Do You Source Leather Footwear from South India?

Global fashion brands increasingly recognise the importance of human rights due diligence, as European governments consider how best to legislate to hold brands responsible for human rights throughout their supply chain.

A first step towards due diligence is to identify who is in your supply chain and in what conditions they are working. Visibility throughout the chain is essential, extending beyond first tier suppliers. Women homeworkers are most likely to be in these outer tiers, far from the factory and concealed from auditors and brands.



Footwear retailers sourcing from South India will be keen to hear the results of our research, based on interviews with 80 homeworkers working in footwear manufacturing in eastern Tamil Nadu.

Over half of these homeworkers believed they were stitching shoes for international brands. Several provided factory names, and allowed researchers to take photographs of branded product.

Worker vulnerability

All our interviewees were women, working at home to combine earning a living with their domestic responsibilities. Although low, their wages made a vital contribution to their family income, paying for example, for food and education for their children.

PIECE RATES WERE ON AVERAGE

50%

MINIMUM

WAGE

Many reported that order volumes and piece rates fell during the pandemic, and payments were often delayed, Yet these informal workers were not entitled to social insurance.

Almost all were drawn from marginalised, lower caste communities. During the course of the study many lost their homes, due to flooding probably linked to climate change.

Very low pay rates

This survey confirms that homeworkers are amongst the worst paid women workers in global supply chains

In our sample of 80 homeworkers, only two experienced homeworkers were able to earn the minimum wage.

Piece rates also varied widely; for stitching one shoe style homeworkers received anything between 6 and 15 rupees!

This highlights the importance of transparency mechanisms, to provide a record that enables Brands and suppliers to track homeworkers' wages, and ensure that pay is equitable - which plainly is not the case. Such systems can also help homeworkers to take action if there is a dispute about unpaid wages.

Order volumes also fluctuated considerably throughout the year, which impacted on monthly incomes, around 2000 rupees/month at peak times, but falling to only 550 during the low season.

One woman earned just 300 rupees per month in low season. Her piece rates were half the rate paid to others doing the same work.

Low Pay creates further Supply Chain Risks

- The very low wage levels mean that when work is available, homeworkers have little choice but to accept it.
- Over 80% took extra work during the peak season, to earn more money or because their contractor pressurised them to do so.
- Almost a third said they struggled to complete their work in time, and many admitted asking family members to help them.
- 13% of the homeworkers had to ask their subcontractor for an advance (with consequent risk of debt bondage).

Signs of Progress

Our previous surveys found that very few homeworkers had any written records of their work, and that none would dare to question the piece rates they were offered.

In contrast, this study found that many homeworkers are keeping (their own) record of orders and payments.

Some had even started to ask for increased pay rates.



These findings suggest that the homeworkers in Vellore district are growing in confidence and awareness of their rights.

This demonstrates that this valuable source of employment for women workers could be effectively regulated as part of an ethical supply chain.

What can Brands do?

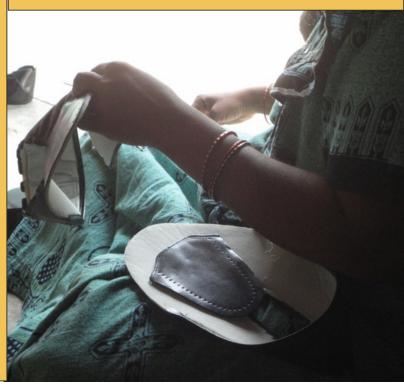


Together these resources will help you gain visibility of homeworkers in your supply chains, and find out about and improve their working conditions.

This is a one-off opportunity to extend gender-sensitive due diligence to include the most vulnerable group of workers in your supply chains.

Our Hidden Homeworkers project offers brands sourcing apparel, footwear and homewares from India, Pakistan and Nepal the opportunity to work with civil society partners to map supply chains where homeworkers or other informal workers may be present.

Our new Toolkit brings together existing best practice in improving transparency and working conditions for homeworkers in supply chains.



This research was carried out within the Hidden Homeworkers project, co-funded by the European Community.

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