled growth of industry.

However, despite relative ease of entry the taxes on manufacturing establishments are often criticized as arbitrary and small manufacturers are frequently harassed and penalized by the authorities. The absence of acceptable industrial rules also causes problems. For example, except for Karnataka, no other state has brought *agarbatti* manufacturing under the purview of the Factories Act.

#### **Domestic Competition and Scale**

India is the largest producer of *agarbattis* in the world. The recent past has seen the competition within the sector intensify at the domestic level with the involvement of

several Indian fast moving consumer goods company's (FMCGs). Large corporations such as ITC and HLL have been making forays into the Agarbatti market through buying old small enterprises or outsourcing production to existing small chains (Srinivas: 2004). Competition is regionalized as the Rs 1,000-crore agarbatti market largely comprises of regional players. Infact, India has only one nationally available agarbatti brand.

The market share is thus sharply divided between several regional and small scale producers. Hence, the largest player in the sector, Cycle Agarbatti's only possesses a 5% share.

However, the scale of operation can be a major problem to small-scale manufacturers. Larger manufacturers with better access to credit and raw materials, as well as better rapport with tax officials, tend to easily beat the smaller units in competition. The larger units are also partially mechanized, creating better saleable products. Additionally, they sell their products through nation wide networks of distributors, thus reducing the cost of marketing and transportation. Smaller scale Agarbatti producers are getting lower returns on their investment owing to their complete dependence on middlemen and wholesalers for marketing<sup>10</sup>. Means of controlling such costs are lacking because of the non-existence of cooperatives or an effective association of the agarbatti manufacturers.

As a result, small producers are either producing low-quality products or are closing down their operations altogether. Government institutions need to ensure essential infrastructural facilities and impetus to support small-scale industries. One example which can be cited is the provision of workshop sheds to facilitate drying of sticks, especially during rainy seasons. Also, tax concessions could help in transportation.

### **Export Potential**

Demand is continuously increasing both in domestic and export sectors. Over the years, *agarbatti* has also become a significant foreign exchange earner for the country. The future

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<sup>10</sup> Often 60-70% of the total cost can be due to transportation, marketing and advertising, and retailers are completely at the mercy of agents and wholesalers.

prospect for growth and diversification of the industry internationally look bright. Due to its 'green' label, non-polluting method of processing and, above all, the use of indigenous technology, the incense sticks can be promoted to gain international markets. The current international incense sticks market is valued at US\$ 1 billion per annum, gaining an increased share of this fairly large market is possible for the Indian agarbatti industry if proper production and export strategies are adopted. According to a rough estimate, the US market alone is worth \$200 million (Hanumappa, 1996). With the gradual abolition of license and permit systems under the new economic liberalization policy of the state and central governments, the *agarbatti* industry has the potential to expand its global market. Currently more than 800 registered and 3000 unregistered units exist in the country and only 10% of these, mostly in Karnataka, are engaged in export trade (Hanumappa 1996).

Rising international demand for the product and earning of hard currency has led the *agarbatti* industry to orient itself increasingly towards exports. Total exports have increased by 266%, from Rs 1.5 billion (approx. US\$ 42 million) in 1989-90 to Rs 4 billion (approx. US\$ 112 million) in 1993-94 and continued to grow from then on.

**Table 1 :**

<b>Year</b>	<b>Export Earning (Rs in billions)</b>	<b>Growth (in percentage )</b>
1996-97	7.59	18
1997-98	9.23	22
1998-99	12.22	32
1999-00	12.98	6
2000-01	16.69	29
2001-02	20.20	21
2002-03	21.00	4
2003-04	22.76	8

(SOURCE: CHEMIXIL 2005)

However, in view of WTO's free-trade regime, doors shall soon open for international competitors like China, Pakistan, Sri Lanka and Thailand etc exposing the industry to foreign competition. Export growth in the sector is seen to be lagging behind its potential.



## **Raw Materials and Credit Constraints**

Appropriate policies and a technology transfer mechanism are needed to promote bamboo cultivation as a part of the farming systems practiced by general farmers.

Agarbatti making units, although categorized under the Small Industry Act, do not easily qualify for subsidized or regular bank loans owing to various reasons. These include the laxity of bank officials which causes considerable delay in sanctioning loans to set up a small enterprise. Another reason is the difficulty that small manufacturers face in furnishing collateral that would satisfy the bank officials.

## **2 METHODOLOGY OF PRESENT STUDY**

### ***2.1 Context Note: Locations of Study***

This study is based on primary data which was collected through Focus Group Discussions (FGDs) and surveys conducted with a sample of 59 women HBWs engaged in the sector as *agarbatti* rollers. The study spanned the following three locations.

- Bangalore, Karnataka.
- Indore, Madhya Pradesh
- Ahmedabad, Gujarat.

The FGD's in Karnataka took place in 2 areas. There were 12 women involved in the FGD conducted in Hadaiguddali slum in Bangalore, Karnataka. These were migrant women from Chenpatna, who were previously landless agricultural labourers. They started making agarbattis after marriage and their ages ranged from 22-50 years. Their husbands work as casual labourers. There were 15 women in the second FGD conducted in the Valiakavil area<sup>11</sup>. Their ages ranged between 18-55 years. 5 women had studied till the 7<sup>th</sup> standard and the rest had only 3 years of schooling. These 10 women are practically illiterate. They had settled in the area after migrating to the city from the outlying villages.

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<sup>11</sup> The research team was taken to the area by a trade union activist who functioned as a translator as the women understood only Kannada.

### 3 MAIN FINDINGS OF PRESENT STUDY

#### 3.1 Context and Demographic Profile

**Table 2: Demographic Profile of Survey Respondents**

<b>Agarbatti Workers in percentage</b>	<b>Characteristic</b>
100(59)	Females
-	Males
100(18)	18 & above
-	Below 18
47(28)	Illiteracy
92(54)	Ever married
46 (27)	Joint family
54 (31)	Nuclear family

#### **Age**

The entire group of the women sampled was above the age of 18. The average age of the women in the sample was close to 35.

#### **Caste and Religion**

A significant 98 % ( 58) of the respondents reported themselves as Hindu while 2 % ( 1) of the respondents were Christian.

#### **Status of Employment**

The group of women surveyed predominantly comprises of piece-rate workers who form 87% of the sample. 10% of the sample is reported as unpaid family labour and the remaining 3% are self employed. Despite reporting varied activity status, Agarbatti workers largely rely on their respective sectors for income and don't do any other work. 50 out of 59 (85%) responses stated this during the survey.

**Table 3: Activity Status of Agarbatti workers, India**

<b>Agarbatti Workers in percentage</b>	<b>Labour status</b>
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87(59)	Piece rate
3(2)	Self-employed
10(7)	Unpaid family labour
(0)	Casual labour
(0)	Other
100(68)	Total

### **Education**

Large sections (47%) of the women in this sector are reported to be illiterate. Amongst the 31 literate members of the sample only 4 respondents have completed secondary education. While 13 respondents in the entire sample (22%) have received education till primary levels only, 9 (15%) can only sign their name. The FGDs however suggest that, in the Hodaiguddali slum in Bangalore, women despite having only rudimentary education (3 to 5 years of schooling) are very articulate.

### **Marital Status**

A majority of the HBWs are married. Close to 92% (54) of the sample has been married at some point of time in their lives. Overall, 78% (46) responses indicate that the respondents are currently married. 13.6% ( 8) responses indicate that the respondents were widowed. Only 8.5 %( 5) of the responses indicate that the respondents are unmarried.

### **Type of Family**

Women in the sample appear equally likely to be part of nuclear and joint families, although the section part of nuclear families is marginally greater. 54% (31) of the responses indicate that the respondents families are part of nuclear families, while 46% (27) of the responses indicate that the families are joint.

## ***3.2 Economic Insecurities***

### ***3.2.1 Income***

#### **a) Income levels are meager at ad-hoc piece –rates.**

Agarbatti rollers receive only 4 % of the Indian average per capita income in the peak season. In the lean season this drops to a mere 2%. This implies that their share of income

is meager compared to the national income average. Average earnings in the peak season are Rs. 486 and in the lean season are Rs. 266.

**Table 4: Earnings<sup>12</sup> of workers and share of per capita income in the Agarbatti Sector**

Season	Earnings	Percentage of Per capita income <sup>13</sup>
Peak	INR 486.79 US\$ 11.00	4
Lean	INR 266.66 US\$ 6.71	3

According to Manjul Bajaj (1999), in general, *agarbatti* rollers whether home or factory based are paid on a piece-rate basis. Her analysis suggested that earnings varied across states with workers in Karnataka appearing to be somewhat better placed in contrast to their counterparts in Gujarat and Andhra Pradesh, the other two states for which estimates were available in the study. The survey data confirms this trend suggested by the literature.

**Table 5: Daily income reported during FGD's.**

	Gujarat	Madhya Pradesh	Karnataka
Rates in Rs	7-7.5 per 1000 sticks	12-16 per kg	12-16 per 1000 sticks
Quantity produced	5000-6000 sticks	4-5 kgs	8000-9000 sticks
Income per day in Rs.	28	48-80	96-108

The FGDs reveal that the women earn relatively meager sums which vary inter and intra regionally due to different rates paid by different producers for the same number of *bathis*. There is no income stability based on these fluctuating rates as women's incomes are

<sup>12</sup> Earnings per month after deducting costs.

<sup>13</sup> As per 2004 estimates by World Bank, India-US \$ 3100 per annum

solely based on the rates made possible/applicable by local agarbatti manufacturers. The study also suggests that rolling agarbatti's is a major source of income and livelihood for the entire family and to increase their earnings, relatives are engaged in the process too. This corresponds with the ideas suggested by literature of rolling agarbatti's being a source of work for the entire family.

For instance, FGDs held in Karnataka, also called the *agarbatti* capital of India (UNIDO 2001), suggest that the women here earn higher incomes than those in the remaining states. In Hodaiguddali slum situated on Mysore Road, Bangalore, 12 women involved in the FGD stated that when helped by their daughter-in-laws or children, they manage to produce 8000-9000 incense sticks which are priced at Rs.12 per 1000 water-based sticks. Thus, on an average these women were paid Rs.96-108 per day.

Women working from the Valiakavil area of Bangalore said they earned at similar rates and received Rs.108-Rs.96 per day. 15 women in this FGDs state that when helped by their family members, they manage to roll 8000-9000 at the rate of Rs.12 per 1000 bathis. Sarlamary said she managed to roll 5000 per day on her own earning Rs.60 @ 12 per 1000. Women in this sample also shed light on efficiency and quality of the end product being rewarded by small increments in the rates applicable per 1000 bathis. Hence, some women could even earn up to Rs.144 per day (@ Rs16 per 1000 sticks), "*if sticks are big and thick*".

FGDs conducted in Indore, Madhya Pradesh suggest that the women earn between Rs. 48-Rs.80 per day. Beenaben said she managed to roll 4-5 kgs per day and was paid @ Rs.12-16 per kg per day.

The FGD in Gujarat was held in Bapunagar, Ahmedabad. The responses reveal that the women earn only Rs.28 per day on an average. Ms. Shaheen in Bapunagar managed to roll 4000 agarbattis @ Rs. 7 per 1000 water-based *agarbattis* & 7.50 per 1000 oil-based *agarbattis*. On an average, a worker here usually makes 5000-6000 pieces. Thus the maximum a woman can earn within this sample remains lesser than the minimum wages

female home-based agarbatti rollers receive per day in the other focus groups from Madhya Pradesh and Karnataka.

**b) Agarbatti Rolling is the major source of regular income for these households and thus women are principal income earners. This largely depends on the economic activity and stream of income other male members of the family bring to the household.**

The FGDs suggest that the irregular nature of the work of the male members of family increases the significance of the income these HBWs earn through agarbatti rolling. As their sons<sup>14</sup> and husbands are usually engaged in activities that bring in unstable or no income, the earnings of the women engaged in the *agarbatti* sector assume significance. Thus, agarbatti rolling emerges as the household's primary economic activity and this renders these families dependent on the vagaries of the rates paid to these HBWs.

According to the FGDs, most of the women's husbands either work as daily casual labourers<sup>15</sup> or are jobless. The families, in most of these cases depend upon the income from the *agarbattis* that the women make. The following accounts shed more light on the increasing relevance of the incomes earned by these female HBWs for their families and livelihoods.

Neelamma resides in the Hodaiguddali slum in Bangalore. Her husband suffers from mental illness and is thus unable to work. She has three sons educated upto class 10-12<sup>th</sup>. One of her sons is engaged in sari printing. However, in a week he is able to get work only for 2-4 days and earns only half the month. For his work he earns Rs.60 per day. Another boy works as a hoardings painter and if and when he finds work, earns Rs.40-50 per day. The third son works as casual labour. Neelamma rolls 3000 agarbattis. Her daughters- in-

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<sup>14</sup> Despite their being much more educated than their daughters.

<sup>15</sup> An ILO study based in Ahmedabad, Gujarat refers to the case of Shanta whose husband is a casual mill worker, with work only on some days. On other days he is either asleep, or drunk. But she has four children and so 'this *masala* and 5000 sticks are the day's *roti* (wheat bread) and *dal* (lentils) for the family. She works from 12 noon to 5 pm in the factory because there she earns Rs.2.25 per 1000 sticks rolled, while at home the rate plunges to Rs.2.00 or less per 1000 sticks, since the seth assumes that unsupervised work must have a component of leakage' (source : *Invisible No More :The Story of Home-Based Workers*, ILO Publication, 1991 cited in <http://members.tripod.com/~cawhk/9807/9807art05.htm>).

law pitch in and together they make 8000-9000 agarbattis per day which fetch upto Rs 96-108 per day.

In fact, most of the women in Hodaiguddali slum have younger children going to school and the elder ones doing casual work. Thus, the role their income plays is crucial for the household livelihood.

In Valiakavil, Bangalore, Sarlamary said her husband earns just Rs.100 daily working on odd jobs. Thus, she had to join work to garner more economic stability for the home.

Ms. Shaheen lives in Bapunagar, Gujarat. Initially, her husband had a plastic goods factory, employing 3-4 workers. The 1969 riots destroyed it. She recounted that every time they tried to rebuild their lives, periodic violence played spoilsport. As she put it, “our back is broken”. Her husband now sells knick-knacks when he has the money to stock his *laari*. She also has 2 sons, along with 2 daughter who are married ‘with the help of friends and relatives’. One son is married & his wife also helps with the *agarbatti* work. Her sons do odd jobs when they get work. But the family depends on the agarbattis Ms. Shaheen makes.

However, there was one account on how spouse’s stable occupation could assist in stabilizing household expenditures. Beenaben ’s husband in Gujarat worked for the Municipality because of which she was easily granted a loan from her husband’s office for her daughter’s wedding.

### **c) Mode of Payment**

The entire sample was paid in cash and these payments were usually made on a weekly basis. Amongst the 59 respondents, 81% (48) were paid weekly; 8% (5) were paid fortnightly and 2 were paid monthly. 3 women said that they were paid according to other arrangements and only one worker in the sample received her payment on a daily basis.

A 93 % majority (55 out of 59) stated that they did not have any problems in receiving payments. Only 4 women stated that they faced problems. While answering what type of problems they faced while receiving payment<sup>16</sup>, 7 women attributed their problems in receiving payments in the following way: 4 said that their payments were delayed and for 2 they were incomplete. One woman stated that her payments were irregular.

#### **d) Changes in Earnings**

**The survey reveals that despite the mushrooming of more agarbatti brands, the increase in piece rates due to government and labour union action and growth in the market, the HBWs record no increase in their earnings.** A 93 % majority of responses (55) indicated that there had been no changes in earnings since the past 2 years. One respondent even recorded a decrease in earnings in the past 2 years.

Literature suggests an increase in rates offered in comparison to what they were paid earlier. An ILO study<sup>17</sup> based in Ahmedabad, Gujarat states that resistance has led to ‘increased’ rates to Rs.2.00 or Rs. 2.25 per 1000 sticks.

Workers here are paid at a rate of Rs. 9 per 1000 sticks and at an average productivity of 4000 sticks per full working day manage an effective wage rate of Rs. 36 per day. The average worker manages to earn about Rs. 1000 per month. In Gujarat, the rate is much lower at Rs. 5 per 1000 sticks and combined with lower productivity rates yields the workers incomes in the range of Rs. 325 per month. Payment in both these states is reported to be on a monthly based. In Andhra a rate of Rs. 6 per kilo of *masala* processed (approximately 1100 to 1200 sticks) is reported. Earnings for a family of six were reported in the range of Rs. 400 to 800 for a six day week implying an effective wage of Rs. 12 to 20 per day. Further, if the product is rejected for quality reasons the loss has to be borne by the workers lowering earnings further.

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<sup>16</sup> A majority of 77 % of the responses regarded the question as not applicable.

<sup>17</sup> (Source: *Invisible No More :The Story of Home- Based Workers*, ILO Publication, 1991 cited in <http://members.tripod.com/~cawhk/9807/9807art05.htm>).



### **3.2.2 Assets and Wealth**

#### **a) Landlessness**

Landlessness and poverty are major characteristics of HBWs. FGDs suggest that these workers possess no agricultural land and resort to rolling *agarbattis* to feed their families. 90 % ( 53) responses state that the respondents do not possess any land while only 10 % ( 6) responses indicate that they possess land.

#### **b) Tools**

A significant majority of 95% of the women surveyed (56) own the tools they used for rolling *agarbatti*. However, the tools are simple household flattening boards and stools.

### **3.2.3 Work**

#### **a) Work History**

Most women in the survey have joined work after they were married and this reflects in their work history.

##### **a.1) Period of work**

A majority, i.e. 17% of the women (10) have been working in this sector for the past 20 years. The average time period the women in the sample have spent working in the sector is close to 17 years. The age of starting work in the sector is rather young as per this survey. A sizable share of 27% (16) of the respondents started working at the age of 15, followed by 20 % ( 2) who have been working since the age of 20. The largest section of 39% (23) of the respondents started work in their adolescence between the ages of 16-20. This is followed by a 30% (18) share who started work between the ages of 11-15. The youngest age reported to start work was 7 and the eldest was 47. Close to 12 % (7) of the sample started work below the age of 10. There was only one woman in the sample who joined this sector after the age of 30.

##### **a.2) Training and Learning**

None of the women have learnt about their rolling technique work through a formal training process. A majority of 61% (36) women have learnt this work in their marital

family. 29% (17) women have learnt the work in their natal family. 7% had learnt (4) from friends and only 3% (2) have learned at work itself.

### **a.3) Reason for Entry**

Previous literature on the sector suggests that women are usually forced to opt for this sector due to lack of alternative employment (Sudarshan 2001). The survey corroborates such an argument. Several accounts given by women during the FGDs suggest that they are forced to enter this form of work due to dire financial need or no other opportunities.

Beenaben had married into a family of sweeper caste. Thus, her in-laws worked as per their caste; however she joined the agarbatti sector as her preference. Neelamma and her sister from Hadaiguddali slum in Karnataka started rolling bathis as they had no agricultural land and needed to feed their families. Neelamma especially joined work after her husband's illness.

The survey confirms several arguments and concerns raised regarding the immensely difficult work conditions HBWs face. Their work offers minimal security and transparency on terms and conditions and extracts large hours of work and effort.

### **b) Working conditions**

**b.1) Working Hours are tedious and women are engaged in back-breaking work for close to 10-16hrs a day<sup>18</sup>.**

**Table 6: Hours of work in the Agarbatti sector**

<b>Season</b>	<b>Share of Agarbatti workers in percentage</b>
Peak	7
Lean	4

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<sup>18</sup> According to the NCAER study, on an average a home based worker spends 8.3 hours for work during a normal day. They spend around 7.4 hours a day in the *Agarbatti* sector (Sudarshan et.al. 2001:66).

FGDs reiterate the fact that *Agarbatti* rolling is tedious and back-breaking work. During the peak periods a HBW engaged in the sector, on an average, spends 7 hours in a day rolling bathis. During the lean season this figure shrinks to 4 hours. Half of these workers work for 8 hours or more in the peak period. During this season, 25% (15) of the respondents work for more than 8 hours in a day. A similar share i.e. 25% (15) of women, during the peak season work for 8 hours in a day. 19% (11) work for 10 hours while another 19% (11) for 6 hours. One woman reported a 12 hour working day.

Even during the lean period 10% (6) of the women work for 8 hours. The lean period also sees a majority of women i.e. 24% (14) work for 2 hours in a day. 19% (11) work for 6 hours and 17% (10) for 4 hours.

FGDs conducted in several areas of Bangalore; Indore and Ahmedabad throw further light on the lives of such women and their strenuous routines- juggling between their traditional domestic work and *agarbatti* rolling.

Neelamma's day starts early in the morning. She is a 55 year old woman residing in the Hadaiguddali Slum in Bangalore for the past 3 decades. After her washing, she sits to roll *agarbattis* at 8 am. Since, her daughters-in-law are engaged in cooking and cleaning, she rolls *agarbattis* full time. Even while talking to the research team, her work did not stop.

Sarlamary from the Valiakaval area of Bangalore stated that she rolled 5000 *agarbattis* in a day. She started her daily work of rolling *agarbatti*'s after finishing her household tasks in the morning. After lunch again she would sit down till 7 or 8 pm. Her eldest daughter helped to fetch water and did small jobs in the house. She felt that since her children were small, she had to cook for them.

Ranguben in Indore, Madhya Pradesh had 4 sons & 2 daughters. The daughters were not educated as their labour was required at home. Both the daughters were married. Her day begins at 5' clock in the morning & after quickly finishing her household chores, at around 8' clock she starts rolling *agarbattis*. Soon after a short lunch break, she sits down to work

again. At midnight, her long day is over. Earlier, she received 1 Re. per kilo of bathis & she used to make 5-6 kilos per day. During the time of the study, she reported being paid at the rate of Rs. 12-16 per kg of agarbattis. She managed to make 4-5 kgs in a day. She said that with age, her speed of rolling agarbattis had decreased.

Ms. Shaheen in Bapunagar, Ahmedabad worked for more than 10-12 hours continuously rolling agarbattis. The rolling pin and platter had not changed for ages. She also complained that her speed had decreased & now she was able to roll only about 4000 agarbattis. In her colony, numerous women performed the same labour for a pittance. She said that none of these HBWs had any hope for a decent education, bonus, holidays or fair wages. She highlighted how even tiny youngsters work after their school hours.

These tales speak of the unending work burden and stress women HBWs across the country face due to their own household tasks and contractual labour.

### **b.2) Labour relations**

Due to their relative lower levels of education and skills; the labour relations for these workers are loaded in favour of their contractor and employers. The study reveals immense lack of transparency in the way these women are paid for their hard work.

The casual nature of their work also creates greater insecurity as these HBWs have no fixed employers. The socio-economic status of these workers renders them dependent on the work they are able to get irrespective of the inequality of terms and conditions.

### **b.3) No fixed employer**

According to the FGDs conducted with women in Bangalore as well as Gujarat, the women HBWs in the agrabatti sector do not have any fixed employers. This fuels feelings of insecurity in terms of work and income. There is no clear chain of raw materials supply or demand for the finished bathis. As Ranguben from Indore put it;

*“I have no fixed employer and take raw materials from anyone who can provide it.”*

FGDs across the three states have seen women reiterate what Ranguben states. Women in each area procured the necessary raw materials from nearby areas and sold to no fixed contractor.

#### **b.4) Lack of Transparency**

Lack of transparency seems to be a major problem. Despite 66% (39) of the respondents maintaining records for their payments; most women in the FGDs complain about foul play by their employers, which they have no choice but to be silent spectators to. The FGDs in Bangalore revealed that the employers kept records about the quantum of work done and paid women according to their own records only. Further FGDs in other states also highlighted different means through which the contractors exploited the agarbatti rollers. One such example that came up was how the employers did not pay the women for 'rejects' i.e. sticks which they proclaimed to be defective i.e. too short or damaged etc.

Ms. Shaheen in Bapunagar, Ahmedabad elaborates;

*“The employer selects the agarbattis and discards the damaged pieces, which is later sold in the market”.*

While these so-called “rejects” were also sold in the market at lesser prices, the women had to suffer deductions in the rates finally paid to them.

The illiteracy or lack of literacy appear as contributing to this phenomena and act as a major handicap for these HBWs. An ILO study<sup>19</sup> (1991) gives certain indication on this problem with reference to Bapunagar itself. Shanta, an agarbatti roller in the same area, delivers a bundle of 500 bathis to a *seth*. He counts all the sticks in the bundle picked at random and then pronounces the number of sticks which are short. He slashes the entire production by 10-20%. Shanta can't read and is too apprehensive about loosing her work

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<sup>19</sup> (Source : *Invisible No More :The Story of Home- Based Workers*, ILO Publication, 1991 cited in <http://members.tripod.com/~cawhk/9807/9807art05.htm>)

on which her livelihood depends. Thus, she remains mute and affixes her thumb impression on his register to validate the seths calculation of her productivity. Then he pays them after 30 days, long after Shanta's anxious mind has lost count of how much she supplied and how many he rejected.

This account would also suggest that even in cases, where women are literate and maintain records , their lack of alternative employment or livelihood make them too dependent on their contractors to voice any dissent or complaint. Also, in this survey, the literate workers are educated only till basic levels and thus might lack the confidence to assert their own records. Hence the lack of skills and literacy of the HBWs creates problems in women keeping track of their sales and loads labour relations in favour of more educated contractors who need not be transparent with their workers on rates paid and how the wages are calculated.

#### **b.5) Seasonality and Work Fluctuation**

**The survey results state that the women HBWs do not suffer much work fluctuation throughout the year; however their incomes are halved during the lean season.** The average number of months these women are without work amounts to 0.1. This could be due to the relatively non-seasonal nature of agarbatti demand and consumption. During the peak periods, women on an average are employed for nearly 10 months while in the lean periods they get employed for at least 2 months. 2 women in the sample found no working months during the lean season. A majority of the women i.e. 53% (31) get work for 10 months in a year. 37% (22) manage to get work for 8 months in a year. Only 7% (4) women manage to find work for 12 months. For 58% women (34) women, the lean period comprises of 2 months in a year, for 37% (22) women, it comprises of 4 months in a year.

**Table 7: Availability of work in the Agarbatti Sector**

Change	Share of Agarbatti workers in percentage
Increased	3 % (2)
Decreased	3 % (2)

Remained the same	94 % (55)
Don't know	-(0)
Total	100(59)

FGDs conducted with women in Bangalore did indicate the existence of some seasonality and instability of work, as they complained of difficult times during the monsoon season, when they have no work. Neelamma from Hadaiguddali slum said that the women needed more regular work.

For a majority i.e. 94% of the women (55) availability of work has remained the same in the past two years. It increased only for 3 % ( 2), and for another 3% (2), it had decreased.

**b.6) Benefits or Security from work or contractors is minimal. Further, due to the precarious nature of work and income, future impoverishment is perpetuated through practices such as child labour and illiteracy of the girl child.**

The study suggests that a small minority of the women HBWs engaged in agarbatti rolling receive any benefits from work. While factory based incense stick rollers often receive similar wage rates (Bajaj 1999), they are covered by the social security provisions mandatory under the Factories Act (provident fund, leave, medical and maternity benefits) and are therefore better off. The only benefit reported by homebased workers were a token gift during the festival of Diwali (Kaur 1999).

39 out of the 59 responses stated that they do not receive any other benefits from work.12 have given their responses as NA. 5 respondents have given 'others' as answer. A minority, i.e. 2 workers were receiving bonus and 1 was receiving health insurance.

A scan through the expenditure and risk-coping strategies of the women HBWs surveyed, further elaborates on the absence of any benefits from agarbatti rolling, with most workers relying on community moneylenders and social networks during time of crisis, ill health or other heavy expenditures.

### **3.3 Social Insecurities**

#### **3.3.1 Crisis and credit**

Most of these workers have to brave major health and personal expenditures on their own without any assistance from their contractors. A majority of the responses i.e. 60 % ( 30) indicate that they spent a major amount of money in the past 2 years on medical treatment. Another area to emerge was **marriage**, with 16.9% (11) of the respondents reporting this as a major expense. This is followed by 9.2% (6) of the sample suggesting expenditures relating to death in the family as a key expense. Other areas of expenditures are maintenance of their residence (6% i.e. 4); and purchase of consumer durables (5 % i.e. 3). Expenses are also undertaken for rituals and other feasts as reflected by 3% (2) of the sample.

83% (54) of the responses state that they had to borrow money to pay for the above expenses<sup>20</sup>. Borrowing strategies to deal with the above mentioned expenses are skewed against any benefits or assistance from the contractors or employers. A majority of the responses i.e. 46% (30) stated that they borrowed money from the moneylender ; 14% (9) responses stated that they borrowed from neighbours; 12% (8) responses stated that they borrowed from relatives and 9%(6) from others. Only 3 % (2) of the sample borrowed from employers and 1.5 % ( 1) from a bank.

#### **Crisis situations**

Amongst those in the sample who faced a crisis, a majority i.e. 35.5% (20) of the responses stated that they would borrow money as a coping mechanism; while 1.6% (1) worked as bonded labour (1) or sold off their ornaments (1) to cope with crises.

#### **Debt & Savings**

According to the FGDs, none of the women have any debt. However, they do not have any savings either. For wedding expenses of their daughters, which are considerable between Rs.50, 000-75,000, they depend upon relatives and friends.

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<sup>20</sup> While 8% (5) said that they did not have to borrow. 9% (6) did not answer the question.



Amongst the 6 respondents who reported savings, 3 of them used these to buy ornaments. Another 2 persons saved their money in a bank. While the remaining respondent used the savings to buy consumer durables.

### **3.3.2 Child Protection**

Far from maternity benefits, this form of work perpetuates further poverty and ill health by employing child labour in mass amounts. FGDs in Gujarat and Bangalore suggest that small children of women agarbatti makers help their mothers in rolling agarbattis after school hours. According to Ms. Shaheen, Indore, Madhya Pradesh, '*Even tiny kids work after school hours*'.

According to an NCAER study, the participation of girls<sup>21</sup> is prominent @ 7/9 in the agarbatti sector (Sudarshan et.al. 2001:63). Some children in this study reported being aware of the household financial problems because of which they felt that their parents needed the income from their work. Several examples were reported from agarbatti workers of smaller children rolling bathis with their mother in the weekends and on holidays, contributing around Rs. 8-10 in a day, of which Rs 1-2 would be their pocket money to be spent on candies and ice creams and sometimes stationary items (Sudarshan et.al, 2001:89).

**Gender discrimination ensures that such exploitation continues.** The FGDs reveal some sense of gender discrimination prevalent amongst the communities working as

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<sup>21</sup> The study also provides a case study of Manimangala, who is an 11 year old girl living in a slum in Panthar Palya area on Mysore Road, Bangalore. She belongs to a scheduled caste family of 11 members. Her father is a sweeper and her brothers work as manual labourers at various places. She started rolling bathis at the age of 6. She learnt agarbatti rolling from her mother. The mother is now no longer able to roll bathis due to poor health. Manimangala takes a neighbour's help in kneading the dough. In addition, she does not need to go to the sub contractor to collect the raw materials or to deliver the rolled bathis, as the neighbour does this for her. She completes the household chores before she starts rolling agarbattis. It is a long day for the young girl and at the end of it she earns around Rs. 20. Manimangala has never gone to school. She says she would have liked to study but it does not seem feasible given her family circumstances. Manimangala is not attracted by work in the *agarbatti*- rolling factory, though the wages would be higher. This is mainly because she has to shoulder a substantial amount of household responsibility owing to her mother's ill health. At the same time, she appeared eager to learn new skills that could lead to more remunerative work, and have fewer adverse effects on health. Manimangala suffers from almost chronic back pain and cough (Sudarshan et.al, 2001:71).

HBWs in the *Agarbatti* sector. They suggest limited education of girls is commonplace amongst these communities in Bangalore as well as Gujarat.

In Bangalore, this can be seen in the case of a woman called Neelamma in Hodaiguddali slum who has 3 sons and 3 daughters. While her boys have studies until class 10-12<sup>th</sup>, the girls, it seems, had only 3 years of schooling. Another case which reveals such exploitation is in the case of a woman called Sarlamary in Valiakavil, Bangalore who has 3 girls and 1 boy. Her eldest 15 year old daughter does not go to school. While her other children did go to a local municipal school but their attendance is irregular.

In Madhya Pradesh, Beenaben in Indore has 4 sons and 2 daughters. The FGD suggests that her daughters were not educated 'for their labour was required at home'.

### **3.3.3 Shelter**

According to a study by Hanumappa (1996), the industry, in fact, is better known as the 'pavement industry' since most of the non-*masala agarbatti* sticks are processed on pavements and roads in front of homes.

The FGDs affirm this idea. FGDs in Hodaiguddali slum, Mysore Road, Bangalore reveal that the women sit outdoors and roll agarbattis as there is not enough space inside their one-room huts. 'The women sit outdoors and roll agarbattis for there is not enough space inside their tiny one-room huts'. FGDs in Valiakavil Area, Bangalore with a group of 15 women states that:

*'A glance was enough to realize that agarbatti workers dominate the area. A musky smell pervades the atmosphere. Agarbattis are drying in the sunlight. Here and there women are busy rolling agarbattis. The agarbatti powder blackens their tiny hovels where no sunlight penetrates'.*

The following account by Ms. Shaheen during a **FGD in Bapunagar, Ahmedabad** gives a dismal account of housing conditions.

*“The area where she stays, Bapunagar is a sort of shanty where people came & settled after the frequent outbreaks of violence. There is an ancient mosque nearby & the women sit on the veranda of the monument to roll agarbattis. There are no basic amenities & garbage is piled on the streets. The whole area is covered with soot, the women’s clothes & hands covered with black ash. A musky smell pervades the entire area. Many of the residents keep goats; the scraggy animals share the same living space”.*

The FGDs conducted with *Agarbatti* home-based workers in Bangalore and Gujarat, housing usually consists of a one room dark and dingy tenement in a slum locality.

**Table 8: Shelter Profile of Agarbatti workers**

<b>Share of Agarbatti workers in percentage</b>	<b>Characteristics of Shelter</b>
26(45)	Family/Own house
46(27)	Pukka walls
34(20)	Tiled or cement roof
1.7 (D=104)	Average no. of rooms
10(6)	Land ownership
31 (18)	Tap in household
59(35)	Toilet in household
76(45)	Electricity

### **Type of walls**

46% (27) of the responses indicate that the houses are pucca; another 46% (27) of the responses indicate the houses to be of the kachcha type; 8% (4) responses indicate the houses to be made of tin/plastic.

### **Type of Roof**

54% (32) responses indicate the roofs to be made up of other materials; 22% (13) responses indicate that the roofs are made up of cement; 12% (7) responses indicate the roofs to be made up of terracotta tiles; 10% (6) of the responses indicate that the roofs are

made up of tin. 2% (1) of the responses indicate the roof to be made up of plastic and straw.

### **House Ownership**

76.3% (45) of responses indicate that the family or the HBW herself owns the house; 23.7% (14) responses indicates that the HBWs are tenants. Many of the agarbatti workers, it seems, received free housing from the government 10 years back, the municipal corporation, it is stated, is demanding money now.

### **Number of rooms**

The majority live in single room shelters. 66.1% (39) responses indicate that the respondents live in single rooms; 23.7% (14) responses indicate that the respondents live in two-roomed houses; 5.1% (3) responses indicate that the respondents live in three-roomed houses; 3.4% (2) responses state that the respondents live in 4 roomed-houses. In Bapunagar, Ahmedabad Islamic Relief Committee seems to have provided one-room houses in late eighties to the women, in which most still remain. In the FGDs, 43 out of 50 respondents claimed not to have enough space to keep their materials and finished goods.

### **Water**

A total of 31% (18) women interviewed have to walk upto 1 km to fetch water. For 5% women (3), the distance of the water source is greater at 2 km.

### **Toilet**

59% (35) responses indicate that the respondents have a toilet in the household while 34% (20) state the usage of an open area for toilet purposes; 7% (4) refer to the use of communal toilets.

### **Electricity**

59% (35) responses indicate that the respondents have a toilet in the household while 34% (20) state the usage of an open area for toilet purposes; 7% (4) refer to use of communal

toilets. FGDs conducted in Bangalore state that to obtain electricity, the women need to deposit Rs.3000 which they cannot afford.

### **3.3.4 Health**

Sickness is a perennial and perpetual problem for these workers. A majority of 43 out of 56 i.e. 77% of respondents said they had been ill in the past 2 months. Even in cases of illness, they have no access to quality and cost-effective health care. A majority i.e. 54% (29 out of 54) said they sought private treatment while only 35% (19) went to government hospitals.

27% (15 out of 56 respondents) of the sample said that they had suffered an illness lasting more than two weeks in the past two years. For these longer term illnesses, a majority of 42% respondents did not receive any treatment while 31% did.

78% (29 out of 38 respondents) said that they suffered frequently from recurring health problems or a disability while. A large share of 21 respondents in this category had received private care and treatment.

The location of their work and the labour process causes the downward spiral in the health conditions of these workers. FGDs refer to the existence of one room dark and dingy tenements without ventilation in slum localities. *'Their single room tenements are dark and dingy without any ventilation. The black dust pervades their homes also'*. Unhealthy living conditions, it seems, prevail with the black dust and musky smell of *agarbattis* pervading the homes endangering health of families.

The FGDs in Bangalore and Gujarat reveal the common health problems faced by women in this sector. Inhaling of *agarbatti* powder leads to persistent cold and cough; & bronchial problems. Sitting in a hunched position for long hours causes back-aches; joint pains. Women are, however, unable to associate their health problems to their work. They think it is due to 'old age'.

Beenaben , in Indore, Madhya Pradesh, states that the ‘*constant agarbatti work has left her with cold & cough*’.

Ms. Shaheen in Indore echoes the helplessness of these workers in Madhya Pradesh.

*‘...inhaling the chemical fumes and sitting cooped up for long periods makes women like us prone to bronchial problems and backaches. But who has the money for medicines?’*

FGDs in Bangalore reveal that medical treatment, it seems, is rarely sought by the women HBWs in this sector. This is because the Government hospital usually tends to be far from locality. In addition, it seems, sometimes medicines are also not available at the hospital. Expensive treatment from private doctors is, however, available. Even for ordinary coughs & colds, they have to spend Rs.150-300 a month, in case of tests, Rs.300. On a monthly earnings of around 3000/-, this comprises a 10% reduction in terms of the money required to pay for ordinary coughs and colds. But, in case of medical treatment or hospitalization required to treat major illness, their earnings seem very meager. For instance, FGDs conducted in Bangalore reveal that child deliveries are normally held at home. Normal delivery costs Rs.3000 and caesarian costs about Rs. 6000-7000. In both government and private clinics, women mentioned that they have to pay 50% of the costs as bribes to the nurses, to ensure proper care. Whether it’s a normal or caesarian delivery, they get discharged from clinic the very next day for hospital stay is very costly and they need to work daily to survive.

The study provides the summation that occupation health problems of the home-based workers are many which cannot be ignored.

### ***3.4 Social Protection Profile***

#### **a) Awareness and Participation**

Despite several welfare schemes for incense sticks provided for by the Indian government, the FGDs and **survey seem to suggest that women are not aware of organizations or**

**schemes working for them;** while in Gujarat, the only tangible benefit women workers seem to have received is in the form of a price increase due to SEWA's intervention.

For instance, in Valiakavil, Bangalore and the Hodaiguddali slum, Mysore Road, Bangalore, the women, commented that they *“are not aware of any organization working for them”*. In addition, they stated that *“no one has talked to them about their work and living conditions before”*.

According to Beenaben in Indore, Madhya Pradesh, she has been associated with SEWA for the past 10 yrs but the *‘only benefit she has received (with her association with SEWA) has been of price increase’*.

The invisibility felt by these women is expressed aptly in Valiakaval, Bangalore by For Sarlamary, as it was *‘for the first time that she was recounting her life experiences to someone. She hoped that some good would come out of it. There is no organization working for them and they have no idea of any kind of social security’*.

The survey, however, reveals that there is some level of awareness of organizations working for the welfare of home-based workers amongst HBWs. 54% (30 respondents out of 56) stated that they are aware of the existence of such organizations. While women are aware about the organizations, very few are members or participants. 73 % ( 45) of the responses stated that they were not members of such organizations.

The similar 73% (45) responses stated that no one in their family is a member of any such organization; while 27% (1) of responses state that a member of their family was affiliated.

## **b) Identified Needs and Problems**

**Table 9: Work Related Problems in the Agarbatti Sector**

Problems	Agarbatti workers results
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UNEMPLOYMENT (Mean number of months without work)	0.1 (D=6)
PAYMENT(Percentage reporting problems in receiving payments )	7% (4)
RAW MATERIALS (Percentage reporting problems in acquiring raw materials)	4% (2)
LACK OF SPACE(Percentage reporting problems in space adequacy)	86% (43)

The strongest problem to emerge from the survey is the lack of space workers face in the sector. As the raw materials and finished products contain dangerous chemicals, the cramped spaces these women live and work under cause problems not only in the production process, but also for their livelihoods and family's health.

Only 4% of the workers sampled stated that they faced raw materials constraints. The FGDs though stressed upon this issue. 6 women in the sample elaborated upon the nature of problems associated with acquiring raw materials.

**Table 10: Problems in acquiring raw materials in percentage**

<b>Problems</b>	<b>Share of Agarbatti workers in Percentage</b>
Insufficient funds	33 (2)
Unavailability	17 (1)
Lack of credit	17 (1)
High interest rate	-
Increased price	-
Other	33 (2)
Total	100 (6)



Raw materials are getting scarce and distances involved in transportation are increasing, thus raising the total cost of production. Currently, bamboo comes mostly from North-East India and as a result, the wholesale and retail prices of bamboo culms are rising. Similarly *jigat* and charcoal are becoming scantier, and hence costlier, as traditional and local sources are fast drying up.

### c) **Priorities**

It is interesting to note that while the FGDs stressed on the need for health care, improved wages and education, these needs do not figure as sharply in the survey results. The need for better housing appears to be concomitant with the poor residential conditions witnessed by the research team and other studies.

The major needs that were identified by the survey respondents are as follows. For 31 % (17 out of 56 respondents), **loans** were the most important need. This was followed by a 23% (13) share who stressed on their need for improved **housing**. For 16% (9) of the respondents **health insurance** was a crucial need. Finally, 14% (8) voiced the need for more work.

The need for more storage space was felt by 5% (3). Skill training was an important need for 2 of the respondents while the need for medicines, minimum wages and education were voiced by one respondent each.

### Key Findings:

- Income levels are meager at ad-hoc piece –rates.
- Agarbatti rollers receive only 4 % of the Indian average per capita income in the peak season. In the lean season this drops to a mere 2%. This is least paying sector amongst those surveyed.
- Agarbatti Rolling is the major source of regular income for these households and thus women are principal income earners.

- Despite the mushrooming of more agarbatti brands, the increase in piece rates due to government and labour union action and growth in the market, the HBWs record no increase in their earnings. A 93 % majority of responses (55) indicated that there had been no changes in earnings since the past 2 years. One respondent even recorded a decrease in earnings in the past 2 years.
- 87% of the workers are piece rate workers. They are engaged in the lower end of the agarbatti production chain and are thus invisible in the sector and cannot claim entitlement to the growth in the sector.
- Several cases of exploitation by middlemen are reported by the sample.
- None of the women have learnt about their rolling technique through a formal training process. A majority of 61% (36) women have learnt this work in their marital family.
- The majority live in single room shelters. 86% of the sample stated they felt a major lack of space for their work.
- Sickness is a perennial and perpetual problem for these workers. Poor living conditions contribute to such a situation.
- For 31 %, loans were the most important need. This was followed by a 23% share who stressed on their need for improved housing. For 16% of the respondents health insurance was a crucial need.

### **Recommendations**

- **Unlike previous sectors, where the existence of a viable and long enough value chain is put into question; the agarbatti workers are part of a traceable production chain. However, their role and the linkages are unclear and thus the value chain approach cannot be used to claim entitlements and benefits for workers from employers. The sector is seeing fast paced growth and HBWs should be allowed access to the larger pie. This would however, first require further clarity on the nature of the production chain. By placing the spotlight on the role agarbatti rollers play in the sector, greater benefits can be accessed through private enterprises involved.**

## **CHAPTER 9: RISKS & VULNERABILITIES faced by WOMEN HBWs in the HANDMADE PAPER SECTOR**

### **1. BACKGROUND & CONTEXT<sup>1</sup>**

#### **1.1 Introduction**

Handmade paper production is one of the traditional cottage industries of Nepal. It is difficult to trace the exact commencement of handmade paper work in the region. History suggests that the art of paper was imported from China thousands of years ago.

#### **1.2 Production Process and Employment Patterns**

Greeting popularity in the world market, handmade paper producing industries slowly started taking its momentum. About 313 cottage industries have been in operation. 215 companies are in operation providing employment and self-employment to as many as 30,000 people. The main handmade paper producing districts are Baglung, Parbat, Myagdi, Sankhuwasabha, Ramechhap, Dolpa, Taplejung, Jajarkot, Rukum and Ilam where the lokhta plant is naturally available.

There are four main steps in production. The process starts with harvesting the raw material, lokta bark, by high altitude cutters in the rural districts, who sell it to nearby village paper-makers. These workers are the lowest rung in the production chain. This is followed by processing the lokta in the villages, by cooking it over wood fires then sun-drying it on cotton mesh stretched between wooden frames to produce thin paper sheets. The process requires ample fuel wood and potash derived from wood ash. When dry, the paper is graded, bundled and transported to urban factories. Production involves using traditional block printing techniques to create cards, stationery, art papers, boxes, bags, etc. These products have been enhanced over time by the introduction of technological innovations to increase energy savings and mechanical efficiency, and to improve attractiveness, quality and saleability. These production processes are primarily urban,

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<sup>1</sup> This section draws heavily from the FAO study on “Entrepreneurship and Access:handmade paper and lokta bark”. [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/docrep/006/ad686e/ad686e09.htm](http://www.fao.org/documents/show_cdr.asp?url_file=/docrep/006/ad686e/ad686e09.htm)

involving scores of city dwellers and, by extension, their families. The final aspect to the process is marketing.

By one recent estimate, the handmade paper industry provides employment for 4,155 families, or about 21,000 persons, with women making up 80 percent of those employed.

### **1.3 Handmade Paper and HBWs**

This is an industry where whole rural and urban neighborhoods or communities are engaged. Handmade paper making is a very good example of a non-agricultural source of income among poorer rural people. It is part of an overall complex pattern of income sources. It is interesting that it was a small farmer development project in the late 1970s, one which explicitly targeted the very poor, that stimulated revival of the ancient Nepalese paper making industry.

While non-farm rural livelihoods have now become a mainstream concern of many donors, it is worth noting that these sources of livelihoods have been recognized and policies and programmes organized for their support in this particular industry, now, for more than two decades in Nepal. In this sector, as many as 30,000 people especially rural poor have been involved as worker. It is one of the major sectors, which is not only raising foreign currency but also creating sustainable self-employment for the people from marginalized segment of the communities.

### **1.4 Demand and Consumption Patterns**

In ancient times, Nepali Paper was mostly used in government offices and in the private sectors as well. As machine made paper captured the market, it simultaneously adversely affected the handmade paper making in Nepal. Nepal is amongst those very few countries of the world where Lokhta Plant, which is used to make 'Nepali Paper', is available.

Since the Nepalese Tourism Industry saw tremendous progress in early 80s' this beautiful art of Nepalese people resumed in a more systematic way, which was followed by the active intervention from the UNICEF. These measures along with the government

substantially helped to revive the production of handmade paper and export varieties of product in foreign markets.

There are now over 300 handmade paper units registered with the Small and Cottage Industries Department, of which only 170 are currently active. Most of their products are for export. Total exports in 2001-02 were worth about US\$3.5 million, demonstrating that this is a major activity involving an important forest-based resource. Since the late 1990s, all handmade paper product exports (lokta-based and other) have increased by an average of 26 percent per year.

The industry is currently dominated by two companies, GPI and NPP, each of which contributed about 27 percent to total official exports in 2001/02. Their major markets are in the USA, UK, France and Japan.

## **1.5 Market Potential and Problems**

At the macro institutional and policy level, the case study illustrates that Nepal's existing trade policies, regulatory practices and trade promotion agencies have helped promote this dramatic recent growth of the handmade paper industry. It is evident that the government and certain quasi-governmental organizations such as the Department of Small and Cottage Industries, the Handicrafts Association of Nepal, the Federation of Nepalese Chambers of Commerce and the Trade Promotion Centre have been especially helpful and responsive in facilitating positive developments within the industry. The production and export of handmade paper is rapidly increasing every year.

Future work is needed to improve linkages and technology so as to build the industry's capacity to further compete with her regional and international counterparts.

## **2. METHODOLOGY OF PRESENT STUDY**

### **2.1 Context Note: Location of the Study**

The two FGDs were conducted in the Kuleshwar and Ason areas of Kathmandu. The group formed in Kuleshwor of Kathmandu amongst the handmade paper workers was predominantly male.

The location of the second group is located in the heart of the Kathmandu city. The group was formed amongst the handmade based workers Home Based Workers. All of them were from the Newar community, which is rather well off.

**Table 1: Demographic Profile of Respondents**

Area	Handmade Nepali paper
Urban	59(20)
Peri-urban	38(13)
Rural	3(1)
Total	100(34)

### 3. MAIN FINDINGS of PRESENT STUDY

#### 3.1 DEMOGRAPHIC AND CONTEXT PROFILE

##### Age

The entire sample was above the age of 18. The eldest person in the sample was 50 years old and the youngest was 19 years of age. The average age of the sample was 31 years.

**Table: Demographic profile of respondents (in percentage)**

Characteristics	Handmade Nepali paper
Females	50
18&above	100

Illiterate	26
Ever married	76
Nuclear family	82

### Education

26% of the sample was illiterate.

### Activity Status

A majority i.e. 76 % was self employed and others were piece rate workers. None described themselves as casual or unpaid family labour.

**Table 2: Status of employment**

Labour Status	Handmade Nepali paper
Piece Rate	24
Self Employed	76
Unpaid Family Labour	0
Casual Labour	0
Other	0
Total	100

### Type of Family

Predominant units in the survey, i.e. close to 83% were nuclear family units.

## 3.2 Economic Insecurities

### 3.2.1 INCOME

- **Income Levels**

The earnings of the women HBWs engaged in this sector are larger than those in most sectors surveyed in Nepal. This is concomitant to the growing nature of the sector.

Average income the workers in the sample received per month from this sector was Rs

1690 per month in the peak season. This constitutes a significant 30% of the average per capita income of Nepal. In the lean season the earnings of these workers are pegged at Rs. 915 per month; 16% of the average per capita income.

**Table 3: Earnings per month after deducting costs by sector**

Season	Earnings per month	Percentage of Per capita Income <sup>2</sup>
<b>Peak</b>	US\$ 38	30%
<b>Lean</b>	US\$ 21	16%

Mr. Kaushal Maskey, a 37 year old paper worker said that he was getting Rs. 4 wages for a paper folder. He could make only 25 folders a day, earning Rs.100 a day.

- **Conflict hurting Raw materials and Earnings**

A strong majority in the sample complained about the raw materials supply and costs. This share amounted to 97% of the sample.

**Table 4: Problems in Acquiring Raw Materials (in percentage)**

Problem	Handmade Nepali paper
Insufficient funds	15
Unavailability	42
Lack of credit	9
High interest rate	9
Increased price	25
Other	0
Total	100

A key problem identified was the sheer unavailability of raw materials. This was highlighted by 42% of the sample. This problem also highlights the political dimension of

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<sup>2</sup> As per estimates by the World Bank, Bangladesh- US \$2000



problems facing these workers. Due to Maoist conflict, the security forces had banned the use of Caustic Soda. Unavailability of such chemicals needed in the production process, hampers the production of Handmade Paper and thus has severely affected thousands of people, who find themselves unemployed.

The *lokhta* collectors are compelled to pay local taxes to local government office (District Forest Office) and to representatives of Maoist Rebels. The bark of *lokhta* is illegally being poached through the borders to neighboring countries at a very less price. Along with chemicals, fuels like kerosene and brackets required for the paper production are also insufficient in the districts.

Due to unavailability of Caustic Soda, kerosene and other materials and even *lokhta*, the production the production plants have been closed down.

- **Other kinds of work**

A significant 77% (26) of the sample stated that they did other kinds of work to sustain themselves.

- **Changes in Earnings**

Despite the increasing tensions due to political conflict, the past growth in the industry is reflected in the increase in earnings shared by 47% of the sample. However, for 18% the earnings had reduced.

**Table 5: Changes in earnings in the past two years (in percentage)**

Change	Nepal Handpaper
Increased	47
Decreased	18
Remained same	35
Don't Know	-
Total	100

- **Mode of Payment**

97% (33) of the sample was paid in cash form. A majority of 62% (21) were paid after task completion.

### 3.2.2 ASSETS AND WEALTH

A majority of 68% (23) of the sample owned land. However, during FGDs many migrants expressed concerns about their nascent landlessness.

### 3.2.3 WORK

#### Work History

- **Period of work**

Close to 60% of the sample started work between the ages of 16-25. A majority share of 32% (11) of the sample started work between the ages of 21-25. This was followed by 27% (9) who started work between ages of 17-20. None started work as children. The youngest age reported was 17 and the oldest was 41. Average age of entry was 25.5.

**Table 6: Age at starting work in Handmade Paper (in percentage)**

Age	Handmade paper
15 & below	0
16-25	59
26-35	29
36 and above	12 (4)
Total	100 (34)

- **Training and Learning**

This is not as much a family taught skill as seen in other sectors. Majority i.e. 35 % (12) had learnt through work. This was followed by two shares of 21% (7) of the workers who had learnt through training and friends each. Only 23 % (8) had learnt through family networks, where 15 % (5) were trained at their marital family and remaining at natal family.

**Table 7: Where did you learn this work? (In percentage)**

Source	Handmade Nepali paper
Natal family	8
Marital family	15
Training	21
Friends	21
At work	35
Other	-
Total	100

- **Working Hours**

The working days stretch for 8 hours during the peak season and 4 hours during the lean season. This group appeared to have favorable working times, as compared to other sectors in the region.

**Table 8: Number of Hours of work in a day**

Period	Handmade Paper
Peak	8
Lean	4

- **Labour Relations**

79% (21) of the sample was dependent on middle men or other sellers as they did not sell directly in the market. 82% (28) of the sample maintained records for their payment and work. However, close to half of the sample complained about the receipt of payments. This share amounted to 44% (15). Amidst this group of 15, the largest share of 8 i.e.53% attributed their problems in receiving payments to delays made by the contractors or middle-men.

- **Seasonality and Work Fluctuation**

The survey states that the number of months workers find work in the peak season amounts to 7 months.

**Table 9: Number of Months of work**

Period	Handmade Paper
Peak	7
Lean	3

During the lean season this drops to 3 months. For the past two years, a majority of 50 % (17) said work had increased, while 21 % (7) said it had decreased. The remaining 29 % (10) say work availability is the same.

**Table 10: Changes in Availability of work in past two years (in percentage)**

Change	Handmade Nepali paper
Increased	50
Decreased	21
Remained same	29
Don't Know	0
Total	100

The volume of work on handmade paperwork is increasing day by day. A female FGD participant in Kathmandu said that she was happy with her work and wages. Normally, all the workers involved in this group had sufficient work. In handmade paper work there were no reported peak and lean season. The season of work was based on the effectiveness of networks of the organizations with whom the worker dealt with.

### 3.3 Social Insecurities

### 3.3.1 CRISIS AND CREDIT

- **The heavy expenditure and crisis-coping strategies reveal how these workers receive minimum benefits from the state or employers in times of need.**

70% (24) of the sample stated that they had faced a crisis in the past two years. Within this group 87% (21) coped by borrowing money. This was followed by 8% (2) who sold ornaments. A final 4% (1) had reduced their food intake to cope.

Each member had incurred what they considered a “major amount”<sup>3</sup> in the past two years. Amongst expenditures it was seen that social expenditures which included expenses incurred on marriages, feasts and rituals figured the highest. 32% (11) of the sample incurred these expenses on a large scale. This was followed by residential maintenance which was cited by 26% (9) as a heavy expenditure. 20% (7) cited expenditures incurred on consumer durables as major flows in the past two years. Finally, medical expenses were significant with 18% (6) of the sample stating this as a major expenditure.

To cover such large expenses, each member of the sample spent their own income directly. Further, 29% (10) had to borrow money as well. Within this group, borrowings from community relations such as local moneylenders and neighbors were the most significant<sup>4</sup>. Only one member of the sample approached a bank and credit society each.

### 3.3.2. CHILD PROTECTION

Though child labour is not as rampant a problem in this context, certain FGD participants referred the difficulty they faced at work as they had domestic responsibilities, and the risks faced by the children. Mrs. Kishori Tuladhar was a mother to a 6 months old infant. There was nobody to care for her child other than her. She usually kept her daughter by her side at her workplace and kept on working. She feared that the chemicals and other

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<sup>3</sup> From the choices given in the questionnaire.

<sup>4</sup> Certain respondents may have given two answers about the source of borrowings. 7 persons stated going to the local moneylender, 4 to their neighbors, 1 to the bank, and 1 to a credit society.

materials used in the process of manufacturing the goods would create unhealthy and bad smells which could affect the child.

### 3.3.3 SHELTER

The housing conditions of the workers seemed strong. A 56% majority of the houses had *pukka* walls. Most of the respondents i.e. 73% lived under tiled or cemented roofs. In the survey 91% were living in homes that were owned by the family themselves.

**Table 11: Household Infrastructure (in percentage)**

	Handmade Nepali paper
Family/Own house	91
Pukka walls	56
Tiled or cement roof	73
Average no. of rooms	5
Tap in household	26
Toilet in household	91
Electricity	100

#### **Water, Sanitation and Electricity**

Only 26 % had taps at home. 41 % (14) of the sample had access to a communal tap. 20 % (7) used a well and 12 % (4) used a tube well. 91 % (31) had toilets in their own households and only 2 used open areas. Each respondent had an electricity connection at home.

#### **Space Adequacy**

The average household size is large in the sample with 5 rooms per household. However, FGDs did bring up space problems in relation to the need for space due to the volume of work increasing. These comments might suggest the trend of this kind of work becoming more formal and in factory units or areas outside the homes.

Mrs. Usha Tamrakar said that her house was too small for her paper work. So, she had been working in a rented room near by her house but there was neither a toilet nor proper light. She also added that due to lack of sufficient place she couldn't work well and the work provider deducted her wages.

### **3.3.4 HEALTH**

**Health problems, while prevalent are less chronic and the workers have good access to treatment.**

35% of the sample (12) stated that they had been ill in the past two months. In this group, only one respondent had not sought treatment. The remaining 11 predominantly went to the government hospital, while 2 also consulted home remedies.

29% (10) of the sample said they had suffered illnesses which lasted for more than two weeks in the past two years. Each of these respondents had sought treatment. Again a majority of 70% (7) of the group went to seek treatment at government facilities, while 30% (3) consulted home remedies and homeopathy.

12% of the sample faced chronic health problems or disabilities. Each of them had sought government hospital care and treatment.

- **Occupational Health and Safety**

FGD participants were well aware about the possible hazards of paper work. Many advised each other to globe and mask while using chemicals. Mr. Ram Tuladhar, from Kalimati said that he had headaches and backbone pains because of which he could not work efficiently. Mrs. Suman Tamrakar shared similar types of problems. She also added that there was some infection in her hands. Ms. Jaya Mahajan, a 26 years old woman had been working on handmade paper craft for last 4 years. She expressed a similar complaint about an infection from chemicals in her both hands.

#### 4. Social Protection Priorities

- **Awareness and Participation**

The FGD participants claimed that, while many government schemes did exist, they were not beneficiaries. 85% (29) were aware of schemes for their benefit. However, 62% (21) of the sample were not members or beneficiaries of such schemes. None were aware of any organization specially working for HBWs. Hence, none were members. Only one member talked about being part of an effort to form a union of workers.

- **Identified Problems and Needs**

*Political Tensions*

Due to the pressure of Maoists about 45 Handmade Paper Production Plants had already been closed down through out the country. The owners had to contribute financially to Maoists and only then they were allowed to operate the production plants. This was a frequently cited problem.

**Table 12: Work Related Problems**

Problems	Nepal Handpaper
UNEMPLOYMENT (Mean number of months without work)	1
PAYMENT(Percentage reporting problems in receiving payments )	44
RAW MATERIALS (Percentage reporting problems in acquiring raw materials)	62
LACK OF SPACE(Percentage reporting problems in space adequacy)	18



The key problem emerges to be dealing with raw materials, with 62% claiming so. 44% stated that they faced problems while receiving payments. Only 18% complained about the lack of space. These workers face an one month of unemployment in a year.

- **Priorities**

The most significant needs that were identified by the sample respondents emphasize the need for **more work** (19 responses) and to ensure workers had **access to market information** (18 responses). This was followed by the need for loans, timely payment, skill training and health care centers (5 responses each).

An advance level of product designing training was also required, as per the FGD participants. At the time of chemical use, simple and sometimes serious accidents may also take place. To mitigate such incidents, awareness classes for the precaution is required focusing on such semi-skilled workers.

Mr. Raj Shrestha, 24 years old man said that he is a new in handmade paper. He started handmade paper work some 6 months ago. He wants to learn new designs in handmade paper but he doesn't know where to go.

Specific skill training was also identified as a major need for rural unskilled and semi-skilled workers who were involved in the pre-production stage.

**Key Findings:**

- A majority i.e. 76 % was self employed and others were piece rate workers. None described themselves as casual or unpaid family labour.
- The earnings of the women HBWs engaged in this sector are larger than those in most sectors surveyed in Nepal. This is concomitant to the growing nature of the sector. Average income the workers in the sample received per month from this sector was Rs 1690 per month in the peak season. This constitutes a significant

30% of the average per capita income of Nepal. In the lean season the earnings of these workers are pegged at Rs. 915 per month; 16% of the average per capita income.

- The most significant needs that were identified by the sample respondents emphasize the need for more work and to ensure workers had access to market information. This was followed by the need for loans, timely payment, skill training and health care centers.
- The key problem emerges to be dealing with raw materials, with 62% claiming so. A key problem identified was the sheer unavailability of raw materials. This was highlighted by 42% of the sample. The *lokhta* collectors are compelled to pay local taxes to local government office (District Forest Office) and to representatives of Maoist Rebels for procuring this basic raw material for paper production.
- Location in heart of Kathmandu valley, an area which is the hub of economic activity assists the earnings and employment for workers. For the past two years, a majority of 50 % said work had increased, while 21 % it had decreased. The remaining 29 % (10) say work availability is the same.
- Despite the increasing tensions due to political conflict, the past growth in the industry is reflected in the increase in earnings shared by 47% of the sample.

### **Recommendations**

- **The handmade paper sector provides a case study of how workers proximate to the hub of economic activity in a nation can benefit in their work. Further, government initiative through training and enterprise assistance alongside an expanding market has led to the tremendous improvement in their livelihoods.**
- **However, the sector is seeing future uncertainty due to political pressures and this situation highlights how insecurity for workers is a byproduct of the political environment also.**

**CHAPTER 10: RISKS & VULNERABILITIES faced by WOMEN HBWs in  
the  
SRI LANKAN SECTORS**

**1. BACKGROUND & CONTEXT**

This chapter looks at some other sectors that were taken up of study in Sri Lanka. These are coir yarn makers, coir mat makers, reed and cane product makers and batik and jewellery makers. In the coir yarn, mat making and reed sectors, workers are mostly women.

**1.1 Coir yarn**

Sri Lanka and India together account for about 90 percent of global coir fibre production globally. Historically, Sri Lanka had been the world's largest exporter of various fibre grades. In view of the relatively small size of its domestic market, the production of coir fibre and products in Sri Lanka are almost exclusively driven by external demand. Sri Lanka's coir industry in recent years has have been helped by the emergence of China as a principal buyer of Sri Lankan coir fiber for use in its domestic mattress market, the demand from German automotive manufacturers for twisted fiber for use in high-end car seats and coir-based erosion control products (geotextiles) and high-end twine used in horticulture in North America and Japan.<sup>1</sup> Coir related exports in Sri Lanka account for 6% of agricultural exports, over 1% of all exports and 0.35% of the GDP.<sup>2</sup> According to the statistics available from the Coconut Development Authority, coir exports were US\$ 55.8 million in 2003. Of this semi –processed products such as twisted yarn, yarn and twine accounted for 15 percent of the exports and amounting to US\$ 8.4 million.<sup>3</sup>

Coir milling and value addition, mostly spinning and weaving, are important regional employers in coastal Sri Lanka, providing employment to women working part-time.<sup>4</sup>

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<sup>1</sup> <http://www.competitiveness.lk/coir.htm>

<sup>2</sup> <http://coirboard.nic.in/coirtrade.htm>

<sup>3</sup> <http://www.competitiveness.lk/coir.htm>

<sup>4</sup> <http://coirboard.nic.in/coirtrade.htm>

It is estimated that the Sri Lankan coir industry provides at least part-time employment to 40,000 persons. At the beginning of the value chain are approximately 300 fibers millers (with usually less than 10 employees) and an estimated 500 suppliers of coir pith, or dust. Products which are technically more demanding or better suited for mass production, such as high-end twine, brushes, rubberized coir and erosion control blankets are predominantly produced in larger facilities, employing more than 20 persons.<sup>5</sup>

There are two types of coir yarn, the traditional white fibre which is hand made (which is more expensive) and the mill made brown fibre. Traditionally coir fibre is obtained by retting (soaking) green coconut husks the traditional method of obtaining the fibre is by soaking the green husks in water for a period of six to nine months. Husks that are retted in brackish water yield a whiter fibre than what is retted in fresh water in the inlands. The husks are then taken out and are pounded with a mallet on a log of wood to separate the fibre from the decayed cellular tissues of the husk. The fibre that is extracted is washed, cleaned of impurities, and dried in the shade. This fibre is then spun into a yarn. In the age-old method, the spinning was done by hand by arranging the coir into a loose roving (rolling coir in a loose fashion) and by twisting between the palms of the hand. In contemporary times, a portable twisting machine has been introduced which is much faster and less tedious, however hand-twisted yarn is superior to that obtained from the machine.<sup>6</sup>

## **1.2 Coir mats**

In 2003, exports of floor covering comprising mats, rugs and matting for 11 percent of the total coir exports amounting to US\$ 6.4 million.<sup>7</sup> This craft is found mostly along the western coast of Sri Lanka as the raw material supplies are abundant and available at reasonable prices. In this sector too, most of the workers are women. These products are made of coir yarn that is boiled with dyes and dried. Many strands of this yarn are twisted to form a rope of sufficient length to assemble an ornamental mat. The design of the mat

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<sup>5</sup> <http://www.competitiveness.lk/coir.htm>

<sup>6</sup> <http://www.craftrevival.org/SouthAsia/Srilanka/Crafts/Rush1.htm>

<sup>7</sup> <http://www.competitiveness.lk/coir.htm>

is drawn on a board with the proportions 5'x5'. The weaver sits on the board and then lays the rope winding it from the perimeter inwards to cover the entire area of the design. As the rope is wound it is nailed to the board to keep it in place. Once the rope has been fully laid it is sewn together firmly using coir yarn; after this the nails are removed and the finished article is taken off the board.<sup>8</sup>

### **1.3 Batik**

Artistic and well-made quality batiks are in high demand by both the locals and the tourists. Most of the artisans involved in the batik craft are women. The craft provides ample opportunities of employment and is a steady source of foreign exchange for the country. Earlier, batik products such as saris, sheets, and sarongs had traditional motifs on them. Striking coloured tones were conveyed by the use of imported chemical dyes (as against locally obtained natural, organic dyes). Some of the designs chosen were from Jataka stories and folklore; these are now mainly found in the curtains, furnishing materials, bedspreads, and cushion covers. In recent times products such as maxis, midis, mini dresses, *kurtas*, kaftans, and ponchos are being made in batik textiles. Elaborate wall-hangings made in batik are in demand by the local commercial establishments. In a contemporary context, the batik craft is being used in a wide range of products, including greeting cards and book covers.<sup>9</sup>

### **1.4 Reed and cane**

Bamboo and cane, or rattan, are considered as non-timber forest products. Few non-timber forest products enter the foreign market, with the exception of handicrafts made from bamboo and rattan. Bamboo and rattan goods earned Rs2.5 million in 1986. This sector employs an estimated 3,000 people full time. Additional part-time workers are often seasonally employed. The most common production unit is home-based. There is an estimated surplus of 900 trained workers in the craft industry based on bamboo and rattan.<sup>10</sup> This work is mainly confined to certain social-groups and is predominantly

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<sup>8</sup> <http://www.craftrevival.org/SouthAsia/Srilanka/Crafts/Rush1.htm>

<sup>9</sup> <http://www.craftrevival.org/SouthAsia/SriLanka/SriLanka.htm>

<sup>10</sup> [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/docrep/X5334E/x5334e0a.htm](http://www.fao.org/documents/show_cdr.asp?url_file=/docrep/X5334E/x5334e0a.htm)

practised by women though at times entire families may be engaged in this craft as a means of procuring a livelihood. Cane artisans are found in the southern and western parts of the country close to the source of the raw materials.<sup>11</sup> Most of the products are made for the local market.<sup>12</sup> The reeds grow in abundance along the banks of rivers and streams in nearly every part of the island.

Products made from bamboo and rattan are a source of income for poor artisans who have been engaged in this craft for centuries. Products include boxes for storing paddy, linen baskets, winnowing fans, food covers, strainers, betel-leaf baskets, tea-plucking baskets, fruit and vegetable baskets, wall plaques, lamp-shades, lamp-stands, vases, letter racks, letter openers, calendars, table mats, trays, spice jars, jewellery boxes, and fancy toys and furniture. Making rattan furniture is a highly labour-intensive activity and entails extremely skilled craftsmanship.<sup>13</sup>

Two of the greatest problems faced by workers is the dominance of the middlemen and depletion of raw materials. Middlemen thrive due to problems of shortages of raw materials, transport problems, lack of capital, and limited access to credit and marketing. The middlemen buy the products on a commission basis and this creates payment problems for the workers. The constant depletion of raw material resources poses a threat to the workers' source of income for which government intervention is necessary to ensure that there are enough bamboo and rattan plantations to supply adequate quantities of raw material at reasonable rates. The Forest Department has initiated programmes for the propagation of bamboo and rattan in which seedlings are distributed for planting in various reserved areas, however, the artisans are not involved in these projects.<sup>14</sup>

## **2. METHODOLOGY OF PRESENT STUDY**

### **2.1 Context Note: Location of the Study**

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<sup>11</sup> <http://www.craftrevival.org/SouthAsia/SriLanka/Crafts/Bamboo1.htm>

<sup>12</sup> <http://www.craftrevival.org/SouthAsia/SriLanka/SriLanka.htm>

<sup>13</sup> <http://www.craftrevival.org/SouthAsia/SriLanka/Crafts/Bamboo1.htm>

<sup>14</sup> <http://www.craftrevival.org/SouthAsia/SriLanka/Crafts/Bamboo1.htm>

All the FGDs and interviews and the survey with home based workers in the coir yarn, mat making and reed and cane sectors were held in Galle district which was badly destroyed by the tsunami in December 2004. One FGD and nine interviews with workers were held with those making coir yarn. Two FGDs were held with workers in the mat-making sector. Two FGD and one interview with reed and cane workers was conducted.

**Table: Respondents profile by sector**

Area	Coir yarn	Mat-making	Reed	Jewellery	Batik
Urban	3	0	0	0	0
Peri-urban	56	68	73	0	43
Rural	41	32	27	100	57

Most of the respondents in the survey were based in either the rural or peri-urban areas. A bare three percent of coir yarn makers were in a urban area.

### **3. MAIN FINDINGS of PRESENT STUDY**

#### **3.1 DEMOGRAPHIC AND CONTEXT PROFILE**

Over 90 percent of the respondents are female in coir yarn and mat making sectors. In the survey, 82 percent in the reed sector, 67 percent in jewellery making and 43 percent of the batik makers are female. All the respondents are over 18 years of age. Most of the respondents in every sector either are currently married or have been married. Seventy-eight percent of coir yarn makers, 36 percent of mat makers, all of the reed workers, 77 percent of jewellery makers and 65 percent of batik makers reported living in a nuclear family.

**Table: Demographic profile of respondents (in percentage)**

	Coir Yarn	Mat-making	Reed	Jewellery	Batik
Females	92	96	82	67	43
18&above	100	100	100	100	100

Ever married	79	100	91	96	100
Nuclear family	78	36	100	77	65
Illiterate	5	0	0	15	19

## Education

**Table: Education Profile (in percentage)**

Education level	Coir Yarn	Mat-making	Reed	Jewellery	Batik
Illiterate	5	0	0	15	19
No schooling but can read & write	1	0	0	0	0
Primary	30	20	18.2	41	38
Middle	48	40	36.5	44	38
Secondary	16	40	36.5	0	5
Graduate and above	0	0	9	0	0
Total	100	100	100	100	100

The majority of home based in the various sectors have had middle or secondary level schooling, unlike home based workers in other countries of South-Asia. This is essentially a reflection of the higher level of literacy in Sri Lanka as compared to other countries in South Asia. Five percent of the workers in the coir yarn making sector, 15 percent of jewellery makers and 19 percent of batik makers are illiterate.

The level of literacy and schooling of the home based women workers in the coir sector is relatively low in comparison with other sectors. Many had not received any formal education. The majority had completed only primary education while a few could not read and write well. For those who did not have any formal education, the only possible and easiest way of earning was to join the coir industry.



Nearly all workers in the mat making sector were literate having studied at least until Grade V. Two had studied up to GCE (Advance Level). One of the participants said that though she had completed ordinary level education, she could not find any recognized occupation due to social circumstances and therefore started making mats.

In the reed sector, the literacy levels of workers in FGDs was very varied. A few were illiterate while most have had at least primary education. Five people have studies up to GCE (OL) stage and one up to GCE (A/L) but could not proceed further.

### Activity Status

**Table: Status of employment, number of persons reporting by sector in Sri Lanka**

Labour status	Sectors				
	Coir Yarn	Mat making	Reed	Jewellery	Batik
Piece rate	87	68	36	61	33
Self-employed	7	32	54	18	57
Unpaid family labour	6	0	10	21	5
Casual labour	0	0	0	0	5
Other	0	0	0	0	0
Total	100	100	100	100	100

Most workers in the coir yarn (87%), mat-making (68%) and jewellery industry (61%) work on a piece rate basis while the majority in reed (55%) and batik sectors (57%) are self-employed. A substantial percentage (21%) in the jewellery industry reported working unpaid family labour.

Workers in the mat-making sector are paid on a piece-rate basis for their finished products. One participant also had other women working for her. The majority of men and women found employment in the reed and cane sector as their elders were also

similarly employed, while others have had formal training in reed work. Most of the women spend three to four hours a day making these goods, mostly at night. However a few spend seven to eight hours a day and often with daughters to help them. However there is no demand in line with time spent. They make bags, purses, mats tablemats, wall hangings etc.

All the home based workers in the coir yarn and mat-making sector were either the main or sole earners in the family or their income was essential for survival. Some participants said that their husbands' had retired and the pension was insufficient, while others said that their husbands' income was not sufficient to meet the cost of living. For many women who did not have formal education, this is the only way for earning an income. For instance Jaya who makes yarn said, *“Earlier we depended on my husband’s earnings but due to an accident one of his hands are been paralyzed and he is unable to work anymore and we have got three children to feed. Since I did not have any formal education, the easiest way of earning an income was getting involved with the coir industry which can be done within the house and I can attend to household activities as well.”* A few of the women in the mat-making sector made yarn in addition to making mats.

### 3.2 Economic Insecurities

#### 3.2.1 INCOME

- **Income Levels**

**Table: Average earnings, peak and lean period and percentage of per capita income**

Country: Sri Lanka

	Coir Yarn	Mat making	Reed	Jewellery	Batik
Peak	US\$ 23 (6%)	US\$ 27.00 (7%)	US\$ 24 (7%)	NA	US\$ 58 (16%)
Lean	US\$ 13 (4%)	US\$ 14 (4%)	US\$ 12 (3%)	NA	US\$ 39 (11%)

*Note: GDP of Sri Lanka is US\$ 4300 (World Bank, 2005)*

The reported earnings were highest for batik makers during peak period (US\$58) as well as lean period (US\$ 39). The lowest earnings during peak period were reported by Coir yarn makers (US\$ 23) and the lowest during lean period by reed workers (US\$ 12). The data shows that during peak period batik workers earn 16% of the GDP while coir yarn workers earn only 6%. During lean periods batik workers earn substantially more than the peak time earnings of workers in the other sectors.

Coir yarn sells for between Rs 27 and Rs. 31 a kilogram in the study locations. After seven hours of work in a day about 20 kg of yarn can be made. Three people work together on a spinning machine. After six hours of work one can earn Rs.120. Participants mentioned that 1.25 kg of coir fibre produces 1 kg yarn. They buy mill fibre at Rs.16 — 18 per kilogram. Those who buy fibre from community organizations affiliated to Siyath buy the fibre for Rs.16 per kilogram and sell it back to the collecting centre every fortnight for Rs.30 per kilogram. They can save about 25—50 cents from each skein as personal savings, which may be used as a bonus at New Year Time. Those buying from other vendors buy fibre for Rs.17.50 and sell coir yarn to the same vendor. Yarn from hand beaten husks fetches better price than yarn from mill made fibre. Most workers said that they were earning satisfactorily before the tsunami struck. One person said that she sells a bundle of ropes measuring two metres for Rs.180. The weekly income is between Rs.200 and Rs.300. Workers were hopeful of increasing their earnings, since there is a demand for coir products in the market. The yarn making machine costs between Rs.2000 – 2500 and if taken on rent, workers pay Rs.1200. Coir workers said that their earning had been affected by the tsunami. Many workers lost their entire produce, raw materials and implements in the tsunami as a result of which they had to start from scratch. Most had started making coir yarn again with help from Siyath Foundation. The fibre and coir machines have been provided by Siyath Foundation and many women make ropes with other team mates within the relief camps where they are residing presently. Workers said that after one whole year their production process has stabilised and earnings are increasing.

Payment to mat makers is made after each mat is completed. In some instances, payment is delayed. Participants said that earlier mats were sold to traders or directly in the market and bargaining reduced the price of mats. Now women sell collectively and this has increased the prices at which mats are sold. Raw material for mat making in the study locations is supplied through village societies. The cost of a bundle of coir is around Rs.55 and Rs.20 spent on buying dyes. These mats are sold through Siyath Foundation which pays at a rate of Rs.150 per one kilogram of mats. Articles used are yarn, dye, firewood, utensils and board, hammer, needle, and scissors. Quantity of raw material depends on size of mat made. The size decides the quantity of mats that can be made and the selling price. Selling through Siyath is profitable since the organisation is an exporter and gives them a fair price. Some workers reported a profit of 75 percent on the price of raw materials when mats are sold through Siyath. Depending on the amount of production workers reported earning between Rs.2,500-6000. The cost per unit is Rs.100 on an average. Workers said that they are able to sell the item for Rs300 thus making a profit of Rs.200. Workers making mats also reported a gradual increase in their earnings. They said that their earnings had increased ever since they started selling to Siyath. However the tsunami has adversely affected their earnings due to a fall in demand for coir products. The workers said they produce mats for outsiders only when there is no Siyath order, but Siyath has orders all year round. They said firmly that even if their normal daily quota of work is delayed by other work, they catch up through making at night.

Among cane and reed weavers, the average earnings range from Rs.1000 to Rs.2000. This is not enough for even living at the subsistence level. However this is dependent on the demands for the goods. During festivals and exhibitions they may earn Rs.3,500 per month. The workers reported earning about Rs.450 by weaving one chair. The price changes with the size of chair. The prices of ornamental cane goods range from Rs. 150 to Rs. 3000 which depends on the amount of raw material and time spent. The various products made out of reed such as bags, sleeping mats, file covers, table mats are been sold in the production display centres of Siyath and public markets. Workers reported that there has not been a significant change in the patterns of earning where for several years

the profit has been the same. There is a good demand for products of cane and reeds from tourists. The goods are sold at different prices depending on size of article, time taken for production, current demand and price of raw material.

### 3.2.2 WORK

#### Work History

- Period of work

**Table: Age at starting work in this sector (in percentage) by sector in Sri Lanka**

Age	Sectors				
	Coir Yarn	Mat making	Reed	Jewellery	Batik
15 & below	22	9	9	11	5
16-25	24	52	27	44	29
26-35	28	13	45	41	52
36 and above	25	26	18	4	14
Total	100	100	100	100	100

In the survey, the age of starting work in the different sectors in Sri Lanka is varied. In the coir yarn sector, people started work at various ages. In the mat-making sector, 52 percent of the workers started this work between 16 and 25 years of age and 26 percent after the age of 26. Most of the reed and cane workers started working after the age of 26, 45 percent between 26 and 35 and 18 percent after 36 years. Twenty-seven percent in the reed industry started working between 16 and 25 years of age. In the jewellery industry, 44 percent started between 16 and 25 years and 41 percent between 26 and 35 years of age. Among Batik makers, 52 percent started this work between 26 and 35 years of age.

Some coir yarn workers had been working in this sector for some years before the tsunami. A few started making coir yarn after the tsunami as a temporary income generating activity with the support of Siyath Foundation, but now want to make it a regular income earning activity.

- **Training and Learning**

**Table: Where did you learn this work, number of persons reporting by sector in Sri Lanka?**

	Sectors				
	Coir Yarn	Mat making	Reed	Jewellery	Batik
Natal family	59	13	45	48	33
Marital family	15	9	9	7	19
Training	14	52	36	33	38
Friends	3	13	0	0	5
At work	8	9	9	11	5
Other	1	4	0	0	0
Total	100	100	100	100	100

In the survey, the family, (natal and marital) and training were the main sources of learning the work. Among coir yarn makers 59 percent learn it in their natal family and 15 percent from their marital family, in the reed sector 45 percent learnt in the natal family and nine percent in the marital family, and among jewellery makers 48 percent learnt it from their natal family and seven percent from their marital. Thirty-three percent of batik workers learnt it from the natal family and 19 percent in the marital family. In the mat-making sector, the majority – 52 percent – received training for this skill. Thirty-eight percent of batik makers, 36 percent of reed workers and 33 percent of jewellery makers learnt the skills in training programmes.

In discussions coir yarn makers said that they had learnt yarn making from their elders. Some had started only after the tsunami with the help of Siyath Foundation. They obtained fibre by beating retted husks. Now mill manufactured fibre is being used. This fibre is not as strong as hand beaten husk fibre. Women in the mat-making sector had learnt the skills from various sources. One participant received training from the Small Industries Department and she in turn trained other women. Siyath Foundation also trained some women while some learnt mat-making from family members.

- **Working Hours**

**Table: Average number of hours of work**

Country: Sri Lanka

	Coir Yarn	Mat making	Reed	Jewellery	Batik
Peak	5.1	6.6	6.7	5.6	5.6
Lean	2.4	2	3.4	3.5	3.8

During peak periods, the average number of working hours was found to be five among coir yarn makers, over six and a half for mat makers and reed workers, and five and a half for jewellery and batik makers. The average lean period working hours were two for mat makers, nearly two and a half for coir yarn makers, and around three and a half for reed, jewellery and batik makers

- **Seasonality and Work Fluctuation**

**Table: Number of months of work in Sri Lanka**

Period	Sectors				
	Coir Yarn	Mat making	Reed	Jewellery	Batik
Peak	9.43	9.40	7.54	12	12
Lean	2.53	2.56	3.81	-	-

In the jewellery and batik makers reported that they not have problems of irregular work. Work is available in these sectors through out the year. In the coir yarn and mat-making sectors work is available for nine and a half months while for reed workers, peak period work is available for seven and a half months on an average.

**Table: Changes in availability of work, number of persons reporting by sector in Sri Lanka**

Change	Sectors				
	Coir Yarn	Mat making	Reed	Jewellery	Batik
Increased	30	12	36	11	5
Decreased	19	24	18	15	14
Remained the same	42	64	45	59	62
Don't know	9	0	0	15	19
Total	100	100	100	100	100

In the survey, the majority of workers in all sectors reported that the availability of work had remained the same in the last two years. Forty –two percent of coir yarn makers, 64 percent mat makers, 46 percent of reed workers, 59 percent of jewellery makers and 62 percent batik makers reported no change in the availability of work. Thirty percent of coir yarn makers and 36 percent of reed workers reported an increase in availability of work, while 24 percent mat makers said that work had decreased. Among jewellery and batik makers, a large percentage of workers said that work had decreased rather than increased.

In FGDs coir workers said that they work all twelve months of the year. Workers reported spending between six to nine hours in the production of coir yarn. A few work as a team for eight to nine hours on a shift basis. Workers said that working on a shift basis helps them to minimize illnesses. Mat makers said work for all the year round, but in April and May, which are months of festivals, the production decreases. In November and December because of the tourists season sales go up. They work for a minimum of two and a half hours to a maximum of six hours on mat making, in addition to their normal house work.

### **3.3 Social Insecurities**

#### **3.3.1 CRISIS AND CREDIT**

**Table: Major non-routine expenditure in last two years: in percentage\***



	Coir Yarn	Mat making	Reed	Jewellery	Batik
Medical	55	52	46	26	38
Social expenditure	21	20	27	7	29
Residence Maintenance	9	8	18	7	29
Machines, tools, implements	0	8	0	11	4
Consumer durables	13	12	0	45	0
Other	2	0	9	4	0
Total	100	100	100	100	100

*\* Percentages based on the number of responses*

*Note: Social expenditure refers to marriage + other rituals + death*

In the survey the largest percentage of home based workers in all sectors except jewellery making reported that they had spent on medical needs apart from the routine everyday expenditure. Social expenditure ranked second as a reason for expenditure in all sectors except jewellery making.

**Table: Borrowing from whom: in percentage\***

	Coir Yarn	Mat making	Reed	Jewellery	Batik
Bank	16	27	14	25	0
Money lender	12	64	43	0	25
Neighbours	16	9	0	25	0
Relatives	8	0	29	25	25
Credit society	0	0	14	25	50

NGO	32	0	0	0	0
Contractor/middleman		0	0	0	0
Employer		0	0	0	0
Landlord		0	0	0	0
Shopkeeper	4	0	0	0	0
Other	12	0	0	0	0
Total	100	100	100	100	100

*\* Percentages based on the number of responses*

Like the rest of South Asia As home based workers in Sri Lanka also reported borrowing from informal resources more than formal institutions. Borrowing from non-formal institutions such as NGOs and credit societies was an important source for borrowing for many workers. This could also be due to the location where the survey was conducted. The largest percentage of coir yarn workers reported borrowing from NGO (32%). It should be noted that Siyath Foundation has been working in the area for a number of years. For mat makers (64%) and reed workers (43%), the money lender was the most used source for borrowing and credit society was mentioned by half of the batik workers who had borrowed.

In the study locations, mat makers are affiliated with Siyath which has been providing credit to workers. Yarn can be taken on credit from Siyath stores and when the mats are being paid for these loans re deducted.

#### **Coping strategy used in times of crisis by country in percentage\***

	Coir Yarn	Mat making	Reed	Jewellery	Batik
Borrowed money	41	67	60	92	50
Worked as bonded	2	0	0	0	0

labour					
Withdrew children from school	2	22	0	0	0
Sold ornaments	14	0	0	0	0
Sold implements	0	0	0	0	0
Sold house	2	0	0	0	0
Reduced food	0	0	0	0	0
Sold assets	0	0	0	0	0
Other	39	11	40	8	50
Total	100	100	100	100	100

*\* Percentages based on the number of responses*

In all sectors the largest percentage of home based workers reported that in times of crisis, they borrowed money – coir yarn (41%), mat making (67%), reed workers (60%), jewellery makers (92%) and batik makers (50%).

- **Savings**

**Table: What is done with savings?**

	Coir Yarn	Mat making	Reed	Jewellery	Batik
Buy ornaments	16	17	15.4 (2)	()	12.8 (5)
Bank	16	25 (6)	15.4 (2)	30.3 (20)	7.7 (3)
Post office	13	0	()	4.5 (3)	10.2 (4)
Pay off loan	14	25 (6)	23 (3)	18.1 (12)	43.6 (17)
Give credit	14	4.2 (1)	()	22.7 (15)	()

Keep it in house	8	8.3 (2)	7.7 (1)	10.6 (7)	(0)
Consumer durables	5	8.3 (2)	23 (3)	10.6 (7)	25.6 (10)
Other	14	12.5 (3)	15.4 (2)	3 (2)	(0)
Total	100	(24)	(13)	(66)	(39)

Most home based workers in the mat making, reed and batik sectors reported using savings to repay loans. Most of the coir yarn workers (16%) in the survey said that they utilise their savings to buy ornaments or keep them in the bank. Savings were used to repay loans or kept in bank by 25 percent of mat makers. Twenty-three percent of reed workers reported repaying loans or buying consumer durables with their savings and 40 percent of jewellery makers kept savings in the bank. In the batik sector most workers – 44 percent – used their savings to repay loans.

Many coir yarn workers said that they did not earn enough to be able to save or contribute to a savings scheme regularly. Most of the earnings were spent on fulfilling family needs or repaying loans which they had taken for buying raw materials. Some women were hopeful that gradually their profits from coir yarn production would increase and they would be able to save their earnings. One of workers who had contributed to the farms' pension fund currently is receiving a monthly pension now.

In the mat-making sector many women reported that all of the earnings are spent on the family and there is nothing to save. Most is spent on sudden illness, daily expenses and alcohol for the husband. Women said that they were concerned about the lack of money for children's education.

There are variations in savings patterns in the reed and cane workers' group. Some reported that since they did not have enough even for daily needs, they could not think of savings. Others said that after sale of their products and their loans are repaid, they buy jewellery and household equipment. If there is any remainder they put the money in the bank.

### 3.3.2 SHELTER

**Table: Household infrastructure by sector**

	Sectors				
	Coir Yarn	Mat making	Reed	Jewellery	Batik
Family/Own house	85	64	91	78	67
Pukka walls	66	52	73	63	57
Tiled or cement roof	67	64	27	55	67
Average no. of rooms	4.1	4	2.5	3.6	3.5
Land ownership	15	20	0	15	14
Tap in household	24	24	9	18	19
Toilet in household	84	88	82	93	95
Electricity	90	80	91	67	81

The majority of respondents in all the sectors own their homes. Here ownership refers to the fact that they are not paying rent. It does not pertain to whether the housing is authorized or whether the respondents are living in temporary housing due to the tsunami. Respondents in the reed sector reported the least average number of rooms in the house – 2.5 rooms. In other sectors, the average number of rooms was around four in coir yarn and mat making and three and a half for jewellery and batik makers. Sixty-six percent of the coir yarn makers, 52 percent of mat makers, 73 percent of reed workers, 63 percent of jewellery makers and 57 percent of batik makers had houses with *pukka* walls. Except for reed workers (27%), the majority of coir yarn makers (67%), mat makers (64%), jewellery maker (55%) and batik makers (67%) had tiled or cement roofs. A minority of

respondents reported having a tap in the household, while the large majority had a toilet and electricity connection. Only 15 to 20 percent of respondents in any of the sectors owned arable land, while none of the reed workers owned any land.

A few of the coir yarn workers who participated owned ‘good’ houses while most lived in thatched houses or dwellings made of zinc sheets. The area where the study had been conducted had been badly affected by the tsunami. A few of the participants had lost their homes in the disaster and were still living in temporary shelters or camps.

In the mat-making sector, before the tsunami workers said that their houses had water, sanitary facilities and electricity. After tsunami their water supply has been somewhat disrupted. It is gradually returning to pre-tsunami condition. Almost all of them live in brick houses with tile roofs. One participant’s house was completely destroyed and she was living in a relief camp.

Reed workers have houses (around 50%) with walls made of wattle and daub walls and roofs are covered with zinc / asbestos sheets. Although the other houses are liveable, their sizes are very small.

### 3.3.3 HEALTH

**Table: Sources of treatment**

Source	Coir Yarn	Mat-making	Reed	Jewellery	Batik
Private	18.75 (6)	27.3 (3)	50 (1)	30.76 (4)	50 (2)
Government	59.4 (19)	54.5 (6)	0	7.69 (1)	25 (1)
Pharmacist	3.1 (1)	18.1 (2)	0	46.15 (6)	0
Self medication	12.5 (4)	0	0	15.38 (2)	0
Home remedies	3.1 (1)	0	50 (1)	0	25 (1)
Hakim/Vaid	3.1 (1)	0	0	0	0
Jhad/phook	0	0	0	0	0

Total	(32)	(11)	(2)	(13)	(4)
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*\* Percentages based on the number of responses*

The source for treatment in case of illness evoked varied responses. The majority of coir yarn makers (59%) and mat makers (54%) reported using government health facilities for treatment in times of illness, while in the reed sector use of private health facilities and home remedies were reported. In the jewellery sector most respondents reported going to the pharmacist (46%) or going to a private health provider (31%). Among batik makers, the majority reported going to private health facilities for treatment.

Coir yarn workers said that they used and trusted traditional cheap medicines. For dire illnesses they go to government hospitals. As coir yarn making involves standing and walking in the sun for many hours, most workers suffer from body pains, leg pains and headaches. As yarn is made by rolling it between the palms, their palms were calloused red and had cuts. The dust of the coir was also causing breathing problems in many workers.

For making mats, women have to sit in a crouched position on the floor. Due to this, they have leg and back pain. As they have to use hammer and nails, injuries to the hand are frequent. They usually go to government hospital for treatment, but rarely to private dispensaries.

Reed workers said that as a result of their work, their hands re calloused, fingers are bent and feet suffer from various ailments. Some reported having problems in moving their fingers. They treat these with common remedies and in extreme circumstances, go to government clinics or hospitals. Because of their work some have weak eyes, arthritis etc.

#### **4. Social Protection Priorities**

- **Awareness and Participation**

**Table: Membership of social protection schemes: in percentage\***

	Coir Yarn	Mat making	Reed	Jewellery	Batik
Whether member	80.6 (50) (D=62)	44 (11) (D=25)	72.7 (8) (D=11)	81.5 (22) (D=27)	100 (21) (D=21)

*\* Percentages based on the number of responses*

In the survey, except in the case of mat makers (44%), the majority of workers in other sectors – 81 percent in coir yarn, 73 percent in reed, 81 percent in jewellery and 100 percent in batik – had membership of some social protection scheme.

In the aftermath of the tsunami, a large number of participants expressed the need to join life insurance schemes and also insure their business. Many older workers did not have any old age social security or even any savings that could be used in an emergency as they were unable to save much. Many of those who did have savings in banks, used them to overcome the financial difficulties after the tsunami. Some of those who already are members of insurance schemes, expressed difficulties in paying installments. The popular insurance schemes mentioned were Sarvodaya, Ceylinco Gramin Credit Company Ltd and Arthacharya. Many of those affected by the tsunami were unable to save and expressed need for credit which could help them in increasing their productivity which they could continue with even after they left the relief camps.

Some workers in the mat-making sector who are associated with Siyath reported that they save in the Sanasa Bank, others in Fishermen's and Samurdhi Societies. A couple of workers had started insurance policies with the Sri Lanka Insurance Corporation. However due to delay in annual payments their contributions have lapsed. They do not want any more insurance but wanted to save and had therefore requested Siyath to hold back a portion of their money due to them each time and give them as a saving later.

In discussions with reed and cane workers, though a few knew of insurance no one had been able to subscribe to any scheme.



- **Identified Problems and Needs**

**Table: Work related problems**

Sector of home based work	Months without work: Mean no. of months	Percentage reporting problems in receiving payments	Percentage reporting problems in acquiring raw materials	Percentage reporting problems of lack of space for materials & goods
Coir yarn	4.25	48	69	24
Mat making	2	36	60	23
Reed	3.6	18	54	27
Jewellery	4.25	70	100	26
Batik	0	76	62	24

**Table: Problems in acquiring raw materials in percentage, by sector in Sri Lanka**

Problem	Sectors				
	Coir Yarn	Mat making	Reed	Jewellery	Batik
Insufficient funds	25	17	25	14	0
Unavailability	12.5	32	25	43	0
Lack of credit	12.5	17	25	14	0
High interest rate	12.5	17	0	0	0
Increased price	37.5	17	0	29	0
Other	0	0	25	0	0
Total	100	100	100	100	0

Home based workers in the jewellery and coir yarn sectors are without work for over four months in a year, while mat makers are without work for two months on an average and reed workers for three and a half months. No worker in the batik sector reported being without work for any time. A very high percentage of batik makers (76%) and jewellery maker(70%) reported problems in receiving payments. Regarding getting raw materials, in all sectors more than half of the respondents reported having problems. All jewellery makers, 67 percent of coir yarn makers, 62 percent of the batik makers, 60 percent of mat makers and 54 percent of reed workers reported problems in acquiring raw materials. In all sectors between 23 and 27 percent respondents reported problems of space for keeping raw materials and goods. Regarding types of problems in acquiring raw materials, the most common problem was increased price (37.5%) for coir yarn makers and it was the unavailability of raw material for mat makers (32%) (coir yarn) and for jewellery makers.

Workers in all sectors reported problems in getting raw materials and selling finished products. Coir yarn workers who buy fibre from market vendors said that often they are cheated. Since the yarn is sold to the same vender from whom yarn is bought some times they are cheated in this cyclical buying and selling process. Some workers have selling coir yarn collectively. Earlier the workers used to sell yarn in the market, which did not bring enough profits. Now they have formed a group and sell yarn in bulk which has resulted in more profits.

Mat makers in the study locations said that there was a scarcity of raw materials as sometimes as yarn is bought by traders from outside the village resulting in a scarcity and increase in the price of yarn. Non-availability of cash was also cited as a problem. Participants also said that at times there is a delay in payment by Siyath, and at such times workers have to borrow from other villagers, often at 10% interest per month. Sometimes even jewellery is pawned.

For reed workers, since the sales are done through middlemen who are organized, the workers are not able to demand better prices. Cane and reed work is also facing severe

competition from synthetic products that have invaded the market. At the same time costs of raw materials such as polish, tying strings cost more. Raw materials used in manufacture are reeds, thread, and chemicals to protect from rotting, gum, cardboard, cloth (often cotton and silk cloth). These raw materials change according to the articles to be manufactured. The availability of reed and cane is also getting difficult. Canes are obtained by cutting them from the woods where the canes grow. This is a fairly risky undertaking. But cane growth does not keep pace with reed cutting hence reed supply is problematic. Reeds are available only once in four months. A group of workers either lease out a reed grown land jointly or buy cut reeds from owners. Next the reeds are beaten into shape dried in the sun and protected (from getting rotten) using traditional methods. Workers are facing the problem of finding raw material and sometimes women have to travel great distances to find adequate amount of reed. There is no regular supply. If one does not cut one's own cane, one has to pay Rs. 20 per yard of cane. Though most of the raw material needed is found near the village, sometimes some of the materials which are not available in the village are bought in the market. The total cost for those items amounts to up to Rs.2000.

- **Priorities**

**Table: Most important needs (in percentage)**

<b>Needs</b>	Coir Yarn	Mat making	Reed	Jewellery	Batik
Housing	15	15	12.5	1	0
Credit	18	13	9.5	15	14
Loans	16	18	16	14	8
Timely payment	6	0	6	11	11
More work	6	8	0	19	13
Skill training	7	14	9.5	20	27
Health care centre	5	0	0	3	3
Health insurance	0	4	0		0

Maternity benefits	6	4	3	6	4
Medicines	3.5	2	9.5	7	6
Storage space	1.5	4	3	1	0
Access to market info.	7	3	6	3	8
Educational facilities	6	4	0	0	2
Transport	1.5	4	0	0	0
Roads	0	2	6	0	2
Minimum wage	0	3	19	0	2
Other	1.5	2	0	0	0
Total	100	100	100	100	100

*\* Percentages based on the number of responses*

The needs reported by respondents in the survey vary according to the sector of work. Credit (18%), loans (16%), and housing (15%) were the three main needs mentioned by home based workers coir yarn makers. Mat makers reported loans (18%), housing (15%), skill training (14%) and credit (13%) as the most important needs. Minimum wage (19%), loans (16%) and housing (12%) in the reed sector; skill training (20%), more work (19%) and credit (15%) and loans (14%) were the major reported needs by jewellery makers; and batik makers required skill training (27%), credit (14%) and more work (13%).

### **Home based workers making wooden handicrafts**

Four interviews with handicraft makers was conducted in Kandy district. The home based workers make wooden handicraft.

All the interviewees were either the sole earners or whose earnings were essential for the family. They all were working along with other family members for six to ten hours a day. As they work for continuous hours and require lot of hand work, that require the use of chemicals, they have problems such as skin diseases and difficulties in working with hands. Due to looking at the same object for many hours, many workers had developed

weak eye sight.

In making the handicraft items, raw materials are purchased by paying up front in the market. In purchasing the raw material, the major problem is of insufficiency of money to purchase the necessary amounts of raw material. The monthly cost for the production process is of Rs 1500. another worker reported that they spend between Rs.150 to Rs.350 on the production of each item. They have to travel long distances to obtain the raw materials The selling prices of various handicraft items differ from product to product. On an average they earn between Rs. 3000 to Rs.5000 a month after deducting costs. The pattern of income varies from time to time where in specific months such as august (Perahara season) the income goes high where there is a great foreign demand for such items. The prices differ from product to product depending on their size, nature and time been spent to create it. Apart from selling products to shops in the town, they themselves also have a small handicraft boutique at home where they earn a considerable amount by selling them to nearby villagers.

Their earnings have increased during the last decades where they are able to earn more profit than previously. Specially in some seasons of the year, the profit even exceeds the monthly income which they get in other months of the year. All those interviewed had savings accounts and some reported saving at least Rs.500 per month. But none of them had any insurance policy and were keen to join one. The workers were not involved in any credit system and were keen to join one that would help them to expand their business.

Main points emerging:

- Most workers in the coir yarn (87%), mat-making (68%) and jewellery industry (61%) work on a piece rate basis while the majority reported being self employed in the reed (55%) and batik(57%) sectors. Twenty-one percent in the jewellery industry reported working unpaid family labour.

- All the home based workers in the coir yarn and mat-making sector were either the main or sole earners in the family or their income was essential for survival.
- The data shows that during peak period batik workers earn 16% of the GDP while coir yarn workers earn only 6%. During lean periods batik workers earn substantially more than the peak time earnings of workers in the other sectors.
- In the survey, the family, (natal and marital) and training were the main sources of learning the work in all sectors in Sri Lanka.
- During peak periods, the average number of working hours was found to be five among coir yarn makers, over six and a half for mat makers and reed workers, and five and a half for jewellery and batik makers. The average lean period working hours were two for mat makers, nearly two and a half for coir yarn makers, and around three and a half for reed, jewellery and batik makers.
- In the survey, the majority of workers in all sectors reported that the availability of work had remained the same in the last two years.
- In terms of major non-routine expenditure, medical needs and social expenditure were the first and second most common reasons for expenditure for workers in all sectors except jewellery making.
- Like the rest of South Asia, home based workers in Sri Lanka also reported borrowing from informal sources more than formal institutions. Borrowing from non-formal institutions such as NGOs and credit societies was an important source for borrowing for many workers.
- In all sectors the largest percentage of home based workers reported that in times of crisis, the most frequently used coping strategy was to borrow money.
- The majority of respondents in all the sectors owned their homes, but some had also lost their homes in the tsunami and were living in temporary shelters.
- The majority of coir yarn makers (59%) and mat makers (54%) reported using government health facilities for treatment in times of illness, while in the reed sector use of private health facilities and home remedies were reported.
- The majority of workers in most sectors had membership of some social protection scheme.

- Workers in all sectors reported problems in getting raw materials and selling finished products.
- The needs reported by respondents in the survey vary according to the sector of work. Credit, loans, housing, more work, minimum wage and minimum wage were the important need mentioned by workers in different sectors of home based work.

### **Recommendations**

- **The survey was conducted in areas hit by the tsunami and makes the case for how disaster policies and preparedness are linked to social protection.**
- **Linkages provided to workers through tourism and NGO interventions have assisted their earnings through an increased and high premium market.**

## **CHAPTER 11: SOCIAL PROTECTION: FINDINGS AND RECOMENDATIONS**

### **INTRODUCTION**

Encompassing a myriad of phrases and approaches from social risk management to social security, defining social protection has become a rather value laden task. Explicit definitions contain implicit assumptions of who needs to be protected, from what, by whom and how.

Following this study conducted across several sectors in South Asia, a few commonalities emerge in the approach required for social protection within the context of home based workers in the region, a group often quoted to be the most vulnerable in the modern informal economy. The first section of this final chapter outlines such conceptual issues and implications of this study for future social protection discourse while summarizing the findings from each sector. The second section builds on these issues to arrive at future policy and action directives required for home based workers.

### **1. IMPLICATIONS FOR SOCIAL PROTECTION**

The most influential approaches towards social protection are those proposed by the ILO and the World Bank's Social Risk Management framework. Both have received fair share of criticism as the former is seen as rooted in employment oriented strategies and the latter, market oriented.

Literature (Kannan 2004) on social protection suggests that it needs to include 'Basic Social Security' (referring here to deficits. Kannan suggests 'food, health, housing,



education’) and ‘Contingent Social Security’ referring to risks and vulnerabilities (which could include both economic and social insecurities).

The two are not independent of one another and from this study the complexity of trying to categorise social protection needs is evident. For example, are deficits to be quantified taking everything else as a given? For shell and pearl collectors, both health and housing are top priorities. Both are linked to the nature of work. At present, ‘house’ is a boat, subject to damage during heavy rains and in constant need of repair. What should be the approach to ensuring shelter? It is obviously convenient to live on the river if this is the work they are to do. Should the approach be to upgrade boats and strengthen them in some way, or is this impracticable? Should they be given land and shelter on the shore – in which case, is appropriate land available close by? If not, would they be likely to change their occupation? Are there clear alternative occupations that can be identified? Similarly many of the health problems are linked to the nature of the work. Should the objective be to ensure that medical attention is available, that occupational risks are minimized through a variety of interventions? Or, are the health and safety risks of this work judged as being too high to be acceptable?

Thus, the above example suggests that it is difficult to separate the appropriate social protection intervention from what we envisage as the future development path for this group of people. Social protection discourse has several important development related queries to face (Saith 2004).

“Should we protect equality of opportunity or of outcomes? Is it enough to ensure a level playing field in the market, or should there also be concern for inequalities in the resources brought by the various players to the market? Should the focus be on protective policies, i.e., to compensate for losses, or to provide safeguards against such effects? Or should the emphasis be on promotional policies which enhance the general economic and political strength of the individual (household, group, community, country) giving it the capacity to look after itself even if it encounters bouts of insecurity? Should the focus be on the outcomes as experienced by the subject, or on earlier points in the chain of

causation that generates the insecurity? Should policymakers worry about protecting the quality of health, education, environment, etc., or should the focus be on the employment, incomes and livelihoods which underpin these outcomes? “

The mandate of the ILO would focus on predominantly employment-related forms of insecurity, e.g., unemployment insurance, occupational hazards, work-related conditions, pensions, etc. The framework of the World Bank, though addressing other kinds of risks arising from outside the work sphere, would advocate for market based solution such as micro insurance or micro credit. However, the broader social protection agenda implies a dramatic widening of the domain.

**It is imperative to look at the overall development context within which workers operate to envisage a long term social protection plan. This development context includes various issues such as the global market context, the sectoral context of the worker, their geographical or socio-economic context and the local historical and community context they inherit. Thus, we need to look at social protection hand in hand with overall development strategy as the risks and vulnerabilities faced by workers in the study are shaped by their institutional construct such their sectors, communities and societies.**

The economic and social security of some of the home based workers studied here is feeble as they are unable to respond adequately to global market competitors and technological changes. Even when the sector overall is experiencing expansion, the home based workers are generally in a situation of stagnant or decreasing demand. This is because within their sector, workers are part of low end labour which caters only to dwindling local demand. Further, they are unable to cater to the urban or export markets due to their geographic and socio-economic position in the region which renders them invisible in the sector.

The study shows that finding work is getting more difficult for varied reasons, and that people have to supplement their earnings from traditional home based work from other sources. Whatever approach is taken for social protection needs to be in tune with the overall direction for development of the area.

**Hence, context is affecting the risks and security workers face and thus only dynamic development strategies can address these issues through a host of directives based on macro economic policies, sectoral and cluster development plans and community based development cognizant of local historical realities.**

### **1.1.IDENTIFIED RISKS, VULNERABILITIES AND PRIORITIES**

**The survey responses from each location reflect the varied risks which arise not only from the labour process and employment patterns of home based work, but also those embedded in the overall weak socio economic position of HBWs in society and the sector.**

The workers surveyed from better-off communities and regions refer to more enterprise oriented needs as opposed to those workers from historically weak sections or those living in far flung areas from urban centres of growth, whose needs reflect basic survival issues. However, a broad trend that does emerge from the needs and priorities identified by the respondents is the necessity for a combined approach to address income and work shrinkages to assist household expenditures alongside targeting a host of health care and housing concerns which plague the HBWs.

**Table 1: Needs and Priorities of home based workers from the survey**

<b>Country</b>	<b>Sectors</b>	<b>Earnings<sup>1</sup></b>	<b>Needs</b>		
Bangladesh	Weaving	5	Timely	Minimum	More Work

<sup>1</sup> As percentage of national per capita income in peak season.

			payment	Wage	
	Shell/ Pearl	5	Housing	Maternity Benefits	Credit
	Garments	15	Skill training	Credit	Housing
	Pottery	21	Credit	Housing	Skill Training
India	Agarbatti	4	Loans	Housing	Health Insurance
	Garments	10	More Work	Housing	Loans
	Weaving	11	More Work	Loans	Housing
Nepal	Handmade paper	30	More Work	Market Information	Health Care Centre
	Weaving	30	Market Information	More Work	Health Care Centre
	Garments	40	Skill training	More Work	Timely payment
Pakistan	Weaving	16	Credit	Timely Payment	Market Information
	Garments	22	Timely payment	More Work	Skill training
	Pottery	31	Timely Payment	Credit	More Work
Sri Lanka	Coir Yarn	6	Credit	Loans	Housing
	Reed	7	Minimum wage	Loans	Housing
	Mat	7	Loans	Housing	Skill

	making				training
	Jewellery	NA	Skill training	More work	Credit
	Batik	16	Skill training	Credit	More work

### ***ECONOMIC INSECURITIES***

**The needs emerging from the survey reflect the fractured economic status of home based workers. Income-related and cash liquidity oriented needs are followed by enterprise oriented priorities<sup>2</sup>.**

In an increasingly monetized context, cash income represents a significant form of security (Kabeer 2000) and stability. Thus, needs which cater to building the income earning capacity of the workers are the most frequently cited. The need for more work in addition to receiving timely payments has been mentioned the most number of times as per the survey. The need for more work figures in the top three priorities for a majority of the sample, save five national sector sub groups. It is vital to note though, that for each group that does not mention the need for more work in its top three priorities, cash liquidity oriented needs for loans and credit are mentioned in each case in the top most priorities. These needs in combination are the second most cited by the sample. Groups surveyed which feature as the lowest earners in each country, save the example of Nepal, all place priority on credit and loans to solve their immediate daily expenditure crunches in their top most priorities. This is followed by enterprise oriented needs such as market

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<sup>2</sup> Income related: 13 =More work-8 + Timely Payment-5  
Liquidity related: 8 =Loans and Credit-8  
Enterprise development related: 7=Market Information-3+ Skill Training-4  
Housing-6  
Health-3  
Labour benefits and laws: 2 =Maternity benefits-1 + Minimum wage-1

information and skill training taken together. It is interesting to note that save the case of India, where the weaving sector with a meager 11% of the national per capita income is placed in a relatively better off position, each sector which fares best in terms of earnings in each country cites the need for skill training in their top most needs.

In the garments survey that was conducted, economic needs such as skill training, more work, timely payment and access to loans and credit were the major needs of home based garment workers, irrespective of income or contextual differences<sup>3</sup>. While the other needs echo the poor state of income and work security within the sector, skills' training assumes relevance as an enterprise need for home based garments workers due to their inability to compete with other mechanized units which are flooding the market. In Bangladesh the main needs were skill training (28%) and credit (21%)<sup>4</sup>. More work (23%) and loans (14%) were identified in India<sup>5</sup>. Skill training (23%), more work (21%) and timely payment (18%) were cited in Nepal; and in Pakistan timely payment (27%), more work (22%) and skill training (12%) were the main needs of home based garment workers<sup>6</sup>.

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<sup>3</sup> Housing too. In Bangladesh all the respondents were based in rural areas and in India all were in an urban area. In Nepal the survey respondents were distributed over urban, peri-urban and rural areas while in Pakistan the majority in both surveys was in rural areas. The highest earnings per month in peak period in the home based garment sector was reported by workers in Nepal – US\$ 49.5 followed by Pakistan where earnings were US\$ 40, and the lowest were reported by workers in Bangladesh – US\$ 24.6. The highest and lowest earnings during lean period are in the same countries. As percentage of the per capita income, the lowest earnings during peak and lean periods were found to be in India and the highest in Nepal.

<sup>4</sup> and access to housing (19%).

<sup>5</sup> housing (18%)

<sup>6</sup> In Indore, home based garment workers said that irregular work means that children's education suffers. They wanted scholarships for the children, accident, health and maternity insurance. They pay hefty interest on loans taken to cure illnesses They said that they were willing to pay Rs.50 as insurance premium per year. The need for a health care centre was reported by participants. They wanted identity cards and a fixed minimum wage as they are unable to bargain with the contractor. Benefits for widows and for childcare were also mentioned.

Need for credit and loans was mentioned by many in Pakistan. Workers wanted loans on easy instalments to be able to start their own business. Apart from credit access to market their products was another need. Garment workers wanted access to a large market in Lahore where they could sell their products. They sell their products to the local market, but did not have access to the main market. They also wished that there was a training centre in their neighbourhood. The other needs discussed were schools for their children and government health facilities in their area.

In Nepal, home based garment workers discussed their most important needs as credit to invest in better machines, skill development to be able to cater to the market demand and access to a market.

Amongst the respondents in the declining weaving sector<sup>7</sup>, the need for more work was echoed by those surveyed in Bangladesh, India and Nepal. A scan through the top three most important needs identified by these workers reveals the emphasis on improving cash income for expenditures and asset base for the weaker section of the sample. Hence, they identify liquidity oriented economic needs such as minimum wages, credit and loans as key. Thus the Bangladesh sample of rural weavers living in Dhaka which earns a mere 4.5% of the Bangladesh per capita income refers to timely payment and minimum wages as significant needs. Weavers living in urban areas in India who earn only 11% of the Indian per capita income identified the need for loans as significant. Pakistani weavers were surveyed predominantly in rural areas of Baluchistan, NWFP and Sindh. They earn close to 16% of the national per capita GDP and identified the need for credit, market information and skills training as important. In the samples studied within the weaving sector, the Nepali weavers emerge as economically most well off. The sample was selected from the Kathmandu valley itself, which is the heart of the nation's economic activity. Despite their proximity to urban markets, the section is only in a relatively advantageous position as they earn close to 30% of Nepal's per capita income. They identify an enterprise oriented need for market information as their top most priority<sup>8</sup>.

In the pottery sector in Bangladesh and Pakistan<sup>9</sup>, identified as being on the verge of extinction; credit emerges as the key need. Despite the beleaguered economic state

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<sup>7</sup> In Bangladesh, timely payment (19%) minimum wage (17%) and more work (16%) emerged as the most important needs. In India, weavers mentioned more work (17%), loans (16%) and housing (15%). In Nepal, market information (22%), more work (20%) and health care centre (10%) were the main needs reported in the survey. In Pakistan credit (22%), timely payment (15%) and market information (12%) and skill training (12%) were mentioned as important needs.

<sup>8</sup> In rural locations in Pakistan, participants felt that if the government constructed roads and invested on the infrastructure for electricity and potable water system for their village, the quality of the life would improve. In an extremely backward location, participants reported that they were completely dependent on the landlords. The landlords force them to vote for them but they do not do anything for their welfare. And at the moment they have no other choice but to obey them. If they disobey the landlords, their livestock gets stolen and they are not allowed to go to the fields to relieve themselves. In urban Nepal participants expressed a need for greater local and international markets and better remuneration. Other needs expressed were basic medical aid at the community level, child care centre, loans to buy loams and for house repair. Preventing trafficking of girls also came up as an important issue.

<sup>9</sup> The most important needs of this sector as identified in Bangladesh are credit (with 25 responses); housing (23 responses) and skill training (17 responses). These were followed by the need for more work; access to market information; medicines (3 responses) and minimum wages (1 response).

described by the study of these workers, they emerge as the most well off within each national context. The predominantly peri-urban<sup>10</sup> sample of Pakistan earns close to 31% of the national per capita income. These workers identified timely payment, credit and more work as their top priorities. The rural pottery making communities surveyed in Bangladesh earn 21% of their national GDP per capita and stated that their need for skills training and credit were most significant<sup>11</sup>.

In what could be considered the second worst off sample and sector within the gamut of this study, shell and pearl collectors surveyed from the *boird* community living in rural areas nearing Dhaka city have much distress to speak off. They earn a mere 5% of the per capita income in the peak season which drops to 2% in the lean season and work close to 8 months in a year. To ameliorate their troubles in dealing with their livelihood, credit was identified as the third most significant priority. As a community of river gypsies, these workers are devoid of any sustainable asset base or future livelihood sources. Thus, the first two priorities deal with fundamentals such as direct means to address health and housing concerns, which shall be discussed later in the chapter<sup>12</sup>.

Women surveyed from urban slum areas in India working as agarbatti rollers, also serve as a shocking case study in terms of earnings across the entire study, if not the most dismal. They earn 4% of the Indian per capita income in the peak season, which dwindles

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The most important needs for the Pakistan pottery makers were timely payment (10 responses); credit (9 responses) and more work (8 responses). These were followed by the need for minimum wages (6 responses); skills training (5 responses) and health care centers (3 responses).

<sup>10</sup> 78% of the survey respondents in Pakistan were from peri-urban areas in Sindh, NWFP and Baluchistan.

<sup>11</sup> A common concern in both nations is the lack of space. 72% felt the space crunch in Bangladesh, 83% felt the same in Pakistan. While the pottery maker in Pakistan faces 5 months of unemployment compared to the one month faced by her Bangladesh counterpart; only 6% (1) of the Pakistan sample complains about the problems about acquiring raw materials. This is contrary to 92% of the Bangladesh sample who experience difficulty in acquiring raw materials. A significant 64% of the respondents in Bangladesh also complain about the receipt of payments. 13% of the Pakistan respondents share this grievance.

<sup>12</sup> **Housing** emerged as a key need that needs to be addressed through the survey findings and the FGDs. The entire sample asked for the improvement of their shelter. This need was followed by the need for **maternity benefits** which were voiced by 20 respondents which is 83% of the sample. This figure is significant, especially after various miscarriages and accidents involving children were mentioned during FGDs. The third most important need identified by 33% respondents was for credit, which workers were denied.



to 2% in the lean season. Seeing such income and liquidity constraints, loans emerge as their top most significant priority<sup>13</sup>.

One of the relatively brighter sectors studied is the handmade paper making industry in Nepal. The workers surveyed in peri-urban areas in the Kathmandu valley, earn close to 30% of their national per capita income. However, the situation of these workers is far from satisfactory and they emphasized the need for more work and access to market information as their top priorities<sup>14</sup>.

In Sri Lanka, each sector reports extremely low income levels and thus the need for credit, loans and more work rein supreme.

### ***SOCIAL INSECURITIES***

**Risks faced by workers due to their poor housing conditions were prominent throughout the sample.**

Save the case of the traditionally well off Newar community from Nepal which was engaged in the handmade paper sector in Kathmandu valley, none of the sector samples in the countries surveyed revealed safe, comfortable or adequate shelter. Housing was the most significant social security need identified by the sample, especially in Bangladesh and India. Home based workers from all sectors<sup>15</sup> in these nations have cited improved housing conditions in their top most priorities during the survey. Space inadequacy and poor water, sanitation and electricity led to poor living and working conditions for these workers as their labour process is home-based. This created a cycle of ill health and future insecurity.

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<sup>13</sup> The major needs that were identified by the survey respondents are as follows. For 31 % (17 out of 56 respondents), loans were the most important need. This was followed by a 23% (13) share who stressed on their need for improved housing. For 16% (9) of the respondents health insurance was a crucial need. Finally, 14% (8) voiced the need for more work.

<sup>14</sup> The most significant needs that were identified by the sample respondents emphasize the need for **more work** (19 responses) and to ensure workers had **access to market information** (18 responses). This was followed by the need for loans, timely payment, skill training and health care centers (5 responses each).

<sup>15</sup> Other than weavers in Bangladesh

**Health care provisions are miniscule throughout the sample and health related expenditures emerged as the key heavy expenditure for the worker's households.**

While the survey suggests that health care concerns appear at the final stage of needs identified, only by three sections of the Nepal and India respondents, the FGDs conducted across South Asia with each sector revealed a different picture.

**Poor health is a perennial problem and is associated to the work process and living conditions and thus highlights occupational safety issues.**

In Bangladesh and Pakistan weavers mentioned abdominal pain due to constant paddling which led to miscarriage. Most of the participants in the garments sector developed eye problems and joint pain as they work in strained positions with insufficient light. When asked about health issues in the pottery sector, the FGDs suggested similar eye sight problems and joint pains due to the work process. Dealing with clay constantly led to other problems such as hives in their hands, creases in fingers and the discoloration of the hands altogether. FGDs with agarbatti workers refer to the existence of one room dark and dingy tenements without ventilation in slum localities. Inhaling of *agarbatti* powder led to persistent cold and cough & bronchial problems. Sitting in a hunched position for long hours caused back-aches and joint pains. Shell and pearl collectors complained of eyesight troubles as they kept their eyes open in water. Finally in the handmade paper sector, workers felt they faced immense health risks due to the chemicals they were exposed to for work.

Across the region, many people used home remedies to treat illnesses, due to a lack of health services. Health facilities and infrastructure is extremely poor across nations and this condition hurts the poorest of the poor HBWs the most. Taking the case of one of the worst off sections in the study, FGDs with Agarbatti workers in Bangalore revealed that medical treatment was rarely sought by the women HBWs in this sector. This was

because the Government hospital was far from their locality. Time and again, respondents quote facing severe crisis in accessing treatment due to distance or costs.

**The survey also highlights grave child labour concerns. Most of the female respondents have been working prior to the age of 15 without being educated. Such a pattern of perpetuating poverty through poor investments in children’s human capital and child labour continues.**

Maternity benefits and assistance for women to tackle their reproductive roles is necessary to prevent the future impoverishment of the HBWs and their families.

**Table 2: Child Labour and Literacy levels of respondents**

<b>Country</b>	<b>Sector</b> (arranged in ascending order of earnings level)	<b>Child Labour</b> (Percentage of respondents who started work prior to age 15)	<b>Illiteracy</b>
Bangladesh	Weaving	58	70
	Shell/ Pearl	72	92
	Garments	22	16
	Pottery	72	24
India	Agarbatti	42	47
	Garments	54	26
	Weaving	42	55
Nepal	Handmade paper	-	26
	Weaving	2	32
	Garments	-	40

Pakistan	Weaving	68	80
	Garments	63	26
	Pottery	82	38
		61	78
Sri Lanka	Coir Yarn	22	5
	Reed	9	-
	Mat making	9	-
	Jewellery	11	15
	Batik	5	19

This is highlighted through two cases from the study, each from a different end of the earnings spectrum. There is much that distinguishes the Newar community in Nepal from the Boid community in Bangladesh. While the former is a traditionally well off community engaged in home based work offering higher returns , the latter are a traditionally backward indigenous community cut off from most of its population and earning close to nothing. However, both communities unite in their concern for the risks their children face due to their work process. The boid community placed the need for maternity benefits in their top most priority and cited cases when children fall into the water while accompanying their parents to work. Similarly, home based workers in Nepal’s hand paper sector from the Newar community feared that the chemicals and other materials used in the process of manufacturing the goods created unhealthy and bad smells which affected their children at home.

Many workers due to their feeble income and heavy work loads cannot invest in their children’s education or health. In the Agarbatti sector, FGDs revealed how young children continued to work at home due to the need for unpaid family labour. Problems were even reported at pre natal stages for many sectors when child deliveries are done at home.

**Home based workers are found to be most vulnerable to disasters and yet the government response to these needs is found to be most lacking.**

From political riots and earthquakes faced by workers in India to floods and cyclones perennially faced by workers in Bangladesh, the response of the state and local bodies has minimal outreach.

## **1.2 DEVELOPMENT CONTEXT**

**Each of the risks and needs identified by the study cannot be seen in isolation from the location and context of the workers in the changing national and international scenario. Seemingly simple protection solutions relating to providing more employment and income opportunities, adequate housing and health facilities are related to more complex contemplations regarding the future course and development of the sector, country and community or cluster.**

The importance of addressing social and economic insecurities faced by workers in tandem with future development strategies and plans for the sector and the community or cluster of workers needs to be emphasized for any future social protection discourse, especially in the context of South Asia and in specific the samples surveyed by this study.

### **1.2.1 Global Market Context**

Usually social protection policies involve being focused on the immediate and local unit such as an enterprise, an organization, a specific scheme, or a local community. Even when wider interventions are considered, this is done in the format of a micro-scheme such as micro insurance or micro credit or low cost local health centres. While, local

institutional structures are crucial in the success of any intervention, the wider context of the worker cannot be ignored.

**More than ever before, several sources of insecurity and vulnerability as suggested by the study lie well beyond the boundaries of the local space, and arise from processes which are national or global in nature. Not taking this explicitly on board in the design of policy would relegate social protection interventions to the level of search and rescue operations. Hence, the role of preemptive and preventive policies should not be overlooked, especially in the current global environment (Saith 2004)**

<sup>16</sup>

The global market has begun to yield a strong influence on various sectors and thus the fate of workers working within them. The past two decades have seen many governments undergo market-oriented reforms meant for economic reorganization and global integration. At the same time technological change, particularly the extension of new information and communications technologies (ICTs) has accelerated the pace of reform and allied changes, including the reorganization of the production process.

**Such global macro economic and technological changes need to be analyzed within the social protection discourse as they have the potential to shape the status of workers and the sectors they work in for better or worse. There are several aspects to how the global market affects the home based workers surveyed by this study. Various examples from the study highlight that the influence the global market has on workers is mediated through various national economic policies.**

**First, where workers are located in this global picture is significant.** Are they part of a growing sector assisted by macro and trade policies or a declining sector receiving

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<sup>16</sup> Ashwani Saith, Discussion paper, Social protection, decent work and development, IILS, 2004, Geneva

minimal assistance and facing intense competition and shrinking income and employment in lieu of global free trade regimes?

Workers in the booming export oriented Bangladesh garments sector which has been supported significantly by state policies appear to be in relatively better off positions and experiencing far greater improvements in their earnings and employment than workers in other sectors. However, the Bangladesh case also suggests the flipside of global integration. While survey respondents had experienced improved economic status in the past two years, the FGD participants revealed the tightening of opportunities due to the end of MFA quotas. In Bangladesh young women wanted to join garment factories, however, jobs were reported as scarce especially after the MFA phase out period. So some women had thus taken-up tailoring and stitching as a profession.

**Table 3: Economic Status of Workers**

<b>Country</b>	<b>Sector (arranged in ascending order of earnings level)</b>	<b>Improvement in Earnings</b>	<b>Improvement in Work Availability</b>
Bangladesh	Weaving	2	2
	Shell/ Pearl	-	-
	Garments	54	57
	Pottery	-	-
India	Agarbatti	-	3
	Garments	13	23
	Weaving	30	37
Nepal	Handmade paper	47	50
	Weaving	20	26
	Garments	30	30
Pakistan	Weaving	37	37
	Garments	44	56

	Pottery	33	28
Sri Lanka	Coir Yarn	NA	30
	Reed	NA	36
	Mat making	NA	12
	Jewellery	NA	11
	Batik	NA	5

The pattern of income was on an improving trend amongst Sri Lankan handicrafts workers as there was great foreign demand for such items. Apart from exports, these workers were selling products to shops in the town and they themselves also had a small handicraft boutique at home where they earn a considerable amount by selling them to nearby villagers.

**Second, how workers experience the global economic context is dependent on national economic policies.** Are these policies rendering the workers capable to cater to global or national demand or are they and their work rendered uncompetitive and unviable?

Time and again, survey respondents from each sector discuss the gross neglect they experienced from national policies despite their increasingly abrogated livelihoods. In many cases national infrastructure, economic and industries policies seem to be exacerbating the situation and are skewed in favour of larger formal units and enterprises. For instance, subsidies provided to powerloom units hurt the competitiveness of handloom weavers in India. Each sector complains of problems in procuring raw materials or storage space for products, marketing or access to basic infrastructure for production.



**Table 4: Work Related Problems**

<b>Country</b>	<b>Sector</b> (arranged in ascending order of earnings level)	<b>Access to Electricity</b>	<b>Problems with Raw Materials</b>	<b>Problems with Storage</b>	<b>Problems with Payment</b>
Bangladesh	Weaving	48	76	76	74
	Shell/ Pearl	-	46	96	71
	Garments	68	74	40	28
	Pottery	32	92	72	64
India	Agarbatti	76	4	86	7
	Garments	96	9	67	24
	Weaving	88	21	83	22
Nepal	Handmade paper	100	62	18	44
	Weaving	97	45	47	48
	Garments	100	14	63	63
Pakistan	Weaving	95	21	16	47
	Garments	100	6	93	55
	Pottery	84	6	83	13
Sri Lanka	Coir Yarn	90	69	24	69
	Reed	91	54	27	54
	Mat making	80	60	23	60
	Jewellery	67	100	26	100
	Batik	81	62	24	62

The recent slowdown in other industries<sup>17</sup> in Bangladesh has put the issue of import liberalization into question. However, such decisions could have further impact on workers and job creation as the country depends heavily on imported raw materials,

<sup>17</sup> The growth of the large-scale manufacturing industries was a meager 4 percent annually in the 1990s.

machinery and components. The garments sector is one such sector in the nation dependent on imports for raw materials. However, as national policies support large scale factory units, 74% of the home based garment workers in the country complain about raw materials procurement.

In India, garment workers in Indore bear the cost of thread and electricity. Since the power supply is very erratic, they operate machines manually. Garment workers across India in FGDs said that they also had to spend themselves on transport, which dampened earnings. A year ago when VAT was first introduced, many employers in Ahmedabad had decreased wages. Ever since electricity has been privatised, workers have to pay 'commercial' rates for the electricity consumed. This problem was reported in both Ahmedabad and Indore.

Women in urban, peri-urban as well as rural areas of Pakistan, expressed their dependency on the middleman/woman. *"If the middleman does not give me the material how can I continue my work?"* Piece-rate workers are dependent on the middleman/woman as they do not have any knowledge about the market prices, trends and marketing possibilities etc.

While the handmade paper sector in Nepal appears to be doing well, the national political climate has been influencing the workers income and work security. Due to Maoist conflict, the security forces had banned the use of Caustic Soda, an important raw material for paper production. Unavailability of such chemicals has severely affected thousands of people, who find themselves unemployed. Further local taxes levied on other key raw materials such as the *lokhta* bark are creating insecurities in the production process.

For the pottery sector in Bangladesh, erstwhile cost free inputs such as clay are now becoming increasingly expensive. 92% of the sample claimed they faced problems in

acquiring raw materials. These workers are competing for raw materials with brick makers who have more economic strength. The following comment elaborates.

*“They are rich businessmen and thus can afford paying good prices for the clay, which is too expensive for us. The owner of the land charges the same amount to us. If we don’t pay that price the landowner would sell it to the brick kiln owner. Therefore, now we buy less clay with high prices.”*

**Third, the opening up of economies along with technological changes has placed these workers in even more difficult times as their ability to compete with much cheaper imports is weak and access to new technologies and modes of production is minimal.**

The state of weavers across South Asia is abysmal and much of the causes seem related to the shrinkage of the demand for their products due to foreign competition and more capital intensive forms of production. In Bangladesh, earnings for Benarasi sari weavers had declined from Tk700 to Tk350. The yarn makers also suffered tremendous losses in income as these had dropped from Tk 400 per week to Tk 200 per week. FGD participants shared their worries due the reduction in the orders they received. For many this had implied that they only serviced a low paying local market with localized products such as *gamchas* and *lungis*. In India weavers in the North East made only local products such as sarongs and baskets as these provided stable earnings, despite being low.

The change in production inputs and technology were also cited to cause higher production costs which hurt earnings in the pottery sector. Also, with technological change, cheaper substitutes are easily available for the workers products. For instance, in Fulbaria Bazaar, Bangladesh, the most popular products were rice bowls (shanki), curd bowls and other household utensils. However, the demand of rice bowls had decreased tremendously in the last two decades due to easy and affordable price of other aluminum, plastic and melamine rice plates in the market. These plates are durable and are available in different eye-catching designs. Clay utensils are simple in design and are susceptible to

breaking. However, even today clay rice bowls are still used in remote villages, as they are cheaper. *“And these people are our main customers.”*

Acquiring new technologies is also immensely difficult for the workers with their economic background.

*“We are so poor that none of us has a paddle machine. If we had paddle machine we could make 300 pieces per day but by hand one can make only 140 to 150 pieces by working entire day for 10 hours. In peak seasons if they receive a good order we have to work day and night. We don't mind that. Paddle machine usually costs Tk. 5,000/ to Tk. 6,000/. “How can we afford it when we have to think about our day to day affairs?”*

Garment workers have no access to sewing machines or any form of mechanization to increase volumes of their products.

Thus, workers are facing global competition without receiving any benefits which can build their capacity to compete. Meanwhile international players have percolated into South Asian domestic markets and hurt the demand for local produce.

**Finally, broad trends of feminization of the informal labour force are confirmed through this study.** In each case, women are often forced to work in sectors to adjust for irregular and unstable earnings of the male members of the household. In most of the economically backward sections such as the Indian agarbatti workers, women are the primary earners of the household. All the home based workers in the coir yarn and mat-making sector in Sri Lanka were either the main or sole earners in the family or their income was essential for survival.

A key finding of the study though, is the vast disconnect that exists between markets which do provide greater gains such as global or urban markets and the workers products and processes. While most sectors register growing demand for niche products, home based workers surveyed do not reap any rewards from such growth not only due to

national economic policies but also the workers sectoral, socio-economic and community context. Who you are and where you are determine how well you can do in the current global and open market. The worker's personal and sectoral identities shape their experience of the macro economic context.

### **Sectoral Context**

Most sectors surveyed other than pearl and shell and weaving have been recording huge jumps in export and national growth. This growth does not though seem to translate into the improvement of the livelihood for the workers surveyed. **While the state and scope of the sector with which the worker is associated affects her work and income and access to social protection, the nature of the workers position and their work in the production chain in the sector determines if the boom or bust in the sector affects the worker or not.**

The survey reveals that despite the mushrooming of more agarbatti brands and the sector's domestic and international growth, the HBWs record no increase in their earnings. A 93 % majority of responses indicated that there had been no changes in earnings since the past 2 years. This is predominantly because the HBWs are engaged in rolling the bathi's --the least visible aspect in the production chain. Close to 60% of the Indian garment workers sample said they felt no change in work availability and 67% said no earnings change despite the export boom in India. This shows the disconnect between the global market and the worker due to their weak sectoral positioning.

While there is much talk of the global value chains and the use of such concepts for social protection, the study suggests that the least well off sections of workers are far removed from any national production chains, let alone those which are global in nature. **While the workers feel the global market ramifications due to the competition and raw materials constraints they face; their outlook, products and processes are geared towards ad-hoc seasonal local demand, which is often not as remunerative.**

Pottery makers in Bangladesh despite being in a booming export sector are yet to gain the resources and know-how needed to upgrade their production to compete even in the urban markets. The requirements for the urban and rural market are varied. In urban areas pottery workers can get orders for profitable ‘fancy’ products while in rural areas the pottery workers have to remain content with little or almost nil profits. Each location thus caters to a different type of localized demand.

A participant stated that clay products such as fruits, animals and dolls were priced between Tk. 3/ to Tk. 5/ for each piece. Compared to urban market prices in Dhaka these prices were very cheap. Participants admitted these items wouldn’t sell at Dhaka as they were made according to local standards and tastes, without using expensive colors or finishing for the products.

**Table 5: Invisibility and Activity Status**

<b>Country</b>	<b>Sector</b> (arranged in ascending order of earnings level)	<b>Self Employed</b>	<b>Piece Rate Workers</b> (Percentage)	<b>Unpaid Family Labour</b>
Bangladesh	Weaving	10	77	13
	Shell/ Pearl	100	-	-
	Garments	29	71	-
	Pottery	40	8	68
India	Agarbatti	3	87	10
	Garments	11	80	7
	Weaving	2	90	6
Nepal	Handmade paper	76	24	-
	Weaving	75	25	-
	Garments	37	63	-
Pakistan	Weaving	11	61	28

		NA	45	NA
	Garments	6	94	-
		NA	62	NA
	Pottery	-	39	61
Sri Lanka	Coir Yarn	7	87	6
	Reed	54	36	10
	Mat making	32	68	-
	Jewellery	18	61	21
	Batik	57	33	5

Garment workers and weavers across the region face high degrees of seasonality with their work and income depending solely on the vagaries of local demand and tastes. In Pakistan workers stated that they had more regular orders during the festival times like Eid and summer. In winter their work would become irregular. In FGDs in Bangladesh all participants complained about the lack of availability of work. Again Eid was a period where they would receive orders. In India the availability of work was found to be irregular. Workers would have enough work during the festivals of Diwali and Ramzan. After Christmas, till schools started in June, they had no work.

**The activity status recorded for the survey respondents reveal that the role workers play in value chains for commodities vary depending upon their location, sector and gender. To a large extent this status mediates the influence the sector's success or failure has on the worker. The study suggests the predominance of piece rate workers in weaving, garments and agarbatti sectors.**

Piece rate workers in these sectors seem to be in the most vulnerable position economically, save the example of Nepal. This is in large part due to the fact that they are unaware of their larger production process and market and thus exploited by middlemen through decreasing earnings and increasing burden of ad-hoc related production costs.

Instances in the FGDs and survey suggest that piece rate workers often bear several input costs for raw material which they are not meant to as per the general notion of subcontracting. However, workers are forced to purchase extra raw materials either due to the insufficiency of raw materials provided by middlemen or due to the fear the products being rejected which causes workers to produce in greater volume than expected by the contractors. This is the situation of agarbatti workers in Karnataka. Further the case of Bangladesh weavers where close to 76% stated that they faced immense difficulties in procuring raw materials.

**The two samples which have a majority share of self employed workers are a study in contrasts.** While the handmade paper sector is one of the best off in the region, the shell and pearl collectors are in an extremely vulnerable position. This could be seen as a result of the differential support available to both working communities. While workers in Nepal have the benefit of being located in an area which is close to direct buyers and consumers in Kathmandu alongside government support, the shell and pearl collectors live on the outskirts and travel far to sell their raw products to jewellery shops near Dhaka. Due to the lack of training and support they receive minimum prices for their unfinished and unpolished pearls.

**Further, the gender of the female worker renders them in an even more invisible position within their sector of production.** Lace makers in Pakistan were predominantly female and despite large demand were paid the least. Women seem to be the mainstay of the agarbatti rolling process and are again paid minimally.

They produce directly for the local market and are engaged in purely local demand based enterprises and work unaware of their larger sector or production chain. Few women in the weaving and garments sector could provide details about household earning and expenditures. Female Pottery makers in Pakistan and Bangladesh stated that the male members of the household marketed the products and bought raw materials. Thus they were only engaged in the labour process and had few details about their earnings and purchases. FGDs in Bangladesh suggested that women were more likely to remain



engaged in the pottery sector, despite the low returns, due to gender discrimination in human capital investments and social norms. None of the female respondents in India said they sold directly in the market. Social norms extending across South Asia curtail women's accessibility to the market or know-how on market affairs.

**The maximum share of unpaid family labour was reported in the pottery sector.**

This would put into question the relative state of the sector due to the lack of any alternative income source. As per the survey, the sector is placed in a strong position. However if one were to consider that the entire family of the worker was involved in pottery production alone and had access to no other income stream, the earnings appear feeble. This was illustrated by the case of the Pal community in Bangladesh who were traditional pottery makers. FGDs with this community suggested that the entire family was engaged in this form of work and no alternative or additional employment or income opportunities were available. Thus, they were involved in an extremely localized market based on local inputs and labour which insulated them against the shrinkage in demand for their products and provided certain economic stability.

**Thus global value chain analysis would not be adequately able to capture the risks and vulnerabilities faced in the context of the HBWs in South Asia as the workers who are in most vulnerable positions are linked very loosely, if at all, to enterprises that are part of global or national value chains.**

### **1.2.3 Geographical and Socio-Economic Context**

**The lack of a trickle down process from sectoral booms to these workers also appears due to their geographical and socio economic context<sup>18</sup>. Workers engaged in**

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<sup>18</sup> This is referred to by Saith (2004) as causing **Structural or endemic entitlement deficits**. Endemic entitlement deficits refer to shortfalls in the crucial dimensions of well-being, such as nutrition, health and housing, that persist and are regularly reproduced in the economy. Thus, the regular reproduction of food insecurity and hunger for a large section of the population – even in the absence of famines or major fluctuations in harvest, the weather, or prices – would fall into this

**well to do sectors who live near or in centres of such growth were experiencing much more valued changes than those living in rural outskirts or far flung regions.**

A significant example which shows how geographical proximity to urban areas or growing markets assists workers is offered by the handmade paper industry. The survey was conducted in the Kathmandu valley, which is the hub of economic activity in the nation. This section had seen a major improvement in earnings and work availability.

In the pottery sector, the sample in Punjab province of Pakistan , a well to do area experienced increase in income as the increasing demand was tapped due to their location and as they received assistance from several NGOs and state interventions , but 60% of the Bangladesh pottery sample said income decreased due to distance from demand and increasing transport costs.

Geographical distance and the resulting transportation costs are a significant variable shaping workers security in terms of a market for their products. In rural areas availability of work was an even bigger problem since the market was restricted to the locality. Hence the type of items and the volume of the market is limited. In one rural location garment workers reported that *“All over embroidered bed sheet, tablecloth, cushion cover and other fancy items don’t sell in the local market. Only a few local non-governmental organizations help by giving orders of such fancy items which sells at Dhaka’s market.”*

**However, geographic and transport infrastructure issues also relate to the overall socio economic context of workers. Most workers who are engaged in home based work in the survey were part of extremely poor and backward sections within their nation.**

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category. Such deficits are reproduced fundamentally because the poor remain poor from year to year. Likewise, major health deficits are reproduced even when there are no epidemics or other mass diseases. This secular, attritional reproduction of vulnerability is realized and experienced in the form of structural, or permanent, or persisting, or chronic poverty. This underscores the important point that at the most basic and significant level, the agendas of social protection and poverty reduction cannot really be separated.

Most potters cater to local rural and peri-urban demand which is short term and does not pay as well. When the Bangladesh potters were asked why they didn't sell their pottery products in Dhaka, which was only a three hour drive away, Jiten replied that although the transportation system was good, they didn't think that they could make profits after bearing the transportation costs and moreover were skeptical about the market in Dhaka. This is because of the belief that '*only fashionable and luxurious clay items sells at Dhaka*'. Thus, their main target group was rural people who still use clay utensils for daily use.

Beside household utensils other fancy and decorative pottery, clay animals, fruits also fetch a good price in the market. But since the pottery makers don't own any shops in the city they were unable to make profits or even access the city demand.

In rural Bangladesh areas garment workers stated that other factors than transport such as clientele and lack of technology also affects earnings. However, the issue was one of capacity to operate and buy such technology which is stunted due to their weak economic status. Najma had taken a training course offered by a local HBWs organization and could sew all ladies items. Unfortunately as she didn't have a sewing machine or the money to purchase one, people would not give her orders. Thus, her main customers were the poor day workers and maids who couldn't afford readymade blouses and expensive tailoring charges of the shops.

**Thus, any solution to curb the insecurities of these workers shall have to address larger development related queries about their weak socio-economic status and weak access to infrastructure which causes poor linkages with areas of high demand and earnings potential.**

#### **1.2.4 Collective Context -Community or Cluster**

**Social Protection has also been described as based on ‘collective care arrangements’ (Kannan). What forms the ‘collective’? The study suggests that the collective may need to be defined differently depending on the context.**

For example, if we take the pearl/ shell collectors as a group, the collective is defined on the basis of a community (boids) which also overlaps with occupation and place of residence. But if this is taken as the unit, then we are accepting the need to protect the integrity of current work and place of residence as opposed to re-settlement and perhaps moving into alternative occupations.

Another way of defining the collective would be through sector or occupation alone, as has been done for bidi workers, which will work well provided the occupation is judged as being remunerative enough in the medium to long term so that the group (and the present production arrangements) is likely to remain stable.

**The community history and background of workers determine to a large extent their presence in a particular field of employment and also determine the nature of an individual’s work within the sector.**

For Example, in the village of Bhadrachhat in Bangladesh, pottery workers have been living from several generations and are very famous for making clay latrines. These latrines fetched Tk. 30 per piece and orders were significant from locals. However, as per community tradition, most of the female workers made clay utensils, which were fetching lower and lower earnings where as the rings were made by men alone. To address the female HBWs concerns for earnings and more work from this area, one would need to think about which avenues of work to provide them and if these would be antithetical to community norms or not. Should alternatives provided be locally and historically relevant based on the community itself or should they deviate from community tradition? Such

questions relate to the future of the community itself and need to be dealt with in any discourse for a social protection plan. The social protection plan for employment guarantee for instance would determine to a large extent if the community would be preserved or not as its work and norms are an integral aspect to its existence. In cases where employment offered as part of a social protection scheme is too cut off from community norms, the scheme might not receive positive co-operation from the workers themselves. Alternatively as seen from the survey, the economic devastation the workers face has already caused them to work in other avenues such as domestic work in urban areas away from home and dilute community traditions. Thus, in such a situation alternative employment or other social protection programmes which deviate workers from the community's historical work could also result in the fading out of the community and the related sector completely; which is another long term development question social protection policy has to consider.

**Table 6: Role of Collective –Family/Community/Cluster**

<b>Country</b>	<b>Sector (arranged in ascending order of earnings level)</b>	<b>Borrowings from informal sources<sup>19</sup></b>	<b>Learnt work from informal sources<sup>20</sup></b>
Bangladesh	Weaving	24	92
	Shell/ Pearl	79 <sup>21</sup>	100
	Garments	24	44
	Pottery	92	92
India	Agarbatti	72	97
	Garments	70	86
	Weaving	70	93
Nepal	Handmade paper	85 <sup>22</sup>	44

<sup>19</sup> Relatives , moneylenders and neighbours

<sup>20</sup> Friends, Natal family and marital family

<sup>21</sup> All borrowed from neighbours only.

<sup>22</sup> Certain respondents may have given two answers about the source of borrowings. Percentages calculated over number of responses. 7 persons stated going to the local moneylender, 4 to their neighbors, 1 to the bank, and 1 to a credit society. Total number of responses is 13.

	Weaving	72	52
	Garments	72	33
Pakistan	Weaving	67	95
		84	74
	Garments	67	95
		82	53
	Pottery	14	95
Sri Lanka	Coir Yarn	36	77
	Reed	72	54
	Mat making	73	35
	Jewellery	50	55
	Batik	50	57

Currently most HBWs rely on their immediate community and family for work and social security. This is seen throughout the sectors as each survey shows that more than half the respondents borrow from the community in times of crisis or heavy expenditures and also learn their skill through community bonds.

Many of the difficulties experienced by home based workers stem from the exploitative controls exercised by middlemen, which can take various forms – debt bondage, delayed and irregular payments, rejection, and so on. Workers who are in rural areas and at a distance from the final market are the most dependent on middlemen for the provision of work. This means further compounding of vulnerabilities resulting from rural location. Marketing and outsourcing infrastructure needs to be created that would change the role of middlemen or replace them. This could challenge community norms too as local power structure are recreated in these hierarchies. In Bangladesh, piece rate garment workers are totally dependent on the middle man/women for work. The materials for blouses and petticoats are cut and given for stitching to the home based workers. In addition, since

women are not encouraged to go outside their home premise, they are left with no other opportunity but to depend on the middleman/woman, who is usually a local influential woman or wife of a locally influential man. Altering such equations of power as part of a scheme to reduce exploitation would also need social capacity building of the community through awareness generation and social dialogue.

**As the need for more work and regular payment from middlemen appear most significant from the survey, the issue of community identity and its preservation or decay is an integral development question that needs to be taken on board in design of any alternative employment scheme or social protection plan.**

However, in the urban context, more than community it is the presence of clusters that seems significant. In these cases such as the agarbatti workers or weavers, a sector wise social protection plan based only on employment oriented needs shall not address the root concerns such as housing and health, which seem far more localized. Such needs for adequate living conditions which can create productive working conditions need to be addressed through local development plans based on the requirements of the cluster and its inhabitants.

Coir workers said that their earning had been affected by the tsunami. Many workers lost their entire produce, raw materials and implements in the tsunami as a result of which they had to start from scratch. However, several non government community based efforts have resulted in the stabilization of income.

Finally, what works in any context depends a great deal on history – local experiences, not national or regional history. Thus, a community based social protection programme like the ‘Guthi’ in Nepal will continue to work and can form the basis of newer forms of protection drawing upon community bonding in that place; but might well be doomed to failure in another area which lacks a similar history.

### 1.3 STAKEHOLDERS FOR SOCIAL PROTECTION

Each stage at which contextual insecurities arise for home based workers needs to be viewed as a vantage point to involve key stakeholders and actors needed to make social protection for these workers a reality. However, the interventions need to be broader and not restrained to employment or income alone. **There is a need to look at other development interlinkages in the market, society and community to tap the role development policy can play.**

It is also evident that where multiple needs are to be met, it is unlikely that a single agency would be able to meet them. Partnerships thus become of central importance. Successful partnerships which are multi-issue, multi-agency are most likely to succeed where partners share a common understanding, a conceptual framework which links all the various aspects of the interventions.

#### 1.3.1 The Global Market and Governing Bodies

Despite suggestions about the receding role of the state in the global market era (references will be added ), **the study stresses the role national macro economic , infrastructure and fiscal policies can make in ensuring the promotion of home based work and the sectors surveyed.** Sound small scale industries policies , cottage industry promotion, infrastructure development alongside taxation structures which do not render home based crafts unviable are essential in ameliorating the impact of intense competition from cheap imports and cheaper technology intensive domestic products. The study shows that taxes levied on yarn or bark or other raw materials do hurt home based workers the most as their earnings are nearly depleted in the procurement of these goods. Infrastructure development is key to create productive and profitable conditions for work. A simple example which arises from the study is the need for transport, storage and electrical facilities felt by most HBWs across sectors. Further enterprise related assistance and technology know how can boost the workers earnings. Lack of technology



and marketing inputs resulted in many workers being unable to sell products at adequate volumes or prices.

**At the international level, foreign governments, international labour unions, development and trade organizations need to be cognizant of the impact their decisions make to the livelihoods of the millions engaged in home based work.** While a global market can provide immense potential for some of these workers to earn an improved existence, their access to both domestic and global opportunities needs to be harnessed and promoted as a twin side to global economic integration.<sup>23</sup>

This process requires further analysis of the linkages between the global market and impact on home based work oriented sectors.

### 1.3.2 The Sector and Value Chains

**The plight of home based workers is partly rooted in them being an invisible cog in the sector's production wheel.** This resulted in the state of economic stagnancy that workers face despite growing sector demand and production. The value chain analysis is a useful tool to identify and promote the potential role private stakeholders can play in any bid for social protection through the implementation of codes of conduct. **If enterprises and employers are to be involved, home based workers shall have to be ascribed their numeric identities and production roles within the sector linkages and production chain.** However, such codes often ignore significant social insecurities concerns such as housing or health or maternity assistance and thus have minimum impact as they cannot attack root causes for the perpetual state of impoverishment home based workers face. Also, it is difficult to reach large numbers of geographically-spread workers. As a result access is limited and monitoring very difficult and expensive. Because of these challenges, there is a real risk that sourcing companies may react by

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<sup>23</sup> The WIEGO Global Markets Programme seeks to address some of these issues. See [www.wiego.org](http://www.wiego.org)

shortening supply chains, that is, putting pressure on suppliers to remove home based workers from their supply base. This has happened for example in Sialkot, Pakistan<sup>24</sup>, where sourcing companies were deterred by the prospect of monitoring large numbers of home based workers stitching footballs (ETI 2003). Thus, this approach needs to be qualified with more analysis on the plausible impact code implementation could have on the employment opportunities for home based workers. The potential that such interventions could result in home based workers being completely removed from the value chain and cause mass unemployment is worrisome and a possible outcome.

### 1.3.3 Socio-Economics and Service Delivery

**The key cause for workers vulnerability and invisibility rests in their socio economic context which perpetuates poverty and illness.** Concerns regarding basic social services appear consistently in the study. Health and housing are fundamental priorities for the workers surveyed. Lack of education, rampant use of child labour and gender discrimination are characteristics of much of the sample and causes future insecurity. **These need to be tackled through effective service delivery of health, education and shelter facilities.** This is the area where poverty alleviation and social protection discourse converges. It is imperative to remove these structural risks faced by workers.

### 1.3.4 The Collective and Civil Society

The role of the community assumes significance when one realizes the role this entity plays in people's co-operation with a scheme or programme. What emerges from the study is that social networks and community linkages are the key social security provider for most of the home based workers. Maximum numbers of workers borrow from neighbours, local moneylenders and relatives in times of crisis. These insurance mechanisms often also replicate community hierarchies and fuel exploitation.

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<sup>24</sup> [www.ethicaltrade.org/Z/lib/2003/12/eticonf/page06.shtml](http://www.ethicaltrade.org/Z/lib/2003/12/eticonf/page06.shtml)

The upliftment and empowerment of home based workers relies on community-development or cluster development initiatives. Many organizing efforts such as SEWA have been successful through the harnessing of community and collective identities. Future efforts to involve the community though must realize its minimum capacity and not burden it with all forms of mutual security and respect community bonds for social protection.

**The role of non-government and labour organizations to provide voice and visibility to these workers is key.**

**To sum up, key findings of this study relating to social protection are:**

- Decisions on social protection interventions and appropriate development trajectory need to be taken together within a shared conceptual framework
- All home based workers share certain sources of vulnerability but the heterogeneity within the sector is a strong argument in favour of locale-specific approaches
- Economic insecurities are linked to low earnings, seasonality, stagnant markets, competition from new products/ markets; and also to lack of credit and training support. The result is that there is a high demand for immediate, and ‘short term benefits’, ‘on the basis of short term considerations and immediate compensation for loss of income’ (Reynaud 2002).
- Health, housing and children’s education emerge as top priorities. While it is clear that there are strong linkages between such social insecurities and the nature of work, tackling them calls for looking beyond the immediate work context.
- Given the wide range of needs, successful social protection initiatives will call for joint action by many agencies. Partnerships are thus central.

