



HOME-BASED WORKERS: GLOBAL PICTURE AND MOVEMENT

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PRESENTATION

- Home-Based Workers: A Global Perspective
- Home-Based Workers: Common Problems
- Support to Home-Based Workers: Different Approaches
- Lessons Learned and Way Forward

HOME-BASED WORKERS: DIFFERENT CATEGORIES

- **By Employment Status**
 - **self-employed**: working on their own account, in family businesses, or in cooperatives/producer groups
 - **industrial outworkers**: working on a sub-contract for a piece rate in local, national, or global value chains
- **By Sector**
 - **artisan production**: embroidery, basket-making
 - **labor-intensive manufacturing**: garments, shoes
 - **personal services**: laundry, beautician, catering
 - **capital-intensive manufacturing**: automobiles, airplanes
 - **clerical work**: typing, data processing, telemarketing
 - **professional work**: tax accounting, legal advising

HOME-BASED WORKERS: SUMMARY OF AVAILABLE STATISTICS

- **home-based workers: significant share of workers**
 - developing countries: 15-66 % of non-farm workforce
 - developed countries: 4-11% of total workforce
- **home-based workers: large share of workers in key export industries**
 - 25-60 % of total workforce in garment-textile sector
- **women: large share of home-based workers**
 - all home-based workers: 30-90%
 - industrial outworkers only: 80-92%

Sources: Chen et al 1999, ILO 2002

HOME-BASED WORK: WHAT IS DRIVING IT?

- **global competition:** increases pressures on firms to cut costs through hiring workers under flexible contracts and sub-contracting production
- **information technology:**
 - facilitates and encourages decentralized production through outsourcing and sub-contracting
 - facilitates and encourages clerical, technical, and professional work to be done at home
- **declining, erratic, or insufficient employment opportunities:** forces many workers to take up self-employment, often at or from their homes, on a regular or seasonal basis

HOME-BASED WORK: DIFFERENT PERSPECTIVES

- **home-based by choice # 1:** highly paid and skilled professionals conducting business from the comfort of home
- **home-based by choice # 2:** low- and high-paid workers, mainly women, who prefer the flexibility of working at home
- **home-based by necessity:** low-paid, low-skilled manual workers in cramped, dingy, and unsafe surroundings

INDUSTRIAL OUTWORKERS: SPECIFIC PROBLEMS

- unpredictable and irregular work
- little (if any) knowledge of:
 - final product/market
 - lead firm
- little (if any) bargaining power
- very low average earnings
- delayed payments
- most costs of production: workplace, equipment, utilities

SELF-EMPLOYED: SPECIFIC PROBLEMS

- limited access and/or knowledge
 - financial markets
 - product markets
- unfair prices
- unfair terms of trade
- limited bargaining power

COMMON PROBLEMS

1 - Risk and uncertainty

- fluctuations in level of work and incomes
- changes in the terms and conditions of work
- sudden loss of work
- few mechanisms to cope with risk

COMMON PROBLEMS

2 – Constraints and barriers to organizing

- isolated and remote
- limited experience in organisations
- limited bargaining power
- fluctuations in location, terms, and conditions of work

COMMON CHALLENGE

3 – Need for action and allies at all levels: local, national, regional, and international

- **local:** sharing knowledge + pooling resources + building solidarity with similar producers/workers
- **national:** influencing national policies + negotiating with (or taking on role of) suppliers and exporters
- **regional:** building solidarity with similar groups/networks + influencing regional inter-governmental organizations and trade agreements
- **international:** building solidarity with consumers + negotiating with lead companies/buyers + influencing international policy makers and trade agreements

SUPPORT TO HOME-BASED WORKERS: DIFFERENT APPROACHES

1 - Changing Corporate Practices (Ethical Trade)

2 - Changing Terms of Trade (Fair Trade)

3 - Changing Policy Environment (WIEGO)

CHANGING CORPORATE PRACTICES: ETHICAL TRADE INITIATIVE

ADD bullets on how ETI works – goals, strategies, allies, etc.

CHANGING CORPORATE PRACTICES

National HomeNet Association, India

**Or other example re home-based
workers**

ADD bullets summarizing this experience

CHANGING TERMS OF TRADE: FAIR TRADE MOVEMENT

**ADD bullets on how Fair Trade works,
strategies, allies, etc.**

CHANGING TERMS OF TRADE

**ADD example of small home-based
producer group – eg. Shea butter**

CHANGING POLICY ENVIRONMENT: WIEGO

- **What is WIEGO?**
 - global research policy network that seeks to improve the status and strengthen organizations of the working poor, especially women, in the informal economy
 - ally of growing international movement of informal workers worldwide, including regional HomeNets and StreetNet International
- **Who is WIEGO?**
 - 120 members from 28 countries drawn from three constituencies: member-based organizations of informal workers; researchers and statisticians; staff of development agencies
 - 15 members of Steering Committee and 40 members of Advisory Committees from 15 countries
 - 8 Program Staff and 3 Administrative Staff (mostly part-time) based in 5 countries
- **What does WIEGO do?**
 - seeks to improve research, statistics, and policies on the working poor, especially women, in the informal economy
 - promotes activities under its five main programs: Global Markets, Urban Policies, Social Protection, Organization and Representation, and Statistics
 - promotes research, data compilation and analysis, policy dialogues, good practice documentation, and technical advice

CHANGING POLICY ENVIRONMENT

HomeNet South Asia and HomeNet South East Asia

- **Policy Changes:**
 - 1996 ILO Convention on Homework
 - improved statistics on home-based workers
 - national policies on social protection for home-based workers (e.g. India, Thailand)

- **Improved Official Understanding:**
 - provisions and recommendations of 1996 ILO Convention on Homework
 - impact of Asian financial crisis on home-based workers
 - how home-based workers are inserted into global value chains, and with what consequences

- **Role of WIEGO:**
 - compilation of statistics on home-based workers for ILO Convention campaign
 - analytical framework for study on impact of Asian financial crisis
 - methods/modules for collecting official statistics on home-based workers
 - manual on global value chain analysis to include home-based workers
 - research on home-based workers in specific sectors: garments, non-timber forest products
 - case studies of social protection of different categories of workers along global value chains: garment and horticulture sectors
 - technical consultation and edited volume with ILO and World Bank on social protection of home-based workers
 - first regional conference on home-based workers (Kathmandu 2000)

LESSONS LEARNED: TARGETS OF ORGANIZING

- suppliers/lead firm in global value chains
- national policies and legislation
- regional and international trade agreements
- international norms and conventions
- international development agencies

LESSONS LEARNED: TYPES OF ORGANIZATIONS

- **Member-Based Organizations (MBOs)**
 - trade unions
 - cooperatives
 - associations: area, sector, or issue-based
- **Federations, Networks and Alliances:** national, regional, and/or international
 - federations of MBOs
 - networks of MBOs
 - alliances of MBOs and NGOs
 - tripartite alliances

LESSONS LEARNED: RANGE OF ALLIES

- **Trade Union Movement**, including:
 - national federations
 - Global Union Federations (GUFs)
 - International Trade Union Confederation (ITUC)
- **Cooperative Movement**
- **Consumer and Advocacy Networks**, including:
 - Clean Clothes Campaign
 - Committee for Asian Women
 - Maquila Solidarity Network
 - Oxfam International
 - WIEGO
- **Trade-Related Movements**, notably:
 - Fair Trade
 - Ethical Trade

LESSONS LEARNED: ROLES OF ALLIES

- **General**
 - information and dissemination
 - policy advocacy and negotiations, including trade negotiations
 - framing issues: conceptual and policy frameworks
 - awareness building and mobilizing support
 - training and capacity building
- **Specific to Industrial Outworkers**
 - negotiating and monitoring codes of conduct/agreements
 - advocating for and monitoring labour conventions/standards
- **Specific to Self-Employed Producers and Producer Groups**
 - business development services
 - technology and skills development
 - market development and intermediation

FUTURE CHALLENGES

- **strengthening Member-Based Organizations of Home-Based Workers**
- **strengthening Local-Global and Worker-Producer-Consumer Ties**
- **increasing pressure on Corporate Practices, Terms of Trade, and Policy Environment**

MOVING FORWARD TOGETHER: WIEGO'S FUTURE ROLE

- **collaboration with Ethical Trade and Fair Trade movements:** to promote the representative voice of home-based producers in negotiations and initiatives relating to ethical and fair trade
- **facilitation of design and marketing services:** to help organizations of home-based workers help their members gain access to export markets
- **global value chain analysis in specific sectors:** to show how home-based workers are inserted into global value chains, including their share of value added, benefits, and risks
- **regular updating of data base on organizing efforts:** to show how home-based workers are organizing/being organized
- **documentation of good practice examples:** to show what strategies and which allies have helped organizations of home-based workers change