

# COVID-19 Crisis and the Informal Economy: Informal Workers in Delhi, India



Food vendors in a busy market in Delhi (This photo was taken prior to the start of the COVID-19 pandemic).  
Photo credit: Rashmi Choudhary

## Key Findings

The COVID-19 pandemic and strict national lockdown, implemented with only four hours' notice, had a severe impact on the millions of workers in the informal economy in Delhi. The lockdown resulted in a sudden, absolute drop in work and income for informal workers. While easing of lockdown restrictions allowed for the gradual resumption of economic activity, informal workers remain in crisis, with reductions in earnings, increased debt, a rise in care responsibilities and little or no access to long-term support, making recovery slow and difficult.

### 1 The national lockdown resulted in a near total loss of livelihood for some sectors:

99% of domestic workers, 90% of street vendors, 71% of home-based workers and 67% of waste pickers were unable to work in April 2020 due to the lockdown restriction. In April, all domestic workers reported zero income while the average earnings of street vendors, waste pickers and home-based workers fell by nearly 90%.

### 2 Since lockdown, some work has returned but earnings have not recovered:

With easing of lockdown restrictions in June/July, some workers were able to go back to work.

Nearly 80% of waste pickers, 42% of domestic workers and 53% of street vendors resumed work in this period, but only around 25% of home-based workers could find work. However, even for those working, the quantity of work has been reduced – all sectors are working fewer days per week than they were before the crisis.

The earnings of workers in all four sectors have fallen drastically from pre-lockdown averages. 97% of workers surveyed reported having less household income in the previous month than before the crisis, with 54% of workers reporting having no household income at all in the previous month.

**3 Many informal workers reported experiencing hunger during the months of lockdown:**

35% of surveyed workers reported hunger experienced by adults in their household in the previous month.

**4 The crisis has resulted in an increase in care responsibilities of informal workers, especially for women:**

51% of workers with dependents said their child care burden had increased, while 38% of workers who have elderly dependents also reported more time being spent on their care. Women reported higher increases in cooking, cleaning and other care responsibilities than men.

**5 The use of Personal Protective Equipment (PPE) is widespread across all sectors of informal workers:**

96% of workers reported using personal protective equipment such as masks and gloves.

**6 Many informal workers received some aid in the form of cash or food from the government during the crisis. However, almost all workers also referred to the importance of support from civil society:**

32% of total workers received cash grants and 73% of total workers received food assistance from the government during the crisis period. However, workers' own membership-based organizations (MBOs) and civil society played a larger role in the provision of relief – 93% of workers surveyed reported having received aid from their MBOs or other NGOs.

**7 During the crisis, informal workers had to adopt a range of coping mechanisms such as drawing down their savings, borrowing money or finding other work:**

Faced with loss of work and earnings, drawing down savings was the most common coping mechanism used by street vendors (78%) and waste pickers (57%). For lower-earning groups, borrowing money was the most common coping mechanism, used by 64% of domestic workers and 43% of home-based workers.

---

## Background

**COVID-19 Crisis and the Informal Economy** is a WIEGO-led 12-city longitudinal study that assesses the impact of the COVID-19 crisis on specific groups of informal workers and their households. Using a survey questionnaire and in-depth interviews, Round 1 assessed the impact of the crisis in April 2020 (the period of peak restrictions in most cities) and in June/July 2020 (when restrictions had been eased in most cities) in comparison to February 2020 (pre-COVID-19). Round 2 will assess continuing impacts versus signs of recovery in the first half of 2021, compared to the pre-COVID-19 period and Round 1. This report presents the summary findings of Round 1 of the study in Delhi, India. Researchers in Delhi surveyed 270 informal workers in four sectors: home-based workers, waste pickers, street vendors and domestic workers. This study was carried out in partnership with: SEWA Delhi, Janpahal, and the Delhi Roundtable on Solid Waste Management.

## Informal Economy in Delhi, India<sup>1</sup>

The vast majority of workers in Delhi are informal workers. Latest estimates suggest that there are 4.92 million informal workers making up over 80% of the total workforce. Women constitute only around 15% of the total workforce, but 76.4% of women working are in the informal economy. Informal employment is also the main source of employment for men – 81.5% are informally employed.

Home-based workers, domestic workers, street vendors and waste pickers together constitute around 14% of total and 17% of informal employment in Delhi. For women informal workers, these four sectors make up nearly 22% of total employment and nearly 30% of informal employment.

---

<sup>1</sup> All statistics in this section are drawn from Raveendran, Govindan, and Joann Vanek. 2020. Informal Workers in India: A Statistical Profile. WIEGO Statistical Brief No. 24.

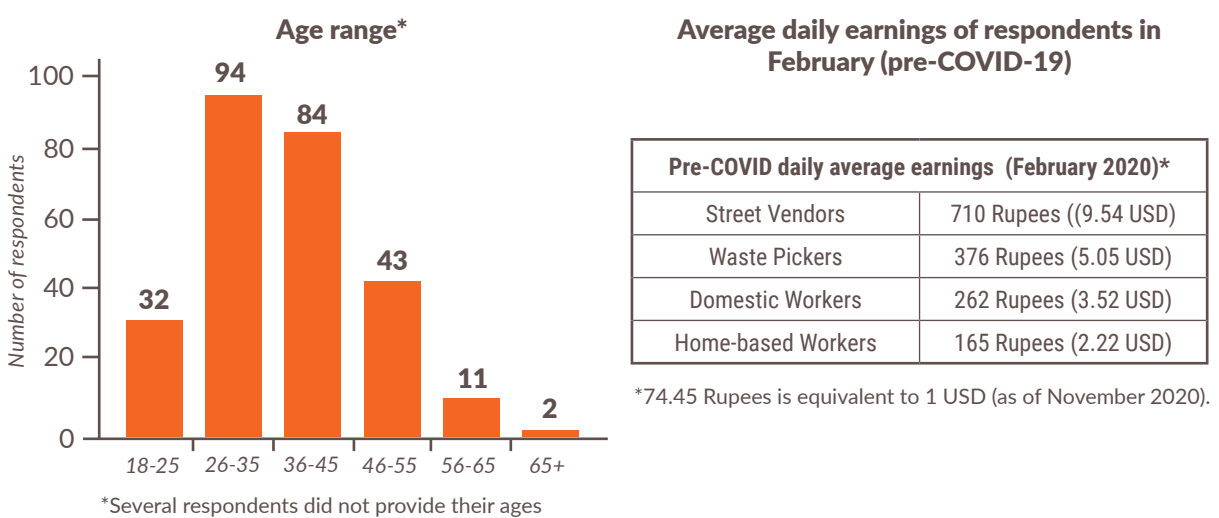
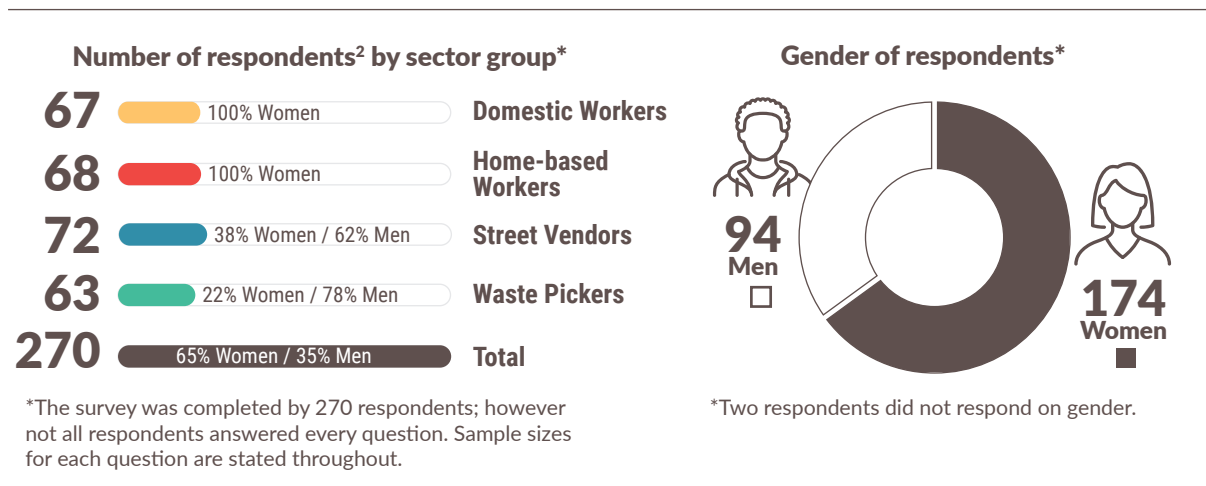
Most home-based workers and street vendors in Delhi are own-account workers; that is, they are self-employed with no employees. All domestic workers and the majority of waste pickers are regular wage workers.

The majority of workers in all four sectors work very long hours. They are extremely low-paid with earnings often falling below the minimum wage standards. In all worker groups, women earn less than men.



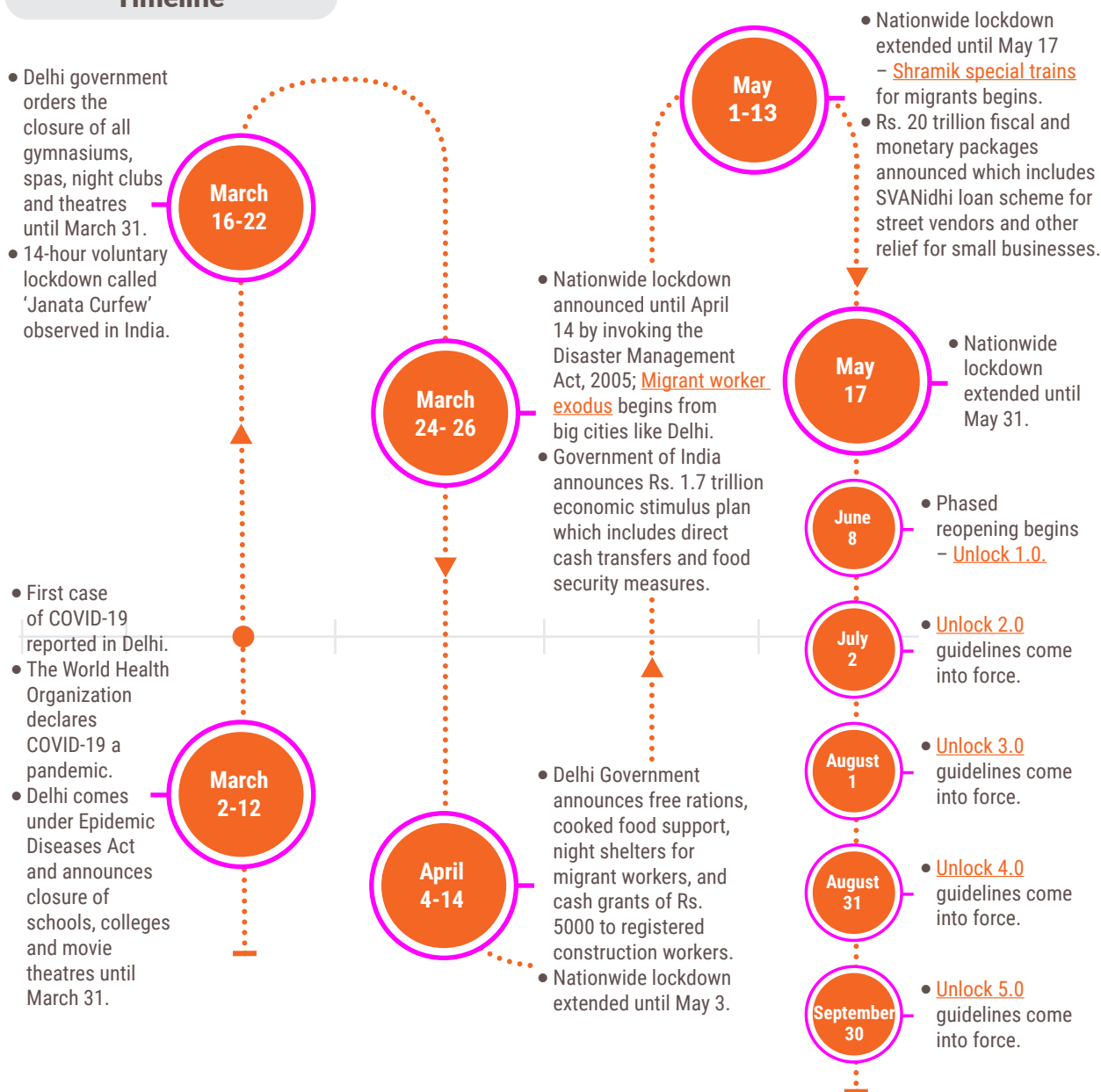
*“We are also citizens of this country, we’ve not come from somewhere else, we help in running this country. We vendors make revenue worth 30 million for Delhi every day, selling fruits and vegetables, and clothes. We get everything to your home, whether it’s day or night, in any kind of weather, we are still working on the road. So why can’t the government see our troubles...?”*

**- Male street vendor**



## Policy responses to COVID-19

### Timeline



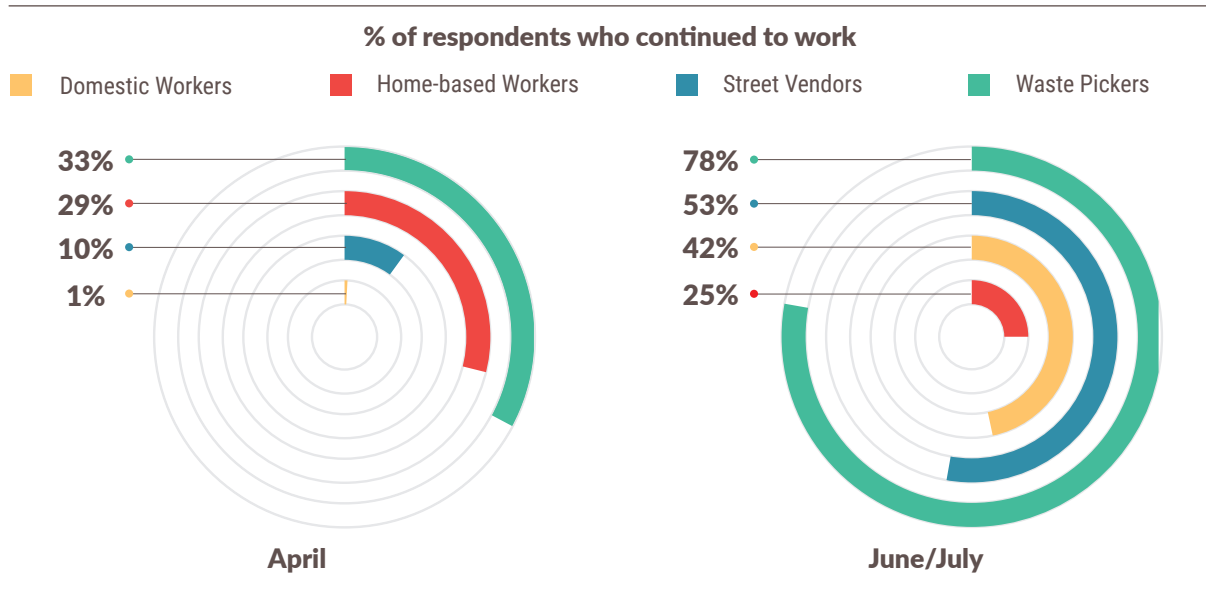
Yes, it was of course difficult for people who depend on their work for their daily food and water. If they have to stay at home for 2 months because of the lockdown, they definitely would be affected. We got rations from the government – rice, wheat. But you cannot only eat rice and wheat, right? You need other things – vegetables, spices, cooking gas – all that you still have to buy. That's why I was worried, where will I get the money for all this from?"

– Male waste picker



## Impact on work

The COVID-19 crisis dramatically impacted informal workers' ability to work and earn. On March 24, with just four hours' notice, India went into a 21-day lockdown. The abrupt lockdown brought the crowded and bustling city to a halt, causing severe financial and emotional stress for informal workers. The immediate crisis for informal workers was more a result of the draconian closure than the pandemic, as workers grappled with a total loss of livelihood and the resulting hunger, insecurity and vulnerability that followed.

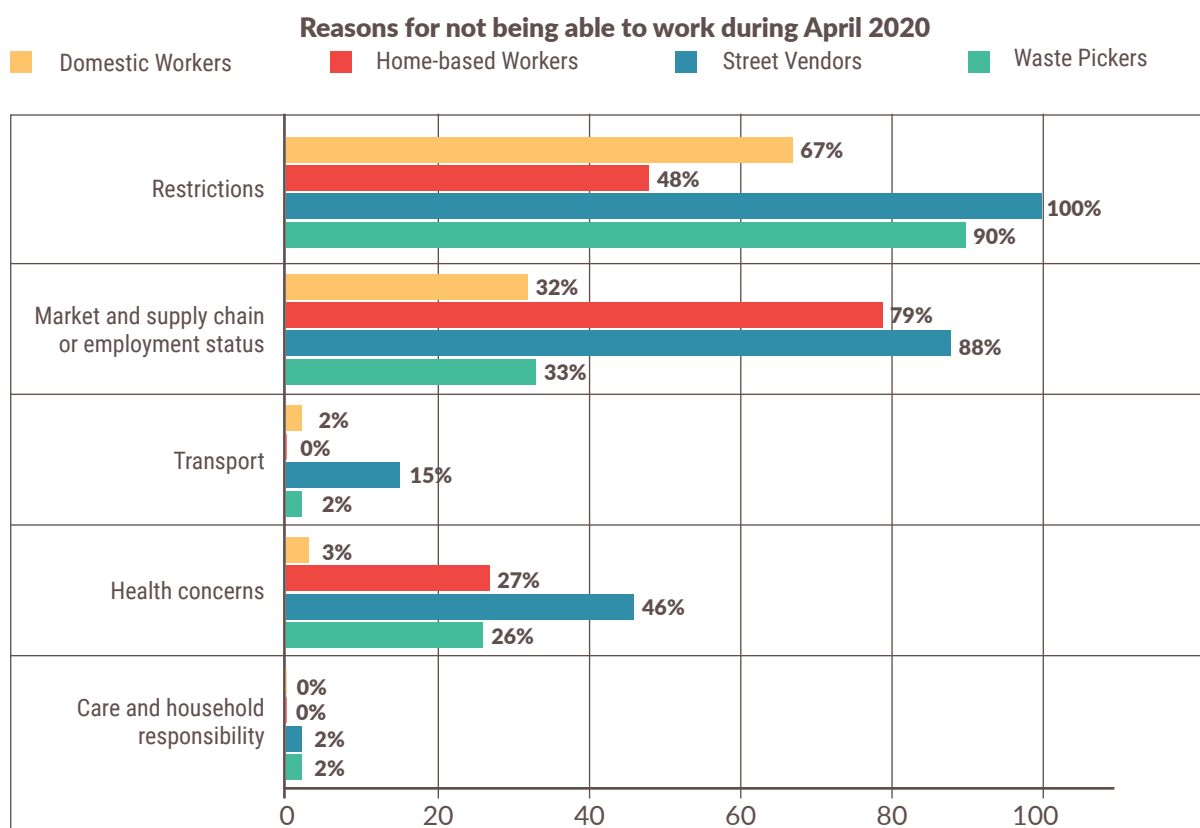


When asked whether they were able to work, even for a single day in April, the vast majority of workers responded in the negative. Domestic workers were hit hardest with 99% being unable to work in April, followed by 90% of street vendors and 67% of waste pickers.

Many waste pickers found work in April as household waste collection continued during the lockdown period. In the absence of regular service provision by the municipality, informal waste pickers filled the gap and provided this service in many parts of Delhi. Some respondents also had occupational identity cards which facilitated their ability to work.

Home-based workers were able to access some work during this period, mainly making masks or other PPE, for which there was a sudden rise in demand. The Self-Employed Women's Association (SEWA), the MBO with which this sample of home-based workers is associated, was able to procure a contract for mask-making work very soon after the announcement of lockdown at the end of March.

Lockdown restrictions were the main reason cited by workers for inability to work in this period. Street vendors also cited market closures and supply chain disruptions as well as health concerns as significant barriers. For domestic workers, the main reason for inability to work at this time was employers laying them off or not calling them to work.



Phased Unlock guidelines came into force from the beginning of June which led to the slow re-opening of the economy. By the months of June to July, there was a partial resumption of work. The majority of waste pickers (78%) and street vendors (53%), and 42% of domestic workers said they had worked for at least a day in the week prior to the survey. However, home-based workers' ability to work fell further and continued to decrease. Our qualitative interviews revealed that even the mask-making work which was available in the early days of the lockdown depleted over time and did not yield substantial earnings.

Market and supply chain disruptions and employment restrictions continued even as lockdown restrictions eased. Domestic workers reported that even in June, many employers did not call them to work despite the easing of government restrictions. Many Resident Welfare Associations (RWAs) continued to enforce severe restrictions on the entry of domestic workers into residential complexes because of fear and perception of domestic workers as vectors of the disease. Street vendors and waste pickers who work in public spaces also faced significant challenges as many markets remained closed, and buyers had not returned. Home-based workers were also affected by supply chain issues as the market demand for their work remained severely depressed.



*"The work is closed down now. I used to sell food on the road for workers. In the pandemic they have also gone back to their village. However, if the workers only are not there then how will I do my business?"*

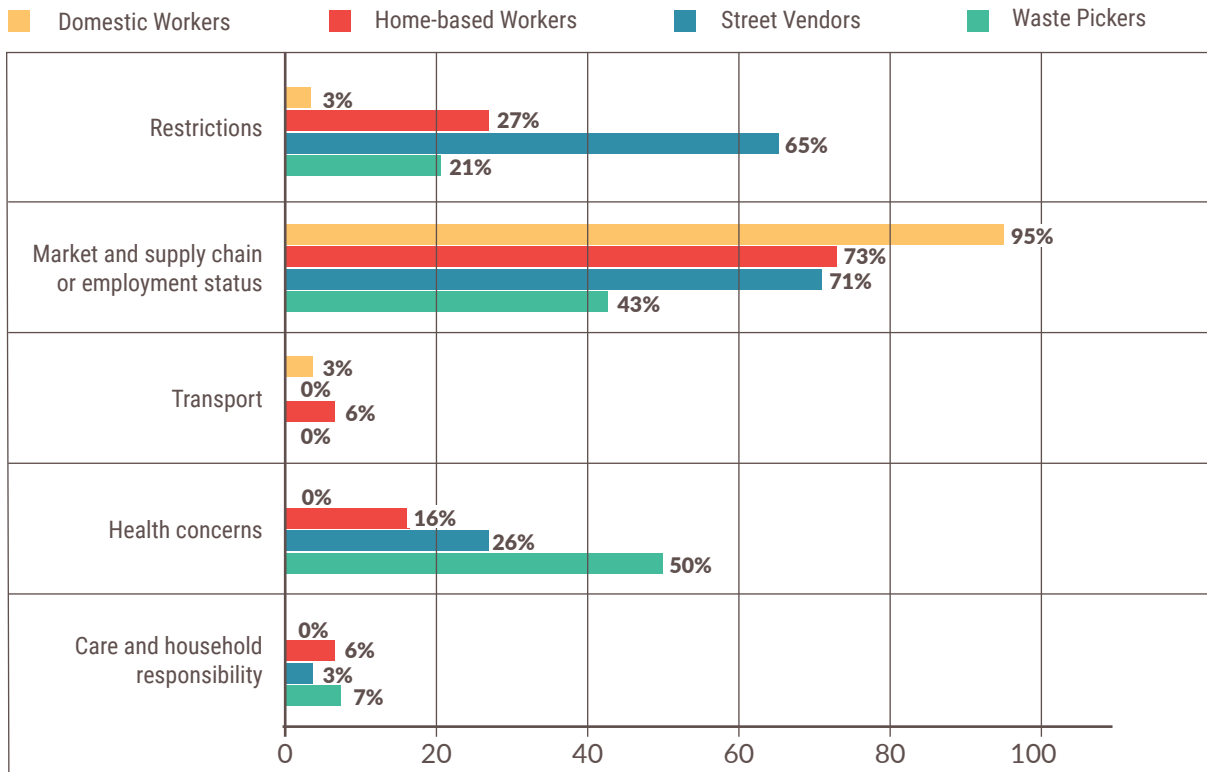
**- Male street vendor**



*"...everyone is inconvenienced...we get money only for the one day's job we go for, nothing more...we don't get any help...having hopes in the Resident Welfare Associations of the colonies we work at is useless...they don't think about people like us..."*

**- Female domestic worker**

**Reasons for not being able to work in June/July\***



\*Respondents could select more than one reason for not working



*“We have to face a lot of loss due to COVID-19. Whatever vegetables we used to take for sale, it was not getting sold because there were not enough customers. Earlier all the vegetables used to get sold in the market easily, but during the lockdown I am not able to earn enough income for survival even after selling it by moving from one place to another. Some people were not buying vegetables from us because of the fear of virus and it used to get spoilt.”*

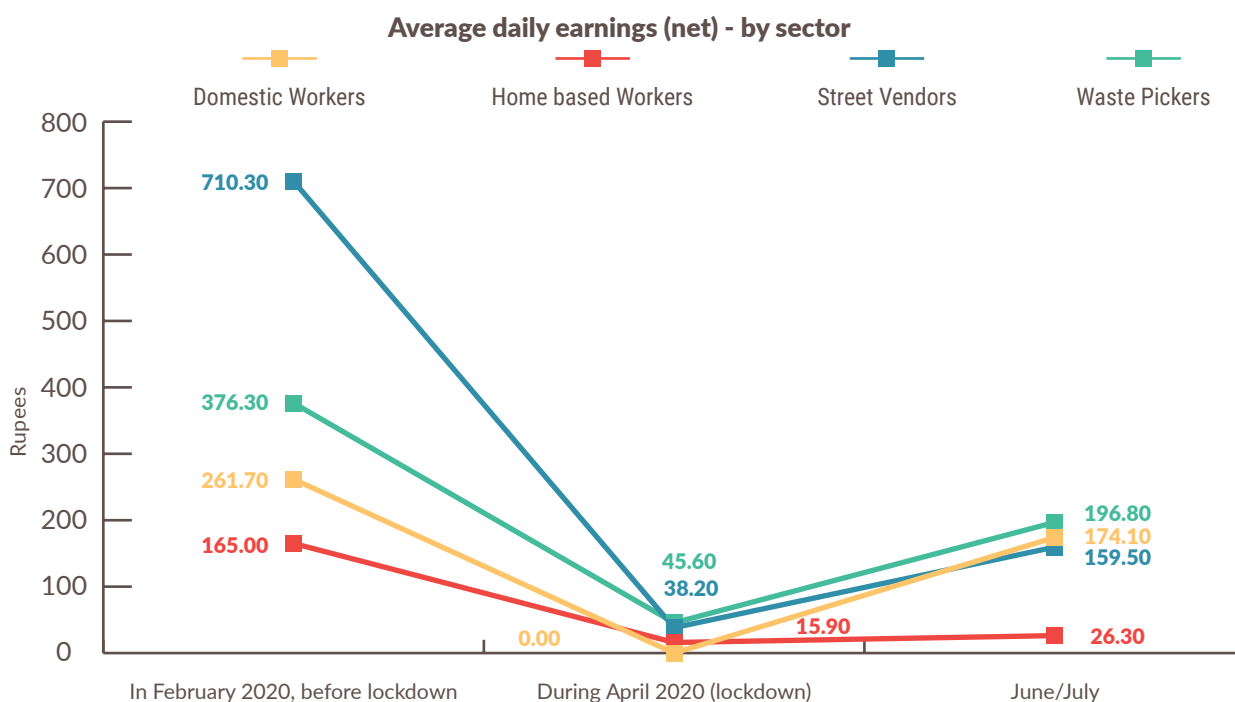
**- Female street vendor**



Vendors and customers at the Saturday weekly market in Vasant Kunj, Delhi.  
Photo credit: Rashmi Choudhary

## Impact on earnings

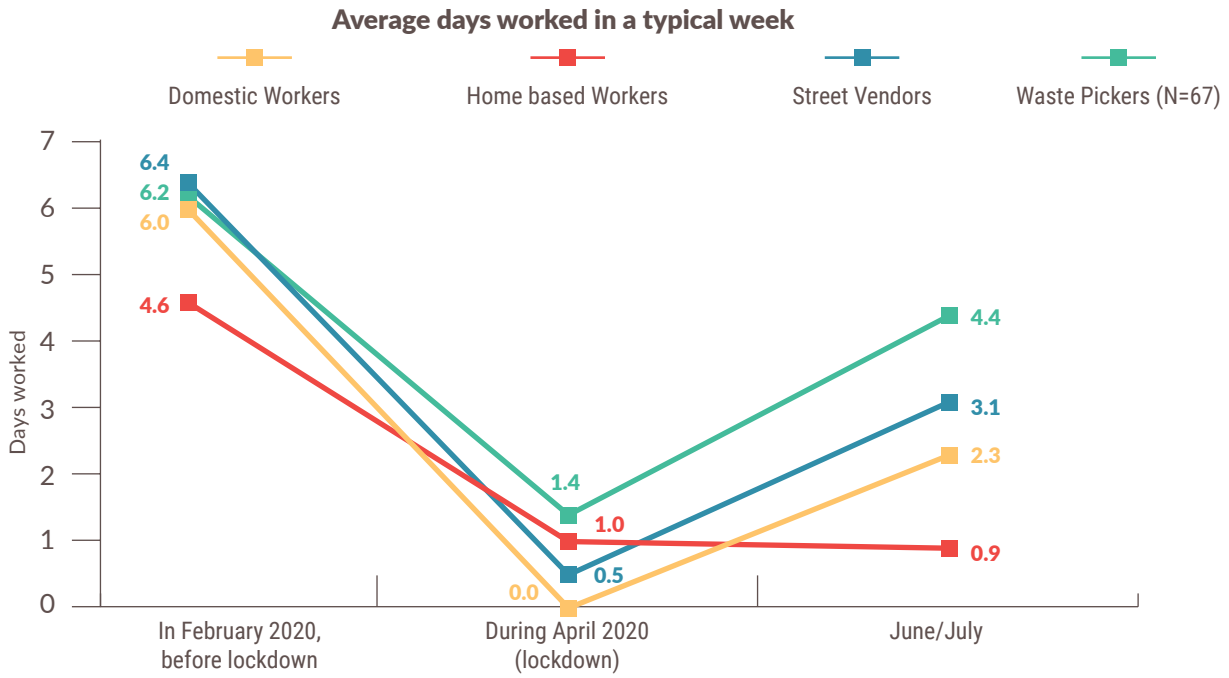
There are major disparities in average daily earnings between the four sectors in the pre-lockdown period, with street vendors and waste pickers earning far more than domestic workers and home-based workers. However, workers in all sectors faced a drastic and sudden drop in earnings with the imposition of lockdown in April. While workers have been able to resume some work since the easing of lockdown restrictions in June, their earnings have taken a major fall, with none of the four sectors making a full recovery to the pre-lockdown period.



Respondents with zero earnings, April and June/July	
● Domestic workers:	<ul style="list-style-type: none"> <li>● During April, 100% of domestic workers were earning zero.</li> <li>● In July, they were earning 68% of pre-crisis levels, with 71% continuing to earn zero.</li> </ul>
● Home-based workers:	<ul style="list-style-type: none"> <li>● During April, home-based workers were earning only 10% of pre-crisis earnings, with 72% earning zero.</li> <li>● In July, they were earning 16% of pre-crisis earnings, with 76% continuing to earn zero.</li> </ul>
● Street vendors:	<ul style="list-style-type: none"> <li>● During April, street vendors were earning only 5% of pre-crisis earnings, with 92% earning zero.</li> <li>● By July, they were earning 22% of pre-crisis earnings, with 60% continuing to earn zero.</li> </ul>
● Waste pickers:	<ul style="list-style-type: none"> <li>● During April, waste pickers were earning only 12% of pre-crisis earnings, with 75% earning zero.</li> <li>● By July, they were earning 52% of pre-crisis earnings, with 24% continuing to earn zero.</li> </ul>

Depressing workers' earnings further is the fact they were not able to work as many days of the week as they did before. In April, workers in all four sectors either found no work or were able to do at most a day's work in a week. By June, domestic workers who used to work on average six-day weeks before lockdown were able to only work between 2-3 days, while street vendors and waste pickers were only finding work 3-4 days a week. Home-based workers were once again hardest hit, with most not finding even a day's work. Taken together, findings on ability to work and earnings reveal a picture of a slow and difficult recovery for all sectors.





*“I am only allowed to go to one house in a day. If I go to one home on a Sunday, I cannot go to another. So, I take a gap for a day and then go to the next house. So, they don’t give us our entire salary, they cut it and give per day salary.”*

**- Female domestic worker**



*“During lockdown no one was allowed to go out and collect waste. All junk shops were closed. Those who had outstanding money to collect could go take it, but the junk dealers reduced the rate during lockdown. What I was going to sell for 5 Rs/kg, I had to sell for 3 Rs/kg.”*

**- Female waste picker**

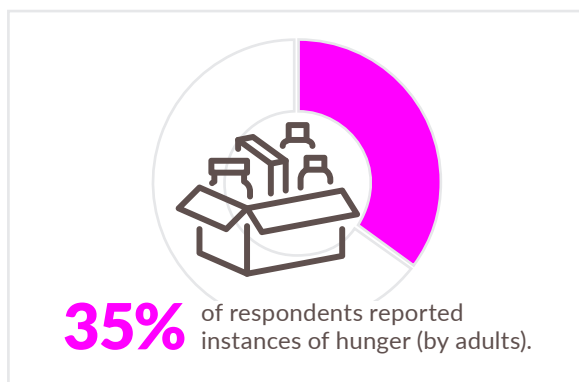


*“The shops have opened, and vendors have also started work but the work is only 25%. People are going to work because instead of sitting at home, it’s better to do some work. The only fear is that they don’t come in contact with the virus, they tell me that they take precautions, they stand far away from people and sanitize constantly.”*

**- Male street vendor**

## Impact on food security

The sudden inability to work and the drastic fall in earnings has had a heavy impact on the ability of informal workers to meet their most basic needs, including the ability to feed themselves and their families.



Over half of the waste pickers interviewed faced food insecurity at some point in the month prior to the survey, with 57% reporting experiences of hunger among adults in their household and over 10% reporting that this was a frequent occurrence. Around 25-30% of workers in the other three sectors also reported having experienced hunger.

Over 40% of waste pickers' and domestic workers' families with children said that they experienced hunger and had difficulties in providing food for their children.

These figures are likely underestimates. The stigma associated with hunger may have deterred workers from revealing the extent of the distress they faced. Many workers recounted the inadequacy of government-provisioned rations and the grave sense of uncertainty and indignity they faced in accessing food, especially in the lockdown months when they were not able to work at all.



*"We sleep without having dinner. We sometimes have a meal only once in a day."*

**- Male waste picker**



*"Sometimes in the {neighbourhood} school also they {the government} would distribute cooked food, so all of us would go. For a few days the food was okay, but after that it was difficult for both the kids and us to have that food, even then we've eaten it. In my family, there are five people including my child. We cannot feed the child, like how we feed ourselves, a child cannot survive only with half a litre of milk."*

**- Female domestic worker**



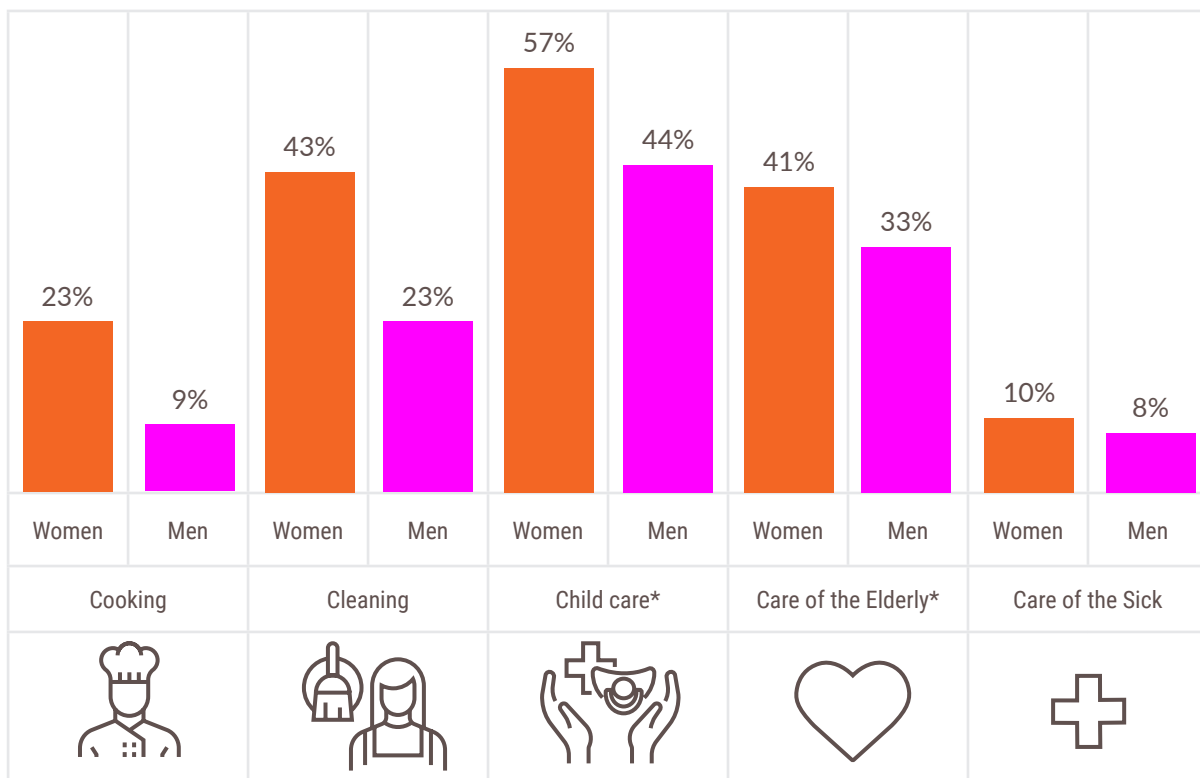
*"People whose shops are not open, they're in a horrible state, completely bankrupt. I meet people who haven't eaten in 4 days. Some go to temples which are giving a meal and they don't have money to go back to their villages."*

**- Male street vendor**

## Impact on care responsibilities and household stress

The COVID-19 crisis and associated lockdown have resulted in intense stress for informal worker households, with many reporting difficulties in navigating increasing care responsibilities in a context where incomes have shrunk. 97% of workers surveyed reported having less household income in the previous month than before the crisis, with 54% of workers reporting having no household income at all in the previous month. In the context of these pressures, and with children and all other family members at home together during lockdown, the burden of child care as well as other household responsibilities like cooking, cleaning and care of the sick and elderly has increased. In all care responsibility categories, the increases have been disproportionately greater for women.

**% of respondents reporting increase in care and household responsibilities by gender**



\*Figures are stated for households with dependents.

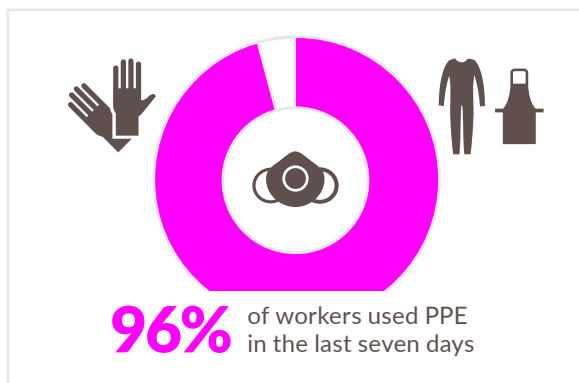


*“I am trying to work but also there is more work at home as all three of my children have been home since April. It is difficult for them to study because they all need to use the mobile phone for their classes. We didn’t even have a mobile phone for this, I had to buy one. It was very difficult to save money for it.”*

**– Female waste picker**

## Workers' Health & Safety

Despite stigmatization against informal workers as vectors of disease, only 6% of workers surveyed reported having experienced COVID-19 symptoms in their households. The highest incidence of COVID-19 symptoms was reported by domestic workers (15%), potentially suggesting the heightened exposure risk they face, working in close, indoor settings with employers often present at home (especially during the lockdown).



The vast majority, 96% of workers, reported using personal protective equipment like masks and gloves in the seven days prior to the survey. In addition to widespread use, informal workers are often procuring PPE themselves – 59% of waste pickers and 50% of street vendors reported having self-procured PPE. Only 3.7% of total workers received PPE from their employer/contractor (10% of domestic workers and 5% of waste pickers).



*“Of course there are difficulties with respect to money. Sometimes you wonder whether your kids’ studies will happen or not...will they ever get to go to school? There’s so much fear in our minds about this illness. There’s a lot of fear in the minds of the public, we’re wondering when all this will be done.”*

**– Female home-based worker**



*“When we go to work, we wear gloves and a mask and when we’re coming back home, we clean up and bathe, we wash our hands before entering the house and leave our clothes outside only.”*

**– Male waste picker**

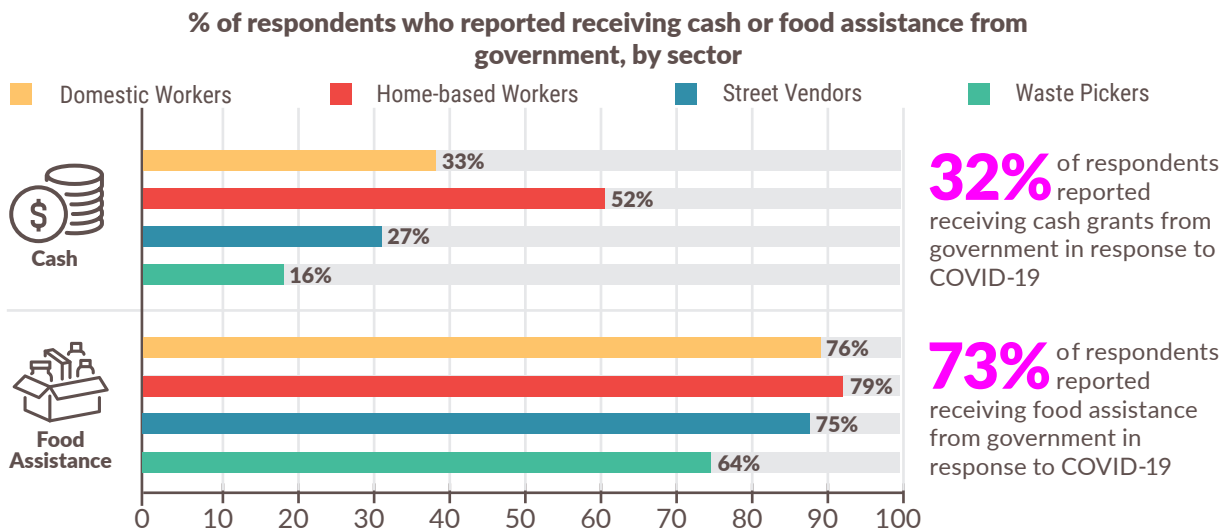


*“So recently, the Delhi Government opened up Weekly Markets, then we in the Hawkers Joint Action Committee chalked out a plan – at what distances shops will be put up, we have done these markings and asked the hawkers to sit there. We want this work to go on smoothly, so we have gone into the markets, distributed sanitizers, made people aware about COVID, social distancing and the precautions that need to be taken while handling money. We have asked them to wear gloves. But with gloves too, how many times can you wear it and take it out? They cost 100 rupees, but even then, we are trying.”*

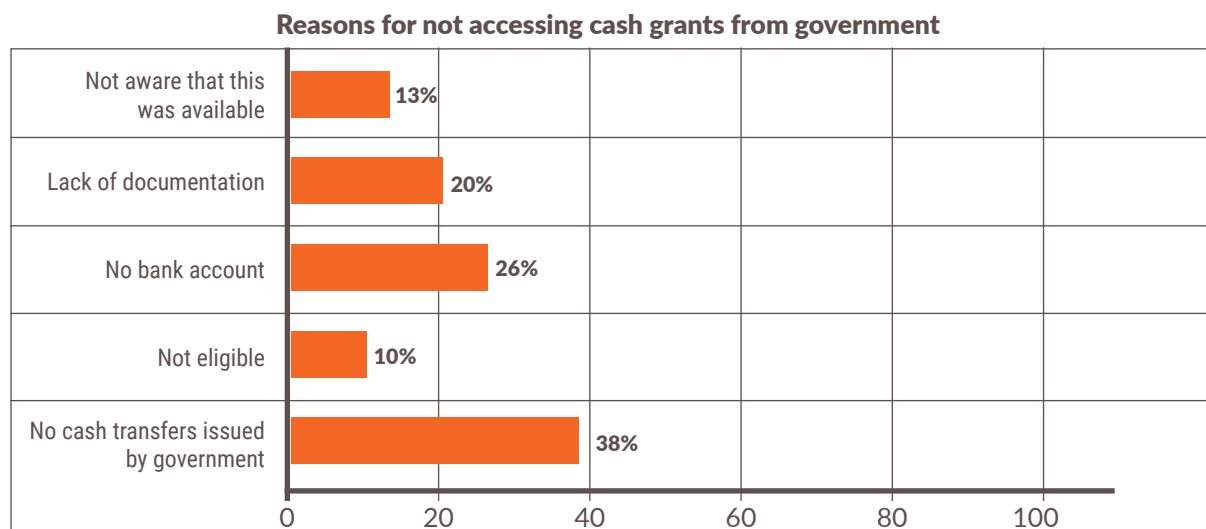
**– Male street vendor**

## Relief measures

The government did not launch any relief or cash grant scheme specifically for informal workers in any of the four sectors covered by this study. However, women who had bank accounts under the [Jan Dhan financial inclusion programme](#) were entitled to Rs. 500 per month for the three months of April, May and June. The survey results reflect this – the two sectors with exclusively women workers, home-based and domestic work, reported a higher incidence of having received cash grants, likely because these women were already part of the Jan Dhan programme. Still, the majority of women workers surveyed still did not receive any form of cash assistance from the government. For those who did receive assistance, this is also due in part to the work of SEWA, the organization of women informal workers from which the sample of home-based and domestic workers was drawn. SEWA has worked historically to connect women worker members with government schemes and bank accounts.

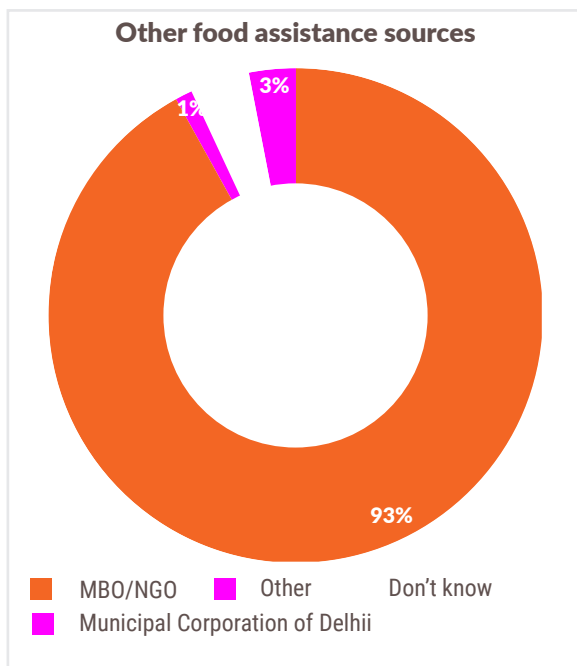


Almost three quarters of workers in all four sectors did report having received food assistance from the government. Following the announcement of the lockdown and the migrant exodus from cities, both central and state governments announced rations at free or subsidized rates and also made provisions for disbursement of cooked food in many places. In particular, the [ECoupon scheme](#) of the state government of Delhi delinking rations from the requirement of having local ration cards<sup>2</sup> was critical for informal workers to access food assistance, as the vast majority are migrants to Delhi and may not have local cards.



<sup>2</sup> Ration cards are an official document issued by state governments in India to households that are eligible to purchase subsidized food grain from the Public Distribution System under the National Food Security Act.





However, a more significant source of food aid for informal workers was their own membership-based organizations (MBOs) or NGOs. An overwhelming majority (93% of surveyed workers) reported receiving food assistance from their MBOs or an NGO. This shows the critical role played by civil society in providing direct aid, which was done in many cases in parallel with efforts to connect workers with access to government aid by spreading awareness about available schemes and supporting workers to fill out necessary documentation. Workers' organizations and non-profit organizations served as front line responders to support Delhi's informal workers through the crisis, and as a bridge to connect and channel aid from the government



*“Other sisters {members of SEWA} are surviving in great difficulty... whatever savings they had have been eaten up into. With great difficulty they had managed to save something. They’ve taken loans and we’ve distributed rations through SEWA to many sisters. We’ve gone home to home and seen what difficulty they’re experiencing; they didn’t even have anything to eat.”*

**- Female home-based worker, SEWA**



*“Because we did not have the ration card, we could not get rations. We did not have the information about the e-coupon for the ration. Additionally, there was a lot of brawling /quarrel for the ration that was getting distributed by the government on the Aadhaar Card. The ration was distributed for about three months that also we could not get. We have a family of seven members. In this difficult time the support that is offered is also not accessible to us.”*

**- Male street vendor**



*“We weren’t working then {during lockdown} so we used whatever savings we had. But that was only enough to feed ourselves, so we didn’t pay any rent or electricity. Even then, we ran out of food many times, so we had to ask the MBO to help us out with s.”*

**- Female waste picker**



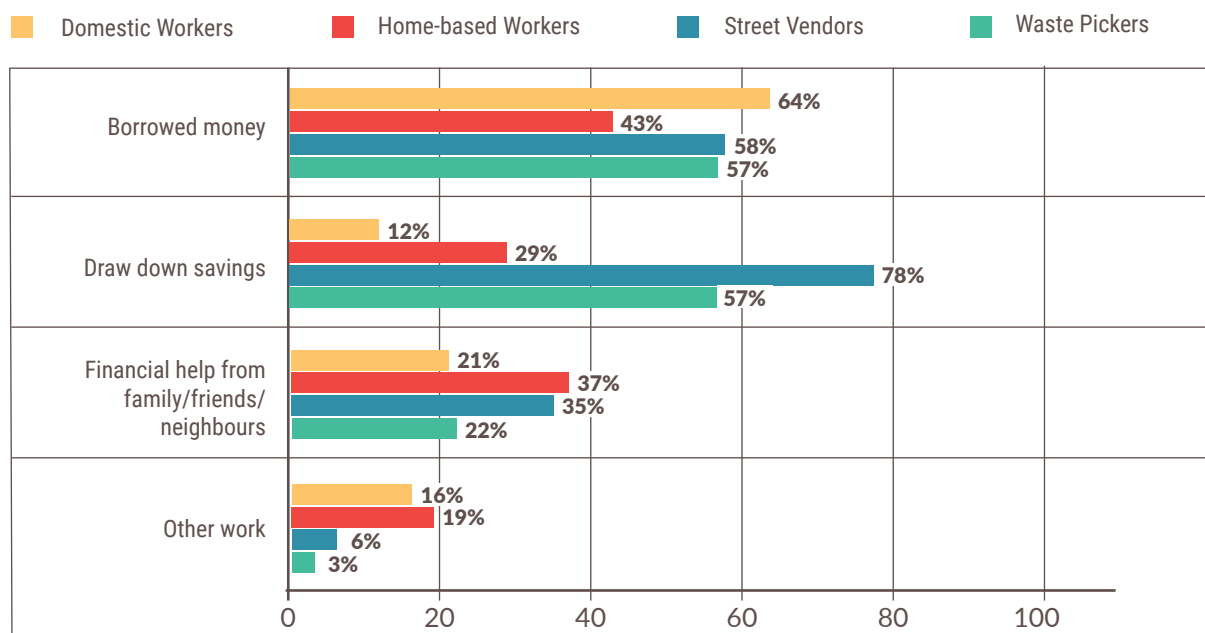
*“We don’t have a ration card. I applied for the e-coupon also but did not get anything. There used to be the distribution of cooked food a little far from my home, but it was so crowded that sometimes I had to return without getting the meals.”*

**- Female street vendor**

## Coping mechanisms

The financial strain caused by lack of work forced a majority of workers in all four sectors to borrow money. While a significant portion of workers (56%) reported borrowing from financial institutions, many (29%) also sought financial help from their family, friends and neighbours. It is important to note that many workers are forced to approach informal institutions like money lenders or local loan sharks rather than the formal banking system due to the barriers in accessing these. Such loans are usually provided at very high interest rates and trap workers into longer-term exploitative relationships. A majority of street vendors and waste pickers also reported using their savings as a coping mechanism. Home-based workers and domestic workers did not report relying on savings as much, likely because women workers in these sectors did not have savings to fall back on. Many domestic workers and home-based workers sought alternative forms of employment to make ends meet during the crisis.

Coping Measures



*“Yes, people have helped each other...we’ve not got as much help from the government as we got from each other...there are homes that are surviving with a lot of difficulty.”*

**- Female domestic worker**



*“Earlier I used to sort waste at home that my husband used to collect. Now I sort some waste but also go work at a house nearby as a domestic worker and my husband has also set up a cart to sell vegetables.”*

**- Female waste picker**



*“The moneylenders are troubling us a lot every day threatening us to either give us the interest or the money. I had to leave my house and stay with relatives because there was nothing left to eat at home. The room owner is another troublemaker who is after me asking for the room rent. Tell me what we poor people will do who have earned nothing in the last three months? Work is also not available like before. How long will I stay at the relatives’ place?”*

**- Male street vendor**

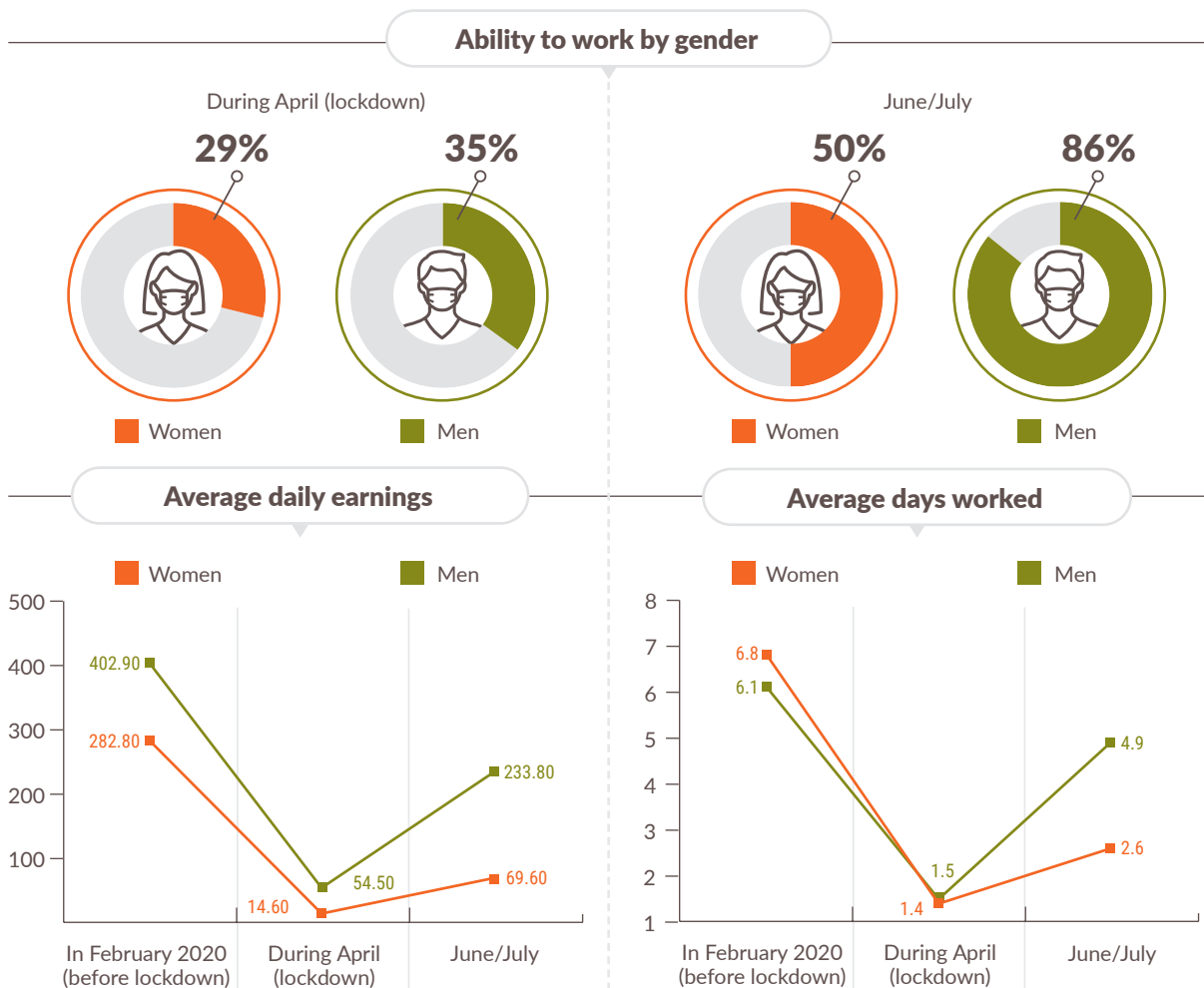


Clockwise from the top left: Domestic Worker, Home-based Worker, Waste Picker, Street Vendor 'in Delhi, India. Photo credits: Rashmi Choudhary



## Waste Pickers

Waste pickers form a significant part of the municipal solid waste management system in Delhi from the stage of door to door collection, primary and secondary sorting through to dumpsite disposal. With strict lockdown restrictions in March, most waste pickers had to stop working. While men have been largely able to resume work since the Unlock guidelines from June onwards, many women waste pickers still were unable to resume work and have seen a major fall in earnings as a result. This is likely because many women waste pickers in Delhi engage in sorting work at home or as paid workers in small workshops which have been slower or unable to open due to continuing lockdown restrictions. As the volume of waste material being recovered is not yet back to pre-crisis levels, recyclers and scrap dealers are not employing as many people as before, reducing the demand for women waste pickers' work. The recovery in earnings is also slow and uneven. While men are earning nearly 70% of the daily average earning pre-lockdown, women are earning just around a quarter of what they were earning before. Women are also finding work for far fewer days per week as compared to men.





Left to right: A waste picker sorting glass bottles from waste for recycling. Photo credit: Rashmi Choudhary  
A waste picker collecting household waste in Delhi. Photo credit: Avi Majithia



*“The biggest challenge is work. For so long, nobody was able to go back to work. My husband collects waste from households as do many others in the colony. Earlier I used to sort waste at home that my husband used to collect. All waste needs to be sorted twice before we can sell it. But now we don’t get as much waste as before and selling waste doesn’t bring as much money as before.”*

**- Female waste picker**



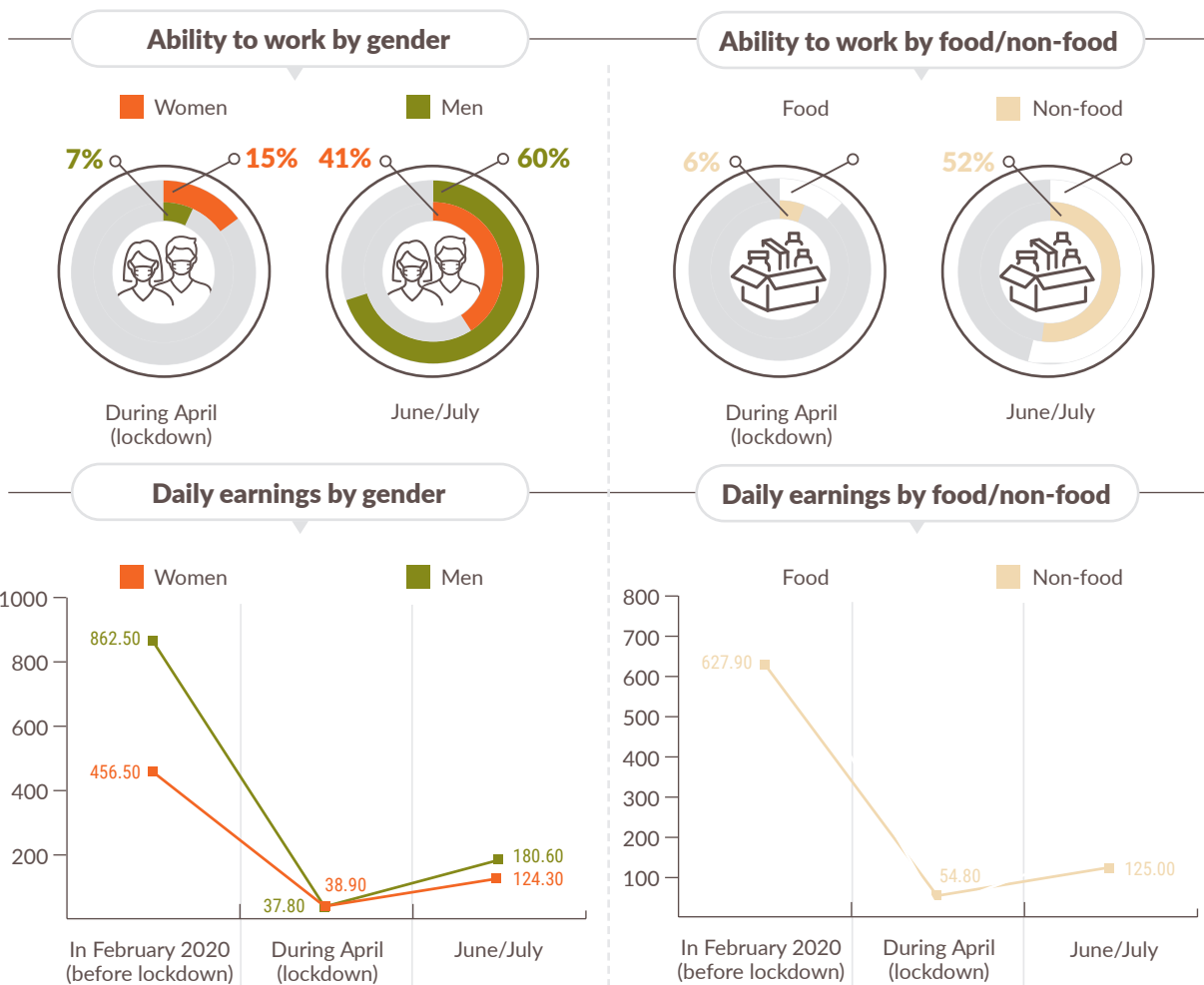
*“The rate also has decreased, so the earnings have decreased. Before, a water bottle was sold for Rs. 32 per kg, now it has decreased by half. We’re already getting less waste and the rate also has gone down.”*

**- Male waste picker**



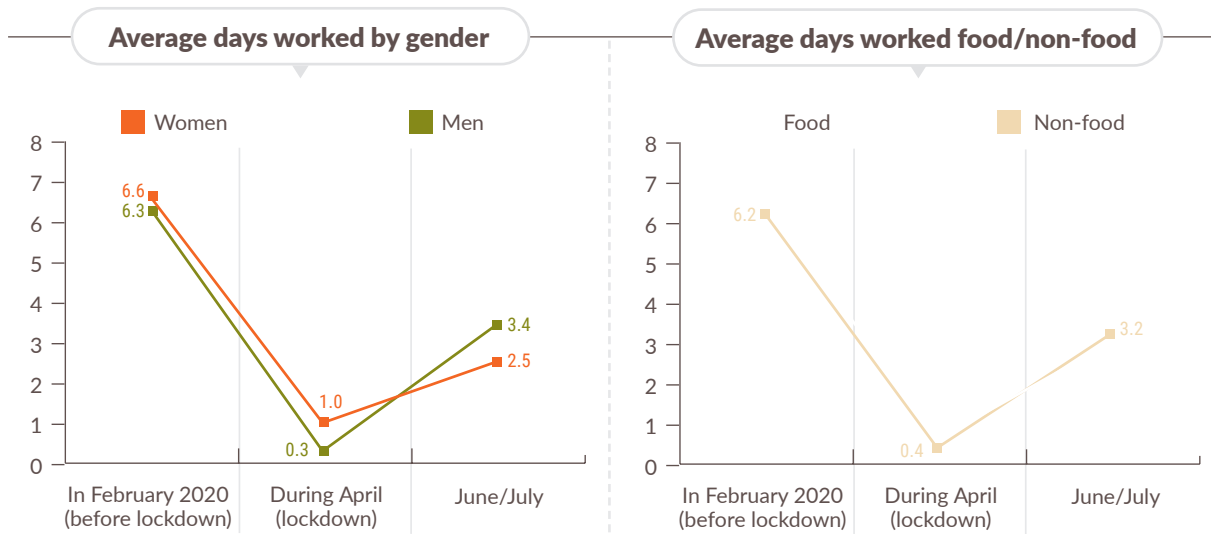
## Street Vendors

Street vending activity, both food and non-food, almost completely ceased during the lockdown months due to the severe restrictions on use of public space and closure of markets. Even vendors selling vegetables and other essential goods faced harassment from the police when they ventured out, and they also were not able to find customers as before because the streets were empty. Even later as Unlock guidelines came into force, weekly markets were not allowed to reopen, and street vendors faced many barriers to resuming work including harassment, evictions and lack of working capital. The study found that both food and non-food vendors were seeing similar trajectories in terms of loss of work and earnings. Male vendors whose daily average earnings were one of the highest pre-lockdown have suffered the sharpest fall in income while female vendors whose daily average earnings were much lower to start with are now earning even less, at just over a quarter of what they were earning in the pre-lockdown period. Both male and female vendors who used to work for six days a week before lockdown are now able to work only for 2-3 days.





A vendor holds up freshly made samosas, a fried street food in Delhi. Photo credit: Rashmi Choudhary



*“Till today, the market near my house where I sell hasn’t opened. The temple is still shut, so none of the shops there are open. Because of that all the small shopkeepers like me who are dependent on their earnings for their daily bread and to take care of their family, our earnings have been severely hampered and whatever little we have earned, all that is over in the span of past two to three months.”*

**- Male street vendor**

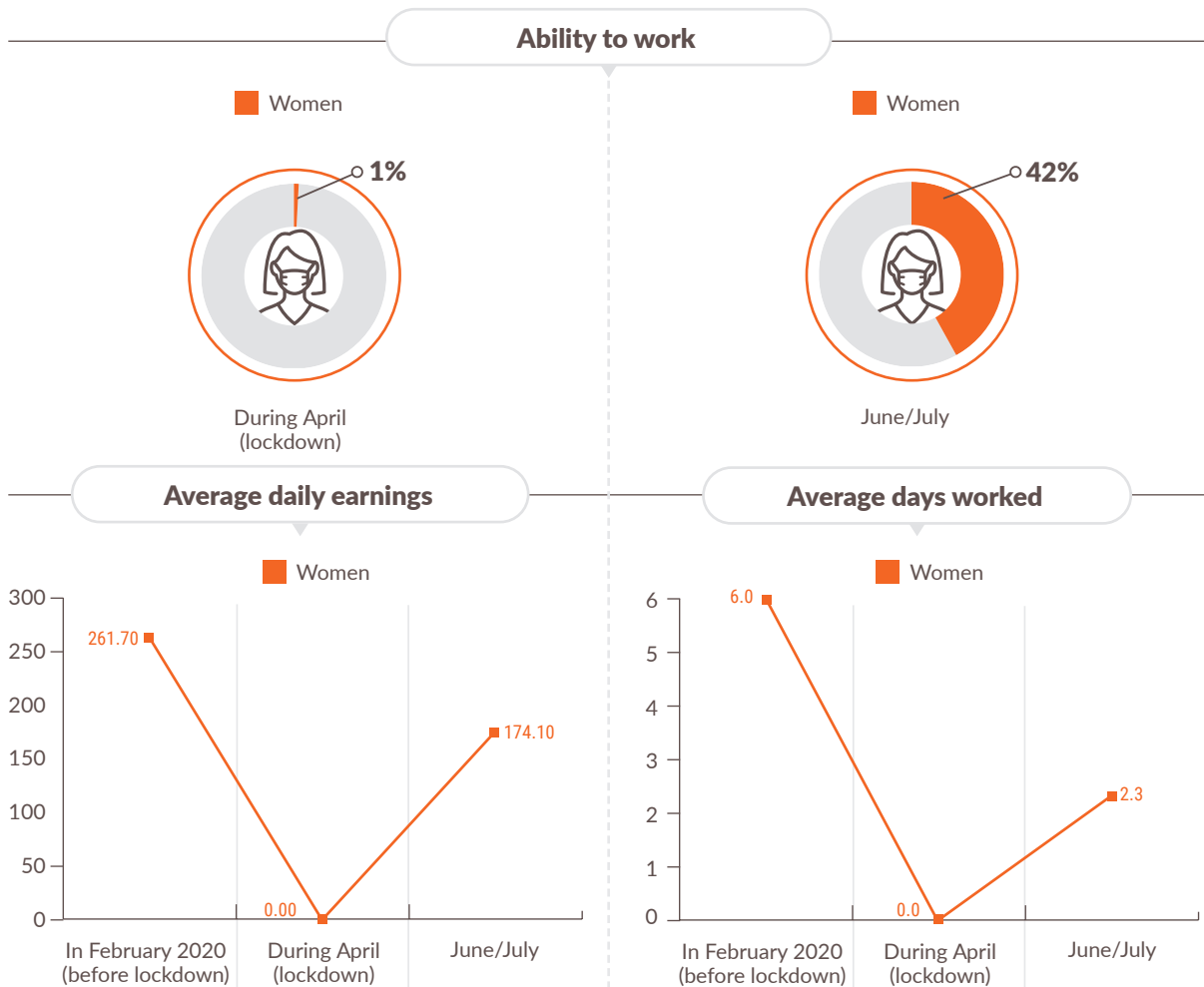


*“Many vendors haven’t come back...every 2-3 days more people come in... they need to earn a living...so they’re coming. But there’s no work also, the work that’s happening currently is not at the same rate at which it used to happen.”*

**- Female street vendor**

## Domestic Workers

Domestic work employs a large number of women workers in Delhi, who provide essential cleaning, cooking and care services to their employer households. The drastic imposition of lockdown meant that domestic workers were no longer allowed access to their places of work. Almost all domestic workers completely lost their work during the lockdown and reported zero earnings. Despite appeals by the government to employers to continue paying domestic workers for the lockdown period when they were unable to come to work, only 25% of workers received payment at this time. As the Unlock phase began, some workers were able to resume work while others found that employers were still reluctant to let domestic workers into their homes due to fear of them being 'disease-carriers'. They also faced many restrictions like being allowed to work in only one house in a day (where they used to do 3-4 houses per day before), not being able to take on cooking work (which is better paid) and being called for work for fewer days in the week, which has resulted in a major decline in their overall earnings.





Left to right: Domestic worker cooking in a home in Delhi. Domestic worker cleaning a home in Delhi.  
Photo credits: Avi Majithia



*“Before lockdown I used to work in four homes and now I don’t work regularly in anyone’s house. Now whenever they call me, I go. They call me sometimes, not on a routine basis, maybe once in two to three weeks.”*

**- Female domestic worker**

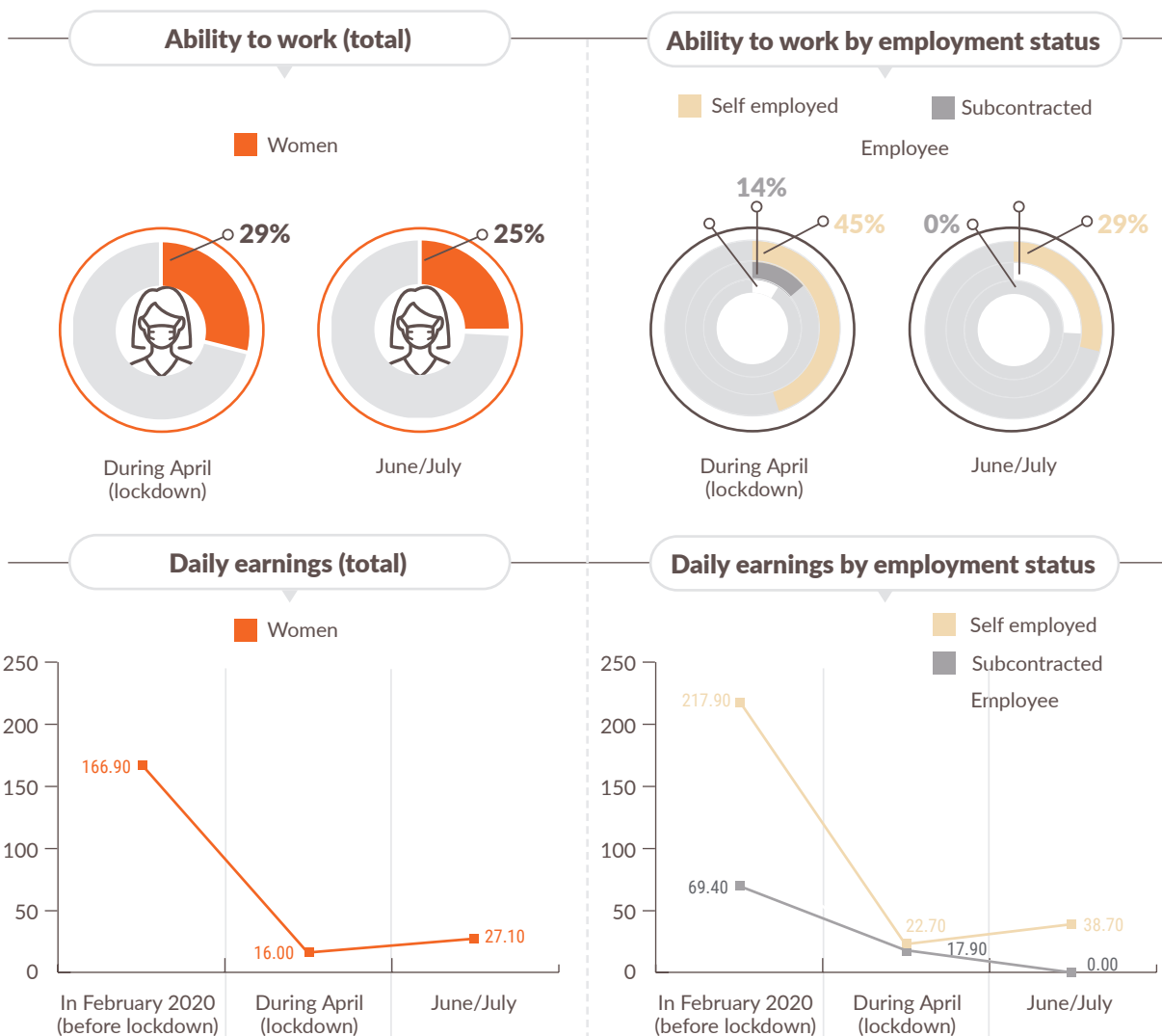


*“So, when I first go, they make me use a sanitizer and then after washing up, I do the cleaning. They ask me to bring a change of clothes, clean my hands, bathe and then start work. It’s this routine at everyone’s homes, but they still don’t call me every day.”*

**- Female domestic worker**

## Home-based workers sector

Home-based workers in Delhi are involved in a range of trades, as self-employed or subcontracted workers, and were one of the most invisible and underpaid sectors of informal employment in the pre-lockdown period. In the early days of the lockdown when the demand for masks and other PPE spiked, home-based workers received some orders for these. However later as commercial manufacturing of masks picked up, work once again dried up. The earnings of home-based workers, which were among the lowest even pre-lockdown, has taken a major hit during the crisis. Subcontracted workers, whose work is dependent on larger global and national value chains, have entirely lost out on work and have zero earnings. Self-employed workers and employees, who are more reliant on local markets, have been able to marginally resume work. However, they too are finding work only for one day per week and their earnings remain low.



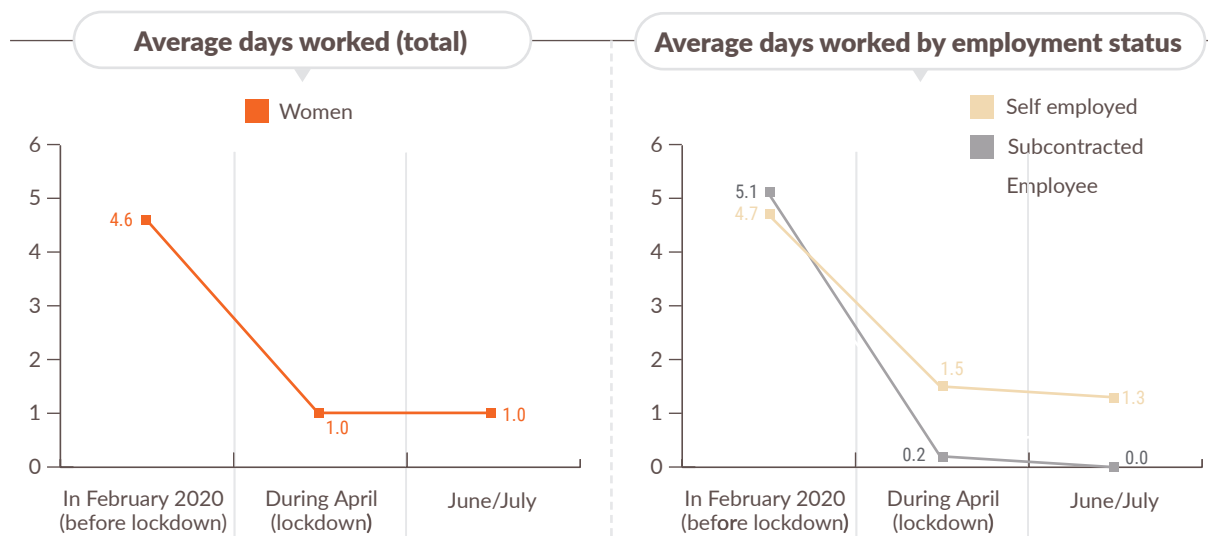
*“The work had been stopped in March...all the work had come to a standstill in Ruaab SEWA. When the lockdown started, the work that had come in before that, remained in our sisters’ {SEWA members’} homes.”*

**- Female home-based worker**





A child looks on while his mother, a home-based worker, cuts slipper straps outside their home.  
Photo credit: Rashmi Choudhary



*“Before the lockdown there was some work. We used to make handloom bedsheets, work and manage to live off those earnings. But after lockdown, we didn't get any orders, there's no work at all!”*

**- Female home-based worker**

## Roadmap for Recovery

Workers across sectors recount the lockdown months as the most difficult time that they ever had to face, and cited the inability to work and earn as being the most significant impact that the pandemic had on them. In terms of future recovery, support to resume livelihoods emerged as overwhelmingly the most common response in all sectors. This includes both the necessary permissions to work without harassment, and access to opportunities and capital which would allow them to do so.

**In the months since the crisis began, many informal workers' organizations and allies have articulated a policy roadmap for recovery, including but not limited to the following points:**

### Enable livelihood opportunities:

- Ensure that income security includes both work security and social security. Informal workers who faced massive loss of livelihood cannot be denied income security in COVID times.
- Support informal workers to restart livelihoods – open markets and vending zones, sorting spaces for waste pickers and community work-stations, and provide support to workers' organizations to ensure these workspaces are safe and secure. Provide workers with credit access.
- Ensure employers' responsibility towards workers – employers should provide supply chain relief contributions for homeworkers, ensure minimum wages for domestic workers, and provide protective gear and health support to workers.

### Minimize health risks:

- Ensure access to water and sanitation facilities at both homes and informal worksites, as well as increased access to these in public places.
- Provide unlimited water points so that informal workers can wash their hands, workplaces and products frequently.
- Ensure provision of personal protective equipment and sanitizers to waste pickers who are providing essential services that aid public health through their work. The cost burden of this should not fall on workers.
- Ensure health and insurance schemes for informal workers.



Fruit sellers in a roadside market in Delhi. Photo credit: Rashmi Choudhary



- For street vendors, offer a more flexible approach to trading layouts so that they are able to practice physical distancing.
- Provide access to quality community testing and quarantine centres that is affordable and in proximity.

**Do no harm:**

- Ensure there is no eviction of street vendors as is mandated by the Street Vendor Act, 2014.
- Stop harassment of waste pickers and street vendors by police and municipal officials.
- Stop unjust rules and regulations by Resident Welfare Associations which limit domestic workers' right to work.

**Recognition and regulation:**

- Bring all informal workers, including those who work in homes and informal spaces, under the ambit of national labour laws and regulations which mandate the right to decent work and pay.
- Extend and facilitate access to social security, especially child care and health insurance, for all informal workers – step up awareness raising and registrations and ease access requirements.
- Recognize migrant workers and facilitate their access to government relief programmes and schemes.

**Nothing for us without us:**

- Involve informal workers and their organizations as key stakeholders in all decision making that impacts on their work.
- Include MBOs and civil society in government relief and recovery programmes to ensure last mile delivery.

**Ensure decent living and working conditions for informal workers through inclusive city planning and policies:**

- Recognize and support informal livelihoods in the city by promoting labour-intensive growth and ensuring access to safe and secure workspaces, including in public space, with basic services.
- Provide decent housing and rent moratorium for informal workers in the city.
- Ensure access to safe and quality public transport.



Waste pickers at the foot of the Bhalswa landfill in Delhi. Photo credit: Rashmi Choudhary





Clockwise from the top left: Domestic Worker, Home-based Worker, Waste Picker, Street Vendor  
Photo credits: Rashmi Choudhary

**COVID-19 Crisis and the Informal Economy** is a collaboration between Women in Informal Employment: Globalizing and Organizing (WIEGO) and partner organizations representing informal workers in 12 cities: Accra, Ghana; Ahmedabad, India; Bangkok, Thailand; Dakar, Senegal; Dar es Salaam, Tanzania; Delhi, India; Durban, South Africa; Lima, Peru; Mexico City, Mexico; New York City, USA; Pleven, Bulgaria; and Tiruppur, India. The mixed methods, longitudinal study encompasses phone questionnaires of informal workers and semi-structured interviews conducted with informal worker leaders and other key informants. Round 2 will be conducted in the first half of 2021. For more information, visit [wiego.org/COVID-19-Global-Impact-Study](http://wiego.org/COVID-19-Global-Impact-Study).

**Women in Informal Employment: Globalizing and Organizing (WIEGO)** is a global network focused on empowering the working poor, especially women, in the informal economy to secure their livelihoods. We believe all workers should have equal economic opportunities, rights, protection and voice. WIEGO promotes change by improving statistics and expanding knowledge on the informal economy, building networks and capacity among informal worker organizations and, jointly with the networks and organizations, influencing local, national and international policies. Visit [www.wiego.org](http://www.wiego.org).

WIEGO

Women in Informal Employment:  
Globalizing and Organizing



Indo-Global  
Social Service Society  
Celebrating the Spirit of Humanity

This work was carried out with the aid of a grant from the **International Development Research Centre**, Ottawa, Canada. The views expressed herein do not necessarily represent those of IDRC or its Board of Governors.



International Development Research Centre  
Centre de recherches pour le développement international

Canada