

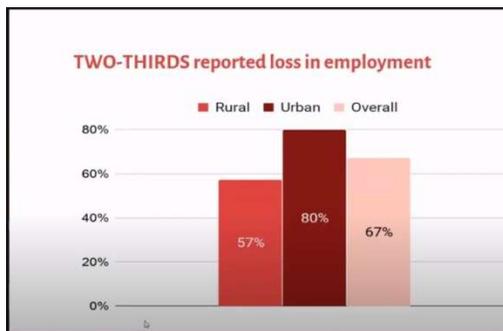
## "Pandemic and Future of Work - Rehabilitating informal workers livelihoods post pandemic"

- Reema Nanavaty, Director, SEWA

Today the entire World is facing very turbulent times... especially, for the poor workers from the informal economy, survival itself has become a question. Self Employed Women's Association (SEWA), is a national trade union of over 1.9 million such poor women workers from the informal economy, spread across 18 states in India and over 125 informal trades.

The current pandemic and the accompanying economic slowdown have directly and in a very destructive way affected the income and livelihoods of these informal workers – both urban and rural. Their access to food and nutrition has dropped which means access to food and nutrition by entire family has dropped as mostly women are the last to eat and they eat the least.

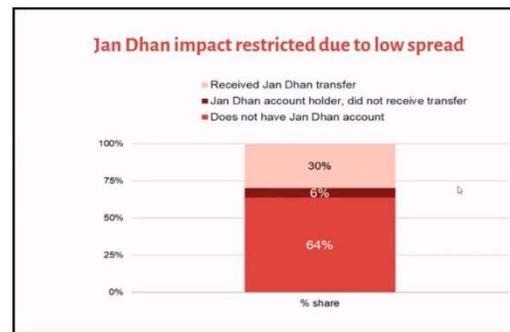
With the migrants returning to villages, the stress on the rural economy has also increased, exacerbating the issues and challenges around gender inequality, gender pay-gap, preferential employment of men over women, etc. These issues and challenges would directly translate into reduction in women's earning – and thus continued challenges for women to manage the household expenses as well as unscrupulous demands of their family members.



In order to understand the issues and challenges faced by women workers from the informal economy, SEWA conducted 3 surveys with over 1800 members over the past 3 months and the results showed that over 67% of the informal workers households have lost their livelihoods and this has resulted into severe working-capital crisis. 8 out of 10 households have not been able to manage the household expenses like rents and utilities and over 43% had to reduce their food

intake to just one meal a day.

Additionally, it has also been observed that less than 34% of the members have received any kind of cash benefit from the govt – and one of the important reasons for this being that a large segment of informal workers are unregistered – thereby putting them outside the purview of Govt. relief packages. So how do these workers survive... what do they eat... how do they pay for the rent and utilities?



*"All we can do is pray that things become normal again and we can go back to our work... we are not afraid of difficulties and hardships... because ups and downs are an integral part of a poor workers life... we just need work... and we will build our way out*

*of this difficulty too...All our livelihoods have vanished... Due to the men returning home, It is also difficult to get MNREGA work... small farmers either don't have money to cultivate their fields at all or to pay the farm laborer's... where do I find work to feed my family?"... says Kasturiben, a member of SEWA from Melasana village in Ahmedabad district of Gujarat*

Kasturiben's story is not very different from that of thousands of poor women workers from the informal economy. The surveys conducted by SEWA have shown that fortnight after fortnight, the issues and challenges of women workers are increasing with every passing fortnight... , while only 27% faced food and nutrition insecurity in the first 2-phases of lock-down, over 43% had reduced their food intake to less than 2-full meals per day and over 73% needed food-grains support to sustain themselves in the 3<sup>rd</sup> phase of lock-down.

With economic activities slowly resuming, there was a ray of hope amongst the informal workers to resume and re-stabilize their livelihoods. However, factor like international supply chains disruptions, economic slow-down and panic situation in rural areas, etc. are slowing down and to a large extent eliminating several employment opportunities from the informal sector. Thus, in the current crisis – livelihoods have vanished, savings have eroded and workers are facing acute work, income and most importantly food insecurity. So how do we address these challenges and build the resilience of these poor informal workers? how do we help them rebuild their lives and convert their livelihoods to sustainable livelihoods?

SEWA's experience of past several disasters has been that poor women workers do not want charity or relief. What they want is work. Work is a healer for them.

And therefore, SEWA has immediately started providing its members with trainings on new forms employments such as making paper-bags and envelopes, making masks and gloves, book-binding, preparing dry snacks etc. as well as new ways of working. Work that doesn't require intensive training or capital investment and yet can provide meaningful and productive work from their homes.

One such example is SEWA members' organic and traditional food-processing center KAMALA. Through KAMALA, SEWA has trained about 500 women into making nutritious food. During the lock-down, these women started making dry snacks and selling them in their villages. Thus, the children and their households got nutritive snacks and the women found meaningful livelihoods.

In the urban areas, to ensure the sustainability, KAMALA initiated door-to-door marketing campaign for its products through WhatsApp. Brochures with a list of items was circulated through WhatsApp. Contactless door step delivery was offered for niche urban market combined with digital payment options. Efficient route-planning and stringent inventory / warehouse monitoring plans were designed and implemented. This helped Kamala in reaching out to over 2500 households in rural areas and Kamala's urban center in Ahmedabad city has made a turnover of over INR 5,00,000 during the lock-down.

## *RUDI - a working model for Decentralized Local Economy*

*During the lock-down, the small and marginal farmers faced acute challenge of access to market for selling their harvested spices, cereals, wheat and rice. At the same time, the poor rural households were unable to procure these products from local grocers due to unavailability of stock, exploitation by local grocers and lock-down restrictions.*

*SEWA realized that - demand and supply both existed and what was missing was to link them. Therefore, through its agribusiness enterprise RUDI, SEWA started procuring the produce of its small farmers across the state - thereby linking the small farmers directly to market and solving their cash-flow issue.*

*This harvest was then graded, processed and packaged in to affordable size packaging and redistributed into the rural market at fair price - thus ensuring affordable access to nutrition for our rural members.*

*During the 74 days of lock-down, RUDI procured over 3000 tons of food-grains from small farmers and had a monthly turnover of over 50 lakh INR*

- Says Heenaben, SEWA's Senior Coordinator

SEWA, strongly believes that the answer lies in promoting decentralized local economies. SEWA's founder Shri Ela Bhatt says "if we apply the 100-mile communities' principle - if six basic needs of life--food, clothing, shelter, primary healthcare, primary education, and primary financial services - if these can be met at the local village level, we can set in motion the holistic development of society."

The 100-mile community shall weave together decentralization, locality, scale and livelihoods - it will address the poverty issue, rope-in digital technology at grass-root level, preserve the interest of rural youth in their communities and thus cut down on rural out-migration.

It would also strengthen local markets and local skills. Several such local decentralized economies when over-lap, can strengthen the nation's economy - which is the need of the hour. It is a powerful idea. And we must strive to make it work.

## *SEWA' Vegetable Initiative - Piloting the "100-mile" principle*

*Several of small farmer members of SEWA grow fresh vegetables - which generally are have a very small shelf life. Due to the lock-down the market yards in the cities were closed, Transportation services interrupted and there was a wide-spread panic in the*

*villages about the pandemic. Owing to the above reasons the vegetable growers were under deep distress. Their income had dropped by almost 1/4<sup>th</sup>. At the same time, due to the irregular market yard timings and closures, the urban street vendors were also not able to procure vegetables for vending regularly and at affordable prices.*

*To address the above issues of its members – both urban and rural, SEWA designed an innovative supply chain wherein every morning, SEWA procured the vegetables from the small and marginal farmers from their door-step and brought it to Ahmedabad city, wherein they are distributed through:*

- The street vendor members of SEWA in Ahmedabad city*
- Through door-to-door delivery along with Kamala and RUDI products in the city*

*In the Ahmedabad city, SEWA liaised with the local authorities and facilitated over 125 e-rickshaws through the Municipal Corporation to the street vendors. With the locally procured vegetables and the e-rickshaws, the street vendors were able to reach out to customers in the red-zone and earn a livelihood of INR 400 – 500 per day.*

*Thus, applying the 100-mile principle... Promoting Local production and distribution..., SEWA successfully established a supply chain completely owned and managed by informal workers themselves... thereby strengthening the livelihood of over 50 small and marginal farmers and over 125 street vendors during the lock-down – while selling over 100 tons of vegetables to over 150 urban customers.*

*Scaling up of such initiatives could not only strengthen the livelihoods of the informal workers, but lead to a local decentralized functional economy... generating newer and better employment opportunity for thousands of informal sector workers*

Similarly, for the tiny and micro-enterprises of the informal workers, there is a need to streamline existing systems, processes, supply chains, communication channels and technology in order to position them to meet evolving customer needs. The focus needs to be on ensuring minimal disruptions to the supply chain in future. There is also a need to focus on how to integrate the informal workers at all steps in the supply chain thereby distributing the risks and the profits equally.

SEWA has organized over 15000 poor artisans from Kutch and Patan district of Gujarat into their own not-for-profit garment enterprise – SEWA Trade Facilitation Center, where these women use their traditional embroidery skills to create garments for national and international designers and fashion houses. While STFC caters to international and national fashion houses, the **artisans** of STFC have also **launched their own brands - “Hansiba”** – a brand to promote and create a market for their traditional skills in the urban market and **“Harkhi”** – a brand to reverse the decreasing trend of traditional hand embroidered garments in the rural market. All the products under these brands are hand embroidered and hand crafted, **65% of**

**all sales go directly to the artisans, and the artisans themselves are the shareholders and suppliers of the Company.**

During the current Covid crisis, the international and national fashion houses stopped giving work to STFC and also deferred procuring the existing orders... thereby affecting the livelihoods of the poor artisans. On the contrary, STFC ramped up their “Hansiba” and “Harkhi” production during the lock-down so as to provide continued work security and income security to its members... STFC also adopted new forms of marketing – such as online marketing through Whatsapp groups, contact less door-step delivery along with RUDI items / vegetables etc. in the urban as well as rural areas.

The success of STFC through its brands Hansiba and Harkhi in providing work and income security to poor artisans during the covid-19 crisis, is a working proof of local decentralized economy. There is a need to strengthen such local decentralized supply chains – thereby ensuring equitable share of profit and risks across the supply chains. There is also a need to focus on integrating digitization in such local supply chains. Scaling of such local decentralized supply chains would generate employment opportunities for several poorer workers from the informal economy.

And an important aspect for re-stabilizing the worker-owned microenterprises as well as for making the 100-mile principle work is access to enabling financial mechanisms... what we, at SEWA, call the “Livelihood Recovery Fund” – a fund that aims to provide the informal workers with immediate support to recover and stabilize, a fund that provides women workers and their tiny and microenterprises with cash flow support, prevent debt trap and allow women to hedge risks.

*When the lock-down commenced... there were so many challenges... my son was always irritated as he couldn't go out and meet his friends. My husband couldn't find any work, so he was always tensed... and I was slipping into depression... there were constant fights...*

*but SEWA showed me a new path... With help of SEWA... I procured an order of stitching over 5000 masks... this new work that we got... has solved all the problems... and made us a team...*

*“Work has brought us together as a family... it has brought harmony and peace in our home...”*

- Bhanuben, a member of SEWA from Arvalli district

The aforesaid Livelihood recovery fund can not only help members of SEWA revive / restore their existing livelihoods, but also help them in taking up these new forms of employment.

Distant and virtual working and globalization is one important way ahead, but it is not the only way. There was a world before the airplanes and before the eighty-storied office buildings. We must also try localization. That is local production, local management, and local consumption.