

Footwear Factsheet

What kind of work do homeworkers do in the footwear industry?

Homeworkers mainly stitch the leather uppers of shoes which are then sent back to the factory to be attached to the soles. The amount of work they have can depend on the style of shoe that retailers want – so a moccasin-style shoe will tend to mean more work for homeworkers.

When there are urgent deadlines workers will often work non-stop for days to get work finished. More complicated models can mean their hourly rate drops. Some homeworkers have had to make their own tools to do the work.

Are there any international laws to protect homeworkers?

The International Labour Organisation (ILO) has adopted the Convention on Home Work (177), but it has only been ratified by five countries so far (Ireland, Finland, The Netherlands, Argentina and Albania). To find out more about the Convention, click on the link on the right to 'Building on the ILO Convention'.

How much homeworking takes place in the footwear industry?

It is difficult to give an exact figure for the number of homeworkers involved in the footwear industry. However partner organisations across the world report similar circumstances and very similar rates of pay for homeworkers. For example, partners in Malaysia and Bulgaria both report that a lot of traditional factory-based manufacturing has ceased, and that an increasing amount of work is being put out to homeworkers who are paid less than factory workers.

Why do homeworkers continue to work in such poor conditions?

Although the pay is not enough to provide a sustainable livelihood, it can offer an increase in overall family income. Homeworkers are afraid of losing this extra income and may not be able to find alternative work due to family or other caring commitments, it is therefore very hard for them to give the work up. They are often dependent on one supplier in the local area because it can be difficult for women to 'shop around' for the best rates of pay if they do not have access to transport or have other household responsibilities.

Are there any national laws to protect homeworkers?

In different countries, the legal protections for homeworkers vary greatly. Some countries offer very little protection, for example the USA, whilst in others homeworkers have access to protections such as the minimum wage, for example in the UK.

However, having legislation to protect the rights of homeworkers does not necessarily mean they will see an improvement in their working conditions. For example, in the UK, piece rates that do not give realistic measures of the amount of time it takes to complete a task can mean homeworkers are paid below the minimum wage. In Romania, organisations report that most women are not aware of the laws protecting them, and no union exists to defend their rights. Across the world, homeworkers are isolated and often scared of losing their work, which makes it difficult for them to participate in Trade Unions.

If workers are unaware of relevant legislation or afraid of losing work it can be difficult for them to claim their rights.

“For example, the shoe workers fetch the shoes at five in the afternoon and have to return them to the workshop before ten the next morning... There are very strict sanctions if the work is not done properly according to what the subcontractor wants.”

Organiser, Bulgaria

Working out hourly rates

A homeworker in Bulgaria is paid on a piece rate for each pair of shoes that she completes. For a pair of shoes that retails for up to £200, she is paid around 35 Euro cents. The minimum wage in Bulgaria is set at 60 Euros a month, however homeworkers say that, in order to make a living, a family of four needs 200 Euros or 570 pairs of shoes per month. In order to earn a living wage, homeworkers would have to work for 88 hours per week.

Shoe retailing in the UK

Since 2000, the footwear market in the UK has experienced strong growth and prices of shoes have been falling. In 2001 total spending on footwear in the UK was £6.3bn (including VAT).

There has been a growth of global subcontracting chains in the footwear industry, in response to increasing competition between retailers. Shops which may have previously focused on selling clothes are now increasing their ranges of shoes, and have been experiencing the highest gains from the growth in the market. Women in the UK own on average 14 pairs of shoes, whilst men own around 6 pairs. The average amount people are prepared to pay for a pair of shoes is about £46.

A great deal of footwear is manufactured in China, Vietnam and Brazil and there has been a growth in cheap imports from the Far East. This has driven down prices and stimulated demand for low-priced, fashionable shoes.

A primary reason for sourcing in the Far East is low labour costs. However Western European companies continue to source at least some of their footwear in Eastern Europe. For example, in one area of Bulgaria, there are thousands of homeworkers stitching shoes. The emphasis continues to be on reducing manufacturing costs and lead times.