

## **COVID-19 Crisis and the Informal Economy in Ahmedabad, India: Lasting Impacts and an Agenda for Recovery**



Photo credit: SEWA Video.

## Key Findings

**In August 2021**, 80% of respondents were able to work (at least part time) in the previous month, compared to 48% in mid-2020 and 7% in April 2020.

During August 2021, the respondents worked 3.9 days per week on average compared to 0.3 in April 2020, 2.4 in mid-2020 and 6.2 days per week in February 2020 (pre-COVID-19).

**Since August 2020**, 41% of the respondents were not able to find work for 10 days during one month or more.

The main reasons cited for the insecurity of work were government restrictions on mobility and activities (49%), market and supply chain dynamics (24%), and health concerns (16%).

**During August 2021**, the average daily gross earnings of all respondents (180 INR) were more than twice what they earned in mid-2020 (80 INR) but only 77% of what they earned in February 2020 (244 INR).<sup>1</sup> And 32% of all respondents had zero income in August 2021.

**During August 2021**, 27% of respondent households had adult members who experienced hunger and 13% of respondent households with children under 16 reported hunger among children, compared to 36% and 30%, respectively, in August 2020.

**During August 2021**, nearly half of the respondents or other household members had skipped a meal and eaten a smaller variety of foods than they would have in normal times.

**Since August 2020**, 24% of the respondents had received some cash relief and 75% had received some food aid from government, compared to 42% and 84%, respectively, between April and July 2020.

**Since August 2020**, a somewhat higher percentage of respondent households (85%) had to resort to negative coping strategies to deal with the on-going crisis than had to in 2020 (80%) to deal with the early phase of the crisis.

## Recommendations

1. **On-going relief:** to meet daily needs.
2. **Recovery measures:** to restart and secure livelihoods.
3. **Policy and legal reforms, including social protection:** to improve livelihoods.

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<sup>1</sup>The US dollar to Indian rupee exchange rates were as follows across the four reference periods of the study:

Mid-February 2020: USD1 = INR71.53

Mid-April 2020: USD1 = INR76.50

Mid-June 2020: USD1 = INR75.96

Mid-June 2021: USD1 = INR73.34

## Background

*COVID-19 Crisis and the Informal Economy* is a WIEGO-led longitudinal study that assesses the impact of the COVID-19 crisis on specific groups of informal workers and their households in 11 cities around the world.<sup>2</sup> Using a survey questionnaire and in-depth interviews, Round 1 assessed the impact of the crisis in April 2020 and mid-year 2020 compared to February 2020 (the pre-COVID-19 period).<sup>3</sup> Round 2 was conducted in October-November 2021 to assess how workers were experiencing COVID-19 resurgences and ongoing economic strains, and to what extent (if any) they had recovered. This report presents the summary findings of Round 2 of the study in Ahmedabad, India.

In Ahmedabad, the study was carried out in partnership with the Self-Employed Women's Association (SEWA): specifically, with the research team of SEWA's Indian Academy for Self-Employed Women and some grassroots researchers from the SEWA Union. In Round 2, the research team surveyed 247 informal workers from four sectors who are members of SEWA. They also interviewed two SEWA members, two SEWA grassroots leaders, two SEWA organizers and 1 government official.

This report presents the summary findings of Round 2 of the study in Ahmedabad, India. All findings which compare Round 2 findings to Round 1 findings consist of unbalanced panels, meaning that they include all participants from Round 1, including those who were not part of Round 2, and all participants from Round 2. For this reason, they are not perfect representations of changes experienced by the Round 1 sample.

## Informal Economy in Ahmedabad

Ahmedabad is the largest city and financial capital of Gujarat State in Western India. The economy of Ahmedabad – once known as the Manchester of India for its flourishing cotton textile industry – has diversified with the decline of the textile industry, except in the manufacturing of denim, and the rise of chemical, pharmaceutical and information technology industries.

Ahmedabad is the birthplace of the Self-Employed Women's Association (SEWA), the largest trade union federation in India and the largest organization of informal workers in the world, with nearly 2 million women informal workers from over 80 different occupations or trades.

The study sample in Ahmedabad included domestic workers, home-based workers, street vendors and waste pickers: all women and all SEWA members. These groups represent 19% of *total urban* employment and 36% of *women's urban* employment in India: domestic workers (3% and 9%, respectively), home-based workers (11% and 23%), street vendors (4% and 2%) and waste pickers (1% and 2%).<sup>4</sup> Just over 70% of all workers in Ahmedabad are informally employed.<sup>5</sup>

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<sup>2</sup> Study cities are 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), Tiruppur (India).

<sup>3</sup> Results from Round 1 in Ahmedabad are available at: <https://www.wiego.org/publications/covid-19-crisis-and-informal-economy-informal-workers-ahmedabad-india>

<sup>4</sup> Raveendran, Govindan and Joann Vanek. 2020. *Informal Workers in India: A Statistical Profile*. WIEGO Statistical Brief No. 24. Available online: <https://www.wiego.org/publications/informal-workers-india-statistical-profile>

## COVID-19 in Ahmedabad: Key Dates

On March 26<sup>th</sup> 2020, after the first wave of the virus began spreading across India, the Government of India imposed a strict national lockdown. Beginning June 1, 2020, the lockdown was gradually eased. However, street vendors were not allowed to operate in Ahmedabad until early September. During the second wave of the virus, between March and June 2021, there was no nation-wide lockdown. Instead, state and local governments were allowed to impose a lockdown or other restrictions in their respective jurisdictions as they deemed necessary. The Government of Gujarat imposed nighttime curfews and, at different points in time, restricted a designated set of activities during daytime hours.

Since August 2020, the key dates related to the pandemic recession, and government responses to it, in Ahmedabad and elsewhere in Gujarat state include:

- **March-early June, 2021:** second wave of virus
- **March 20, 2021:** the Ahmedabad Municipal Corporation (AMC) declared that essential workers, including fruit and vegetable vendors, could operate but would have to obtain identity cards after being tested for the virus
- **April 28, 2021:** the AMC ordered that all wholesale markets should remain closed except those selling fruit and vegetables
- **May 24, 2021:** the AMC allowed pushcart and street vendors plus small shops to operate from 9 am to 3 pm
- **June 9, 2021:** the AMC ruled that all commercial activities could operate from 9 am to 7 pm (later extended to 9 pm)
- **May and June, 2021:** the Government of India mandated that households with ration cards be provided with an additional 5 kg of free food grains per head and also provided with subsidized sugar and cotton seed oil for the Diwali festival

## Study Dates and Sample

The Round 2 survey was carried out in September-October 2021 and included two reference periods, previous month and previous 12 months. In addition, the Round 1 survey included three reference points: mid-2020, April 2020 and February 2020 (as a pre-COVID base line). The Round 2 in-depth interviews were carried out in November 2021.

### Dates of Ahmedabad Survey

- **Round 1:** June-August 2020
- **Round 2:** September-October 2021

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<sup>5</sup> Raveendran, Govindan. 2020. *Home-Based Workers in India: A Statistical Profile*. WIEGO Statistical Brief No. 23. Available online: <https://www.wiego.org/publications/home-based-workers-india-statistical-profile>

## Sample of Ahmedabad Survey

The Round 2 sample in Ahmedabad included 51 domestic workers, 49 home-based workers, 64 street vendors, 50 waste pickers and 9 informal workers who had switched into other occupations: a total of 223 informal workers – all women members of the Self-Employed Women’s Association (SEWA). Only two respondents in the Round 2 sample were different from those in the Round 1 sample but 16 respondents (7%) of the Round 1 sample had switched occupations between the two rounds. The sample is purposive and not intended to be representative of informal workers in Ahmedabad or even of the membership of SEWA.

**Table 1: Sample by sector<sup>6</sup> and by whether from Round 1 or new**

	Domestic workers		Home-Based Workers		Street vendors/Market Traders		Waste Pickers		Other	
	N	%	N	%	N	%	N	%	N	%
No	50	98	48	98	64	100	50	100	9	100
Yes	1	2	1	2						

**Table 2: Age distribution of sample**

	Domestic workers		Home-Based Workers		Street Vendors/Market Traders		Waste Pickers		Other	
	N	%	N	%	N	%	N	%	N	%
18-25	2	4			4	6	1	2	1	11
26-35	5	10	12	24	7	11	3	6	3	33
36-45	18	38	17	35	22	35	16	33	3	33
46-55	16	33	13	27	13	21	17	35	1	11
56-65	4	8	7	14	16	25	11	22	1	11
>66	3	6			1	2	1	2		

<sup>6</sup> R1 respondents who were not in the R2 survey are included in the R1 findings.

## Impacts of and Responses to the Crisis

At the beginning of the pandemic in 2020, the national lockdown and related restrictions across India as well as disruptions to global trade brought much of the Indian economy to a halt, especially the livelihoods of informal workers. Round 1 of this study found that only 7% of the sample in Ahmedabad – domestic workers, home-based workers, street vendors and waste pickers – were able to work during the peak lockdown in April 2020 and just under half (48%) were able to resume working in June 2020, after the lockdown had been partially eased. A second wave of COVID-19, which hit India from March to June 2021, undermined economic recovery. During the second wave in Ahmedabad, restrictions on commercial activities and public transportation, as well as nighttime curfews to curb the spread of the virus, limited the ability of informal workers to work.

### Work, Earnings and Food

#### Work

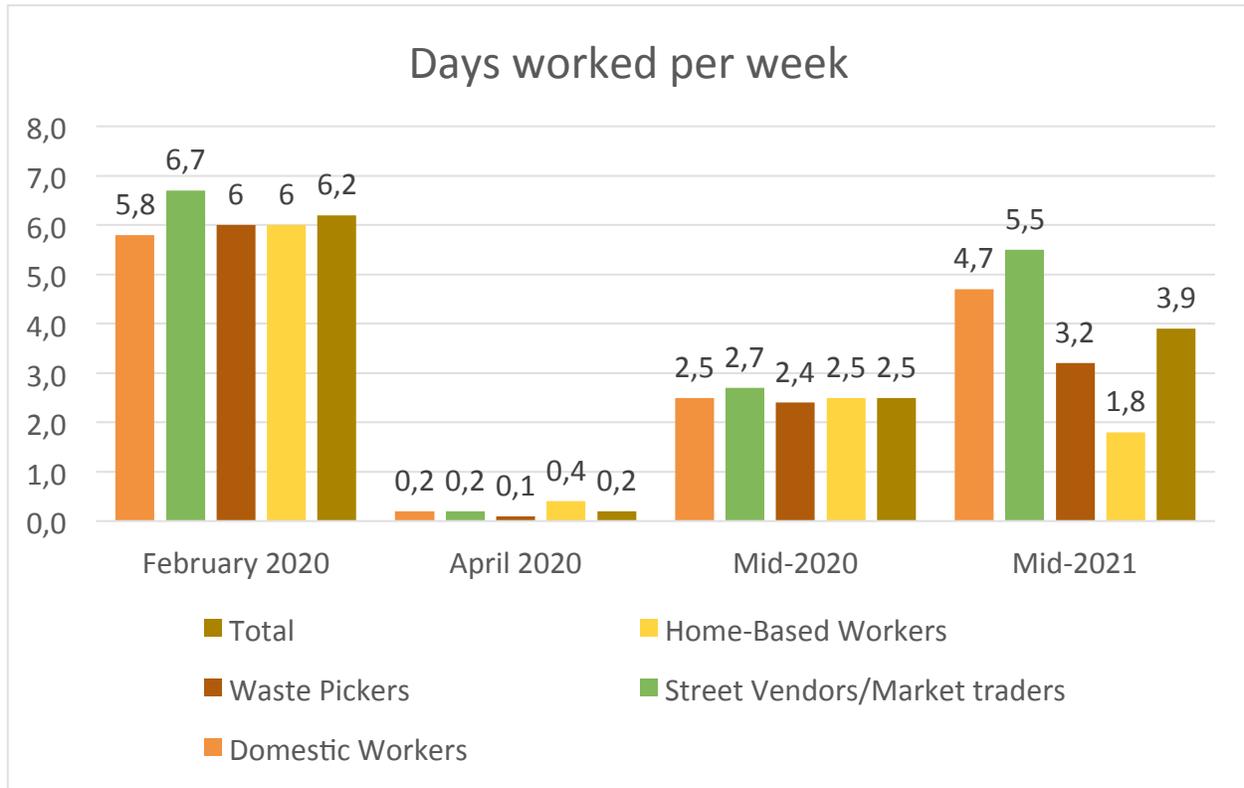
According to SEWA leaders, the second wave of the virus and restrictions in the second quarter of 2021 were particularly hard on informal workers, coming as they were trying to recover from having gone deeper in debt, drawn down their savings and pawned or sold assets during the first wave. As a SEWA grassroots leader of women waste pickers put it: “During the first wave of Corona, the women paper workers were not much affected, but during the second wave, it was found that at least two members of their families were Corona positive. They were not able to provide food (to their families) because they used to earn daily by collecting and sorting the paper and plastic to earn money out of it. But the situation was such that they feared to move out of their houses, so their condition was such that it cannot be expressed in words.”

**Ability to work:** During August 2021, 80% of the respondents worked at least part time, compared to 48% in mid-2020 and 7% in April 2020. As in 2020, home-based workers were the least able to work during August 2021 (63%).

By mid-2021, one in ten respondents of the Round 1 sample had dropped out of the labor force and 7% had switched occupations. Some waste pickers switched to domestic work out of fear of catching COVID-19 from the waste they collected, as workers of the waste sector have higher possibilities of getting affected from disease. As the SEWA grassroots leader of waste pickers explained: “Their family members used to tell them that you will bring the disease home and make others ill. People would make them go away by saying that people like you come here and make others sick, do not come here and spread the disease. As one waste picker explained. “I think about who will look after my children if I die. My father-in-law is quite old and I have to take care of him too. Considering him and my children, I took up domestic work mopping floors.”

On average, all respondents worked fewer days per week in August 2021 (3.0 days) than in February 2020 pre-pandemic (6.2 days). Home-based workers were working the fewest days per week in August 2021 (1.8 days), less than a third of the days per week they worked in February 2020 (6 days), followed by waste pickers who were only working 3.2 days in August 2021, just over half of the days per week in February 2020 (6 days). Moreover, while domestic workers, street vendors and waste pickers were able to work more days per week in August 2021 than

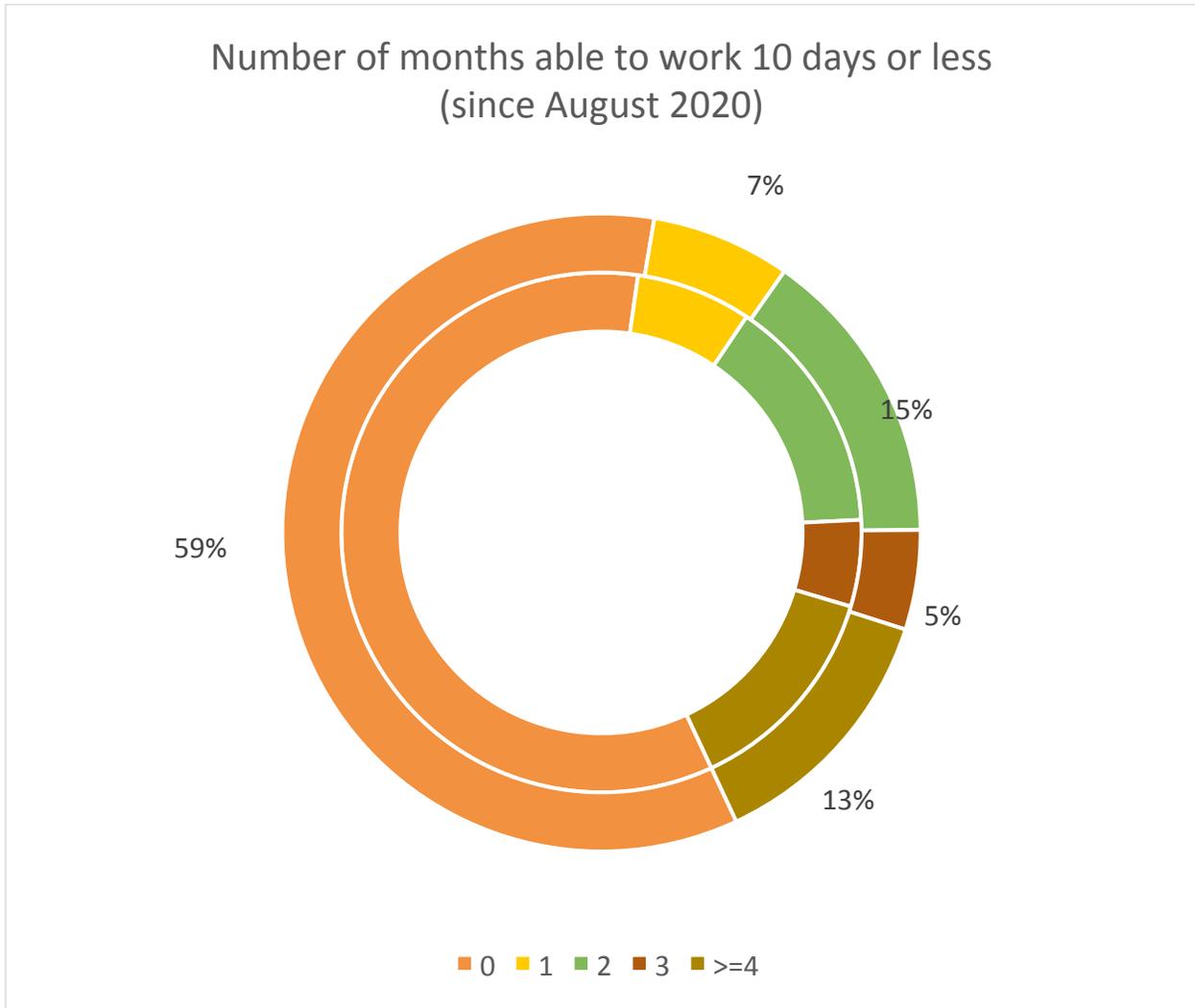
they did in mid-2020, home-based workers worked fewer days in August 2021 than they did in mid-2020.



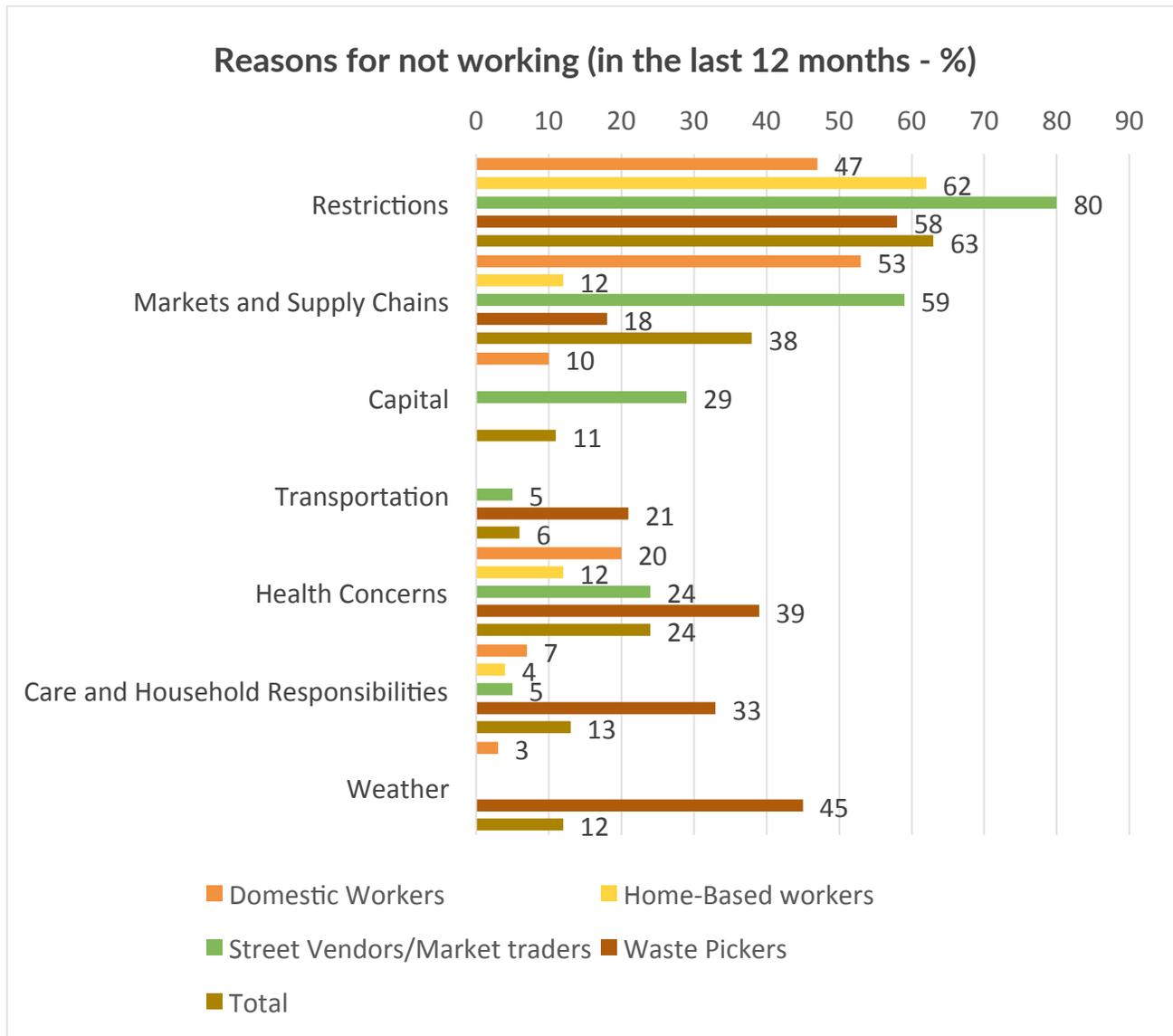
*Note: Respondents were asked to report days worked in the previous seven days, including days during which they worked part-time.*

Furthermore, more than half of the respondents (52%) worked shorter days than they did pre-COVID-19. Again, more home-based workers, as compared to the other groups, reported working shorter days (78%), followed by street vendors (70%), and waste pickers (54%), while most domestic workers (81%) reported working the same hours per day as they did pre-pandemic.

**Stability of work:** Over the previous year, since August 2020, 41% of all respondents were able to find work for less than 10 days during one month or more: just over half of street vendors (53%); nearly half of waste pickers (46%), 41% of domestic workers and 27% of home-based workers. And 13% of all respondents were able to find work for less than 10 days per month for *four* months: 38% of waste pickers, 8% of home-based workers, 5% of domestic workers and 4% of street vendors. Considered another way, on average, all respondents could not find at least 10 days of work for 1.5 months: waste pickers for 3.3 months, street vendors for 1.3 months, domestic workers and home-based workers for .9 months each.



For those who were not able to find work for at least 10 days per month, the main reasons cited were government restrictions on physical mobility and activities (63%), including closure of – or reduced capacity to operate in – workplaces especially for street vendors; market or value chain dynamics (38%) especially for domestic workers and home-based workers; and health concerns (24%) especially for waste pickers. Over one-quarter (27%) of the domestic workers reported that they were laid off or asked not to come to work by their employer.



Note: Respondents could select more than one response

## Earnings<sup>7</sup>

**Daily Earnings:** Overall, by August 2021, the daily gross earnings of the respondents had not recovered to pre-COVID-19 levels: their average gross daily earnings were 180 INR in August 2021 compared to 244 INR in February 2020. Considered another way, 70% of the respondents were earning less than 200 INR in August 2021 while 39% were earning less than this amount in February 2020. However, their average daily gross earnings in August 2021 (180 INR) were more than twice those in mid-2020 (80 INR).<sup>7</sup>

<sup>7</sup>The US Dollar to Indian Rupee exchange rates were as follows across the four reference periods of the study:

Mid-February 2020: USD1 = INR71.53

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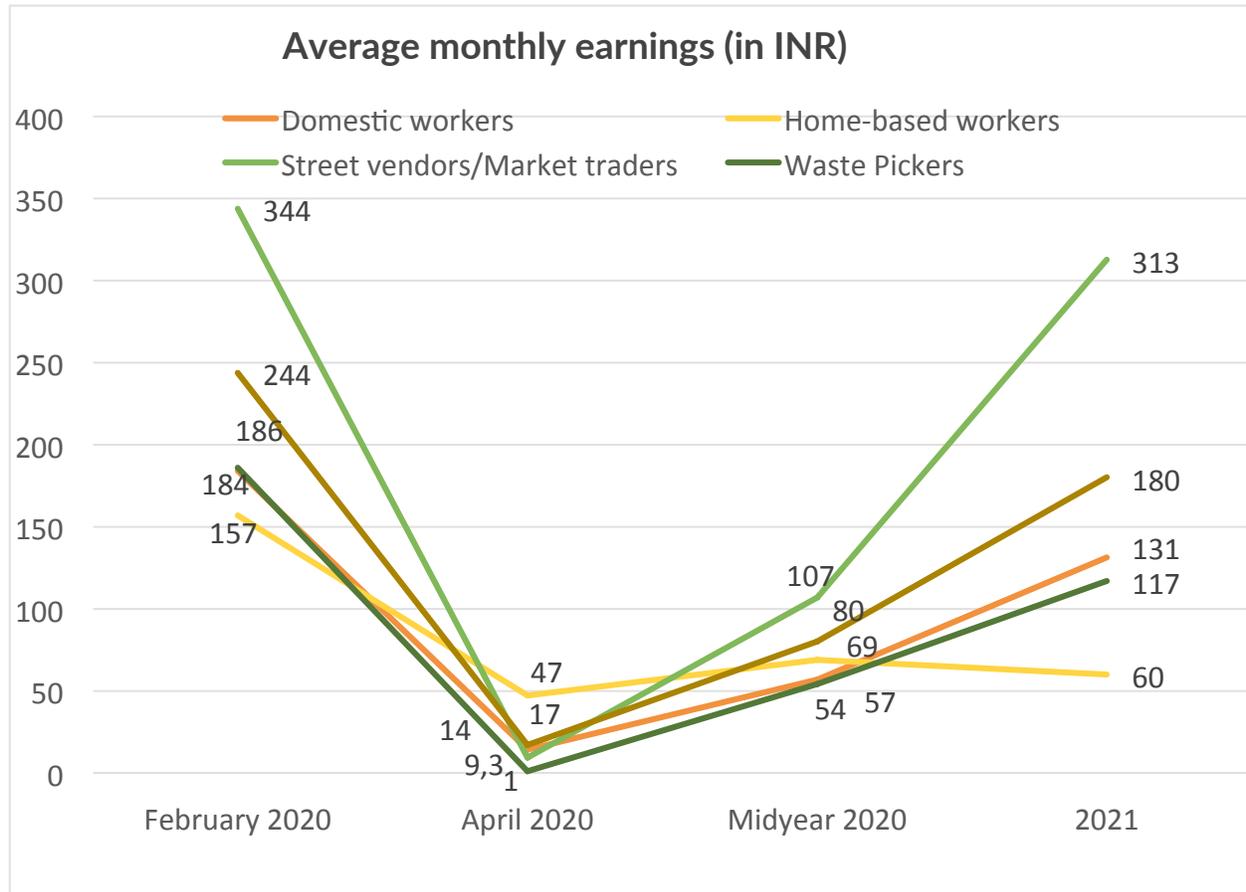
Mid-August 2020: USD1 = INR75.96

Mid-June 2021: USD1 = INR73.34

All four sectors of informal workers were earning less in August 2021 than they did pre-COVID-19 (in February 2020): street vendors (260 INR compared to 344 INR), waste pickers (117 INR compared to 186 INR), domestic workers (131 INR compared to 184 INR) and home-based workers (60 INR compared to 157 INR). On average, the earnings of street vendors had recovered the most (to 96% of their pre-COVID earnings), followed by waste pickers (94%) and domestic workers (81%) while the earnings of home-based workers recovered the least (to 58% of their pre-COVID earnings).

The relatively high recovery of street vendor earnings by September-October 2021 may be due to increased sales in preparation for two major annual festivals: Navratri (mid-October) and Diwali (early November). As a member of the SEWA legal team explained: “During this time, the vendors were neither harassed by the police nor by the officers from the (municipal) corporation, as the (officials) understand that these vendors have not earned enough in the past two years.”

Further, it should be noted that, while street vendors had the highest earnings at all points in time, they incur the highest work-related costs. In August 2021, street vendors incurred daily business costs of 271 INR on average, mainly on stock but also on transport.



**Obstacles to work:** Most workers (74%) across all four sectors linked their inability to work during the previous 12 months to government restrictions and to related market and supply disruptions.

Two in five (41%) home-based workers reported that the closure of factories impacted their ability to work. Of the home-based workers able to work, 81% reported that demand had decreased since August 2020 and 84% reported that their selling prices had decreased. One home-based worker summed up the decreased demand and work orders as follows: “I cannot find work. Even if I get work, it is not as much as it was before.”<sup>8</sup> In brief, the demand for the goods produced by home-based workers, both domestic and global demand, remained low in mid-2021.

Nearly two in five domestic workers (38%) reported that they were unable to work due to government restrictions while about one in five (18%) said it was due to their employer who laid them off or asked them not to come to work. One domestic worker summed up the situation as follows: “I do not get regular work right now. I want regular work”.

While the Ahmedabad Municipal Corporation (AMC) allowed street vendors, particularly those selling food, to work at specific times and places, almost half of the street vendors reported that government restrictions and closures of their vending sites or natural markets restricted their ability to work; and almost one-third reported a lack of customers. Moreover, there is increased competition as many who have lost jobs have turned to street vending. The net impact is that, among those able to work, over half (54%) reported that their sales were lower than in mid-2020. One street vendor summed up the prevailing status of street vendors as follows: “Business is not occurring as expected. Hence, we are going through a financial crisis.”

Most waste pickers (80%) reported that it was more difficult to collect waste in August 2021 than in mid-2020; and well over half (58%) reported that prices for recyclables had decreased. Also, well over half of the waste pickers (58%) reported that the weather (i.e., monsoon rains in August-September 2021) impacted their productivity and 42% reported that the fear of contracting the virus inhibited their ability to work. “Nowadays, because of rain, we get lower prices for the waste. We face difficulty in finding waste in sludge. We have reduced our work hours due to such circumstances,” explained one waste picker. Moreover, some waste pickers reported that increased competition impacted their work. “Also, those who lost their work and whose shop, company or factory till now has not reopened are found to resort to waste picking... It has become difficult to find waste,” explained another waste picker.

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<sup>8</sup>[https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/briefingnote/wcms\\_814510.pdf](https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/briefingnote/wcms_814510.pdf)

Here is how the SEWA grassroots leaders who work with different sectors of women informal workers summed up the situation in their respective sectors during and after the second wave of the virus and restrictions in 2021:

### Experience of Different Sectors of Women Informal Workers

**Domestic Workers** – *“Though the sisters have resumed their work, it is not at a scale as it was before. Before they used to perform different domestic tasks such as sweeping and mopping the floors, washing clothes and utensils, folding the dried clothes, bringing groceries from the market and any other task, at the home where they worked. Before Corona crisis, they used to earn Rs. 10000 to 12000. But now, they barely earn Rs. 5000 – 7000. Now, the sisters do not do such a wide variety of domestic tasks. As the lockdown kept its hold for six months, the house-lady in whose house they worked began doing the domestic work on their own. Even they themselves would go to the market for refilling of groceries.”*

– SEWA Grassroots Leader, Domestic Workers

**Home-Based Workers** – *“Too hard to earn. Because, all the work was stopped. The raw material was not supplied to the merchants who give us the work. Secondly, the goods prepared by us did not reach markets due to transport constraints. So much trouble. There was a sudden lockdown, so money for the work done earlier was also not paid to workers. Some sisters have just received money. That too - half. Though some merchants were good who already helped by giving advances. But let me tell you the case of what some contractors did this Diwali. The contractor who gives the work deducted bonus for him/herself from all the workers. They demanded bonuses from the home-based workers as they provide work to us the whole year. People who bring in sewing work from the market and do the work with us also took bonuses from the sub-contracted workers. Earlier contractors used to give workers a bonus but now they deduct it from the salary of the worker. As a bonus a small tiffin (of food) and a bottle of water worth about 100 to 150 rupees have to be given. If not, the contractor does not provide work for 3-4 days. What can the workers do to pay all this if they have run out of money to pay off the mortgage?”*

– SEWA Grassroots Leader, Home-Based Workers

**Street Vendors** – *“We went to meet the sisters during the Diwali (a major festival and period of peak sales during normal years). They said that the goods they used to procure for INR2,000 before now costs INR4,000. The (buying) prices have increased. In case of sales, the buyers’ purchasing power has reduced. This is because customers did not get either enough salary or proper bonuses. Thus, the vendors have to run their business with whatever little they get. Those vendors who previously used to earn INR8,000–10,000 during Diwali, earned only INR3,000–4,000 (this year). With this meagre earning, they and their children celebrated Diwali. For many vendors, Diwali was not as bright as it used to be before.”*

– SEWA Organizer, Street Vendors

**Waste Pickers** – *“Corona has emptied everyone. Nowadays, women involved in paper work do not get much work. These workers were living life in such a condition where they would earn daily and eat daily, and on top of that, the pandemic has really made them worried about getting work even now... Everything was shut down during the lockdown and once everything opened up, the saw mill owners wouldn’t buy stuff (paper waste) from these women unless their stock is sold out. Due to bad weather, the (selling) price for many of their materials went down. Sometimes, they would not find paper and would come back home.”*

*They feel responsible for looking after every member of their family. In any case, the onus of looking after the household is considered a woman’s responsibility. If we talk about their priorities, they are worried about paying back their debts for the money that they took to run their household during the lockdown. They had little savings which have all been consumed. These women workers only worry about getting work. They are not afraid of Corona, but yes, they do fear the third wave.”*

– SEWA Grassroots Leader, Waste Pickers

## Food Security

India has one of the largest food security systems in the world. Through its Public Distribution System (PDS), the national and state governments provide staple food grains (wheat and rice) and other essential commodities (sugar, salt, kerosene) at subsidized prices through a vast chain of fair price shops. The 2013 National Food Security Act stipulates the quantity and quality of food grains and other essential commodities at affordable prices for two main categories of households: households below the national poverty line and other households prioritized by state governments. The PDS is not without its challenges, including identification problems, corruption and leakages. But it offered a nation-wide system through which both the national government and the state governments, such as Gujarat state, could provide either free or heavily subsidized food aid during the pandemic recession: see Key Dates above and Relief Measures below for more details.

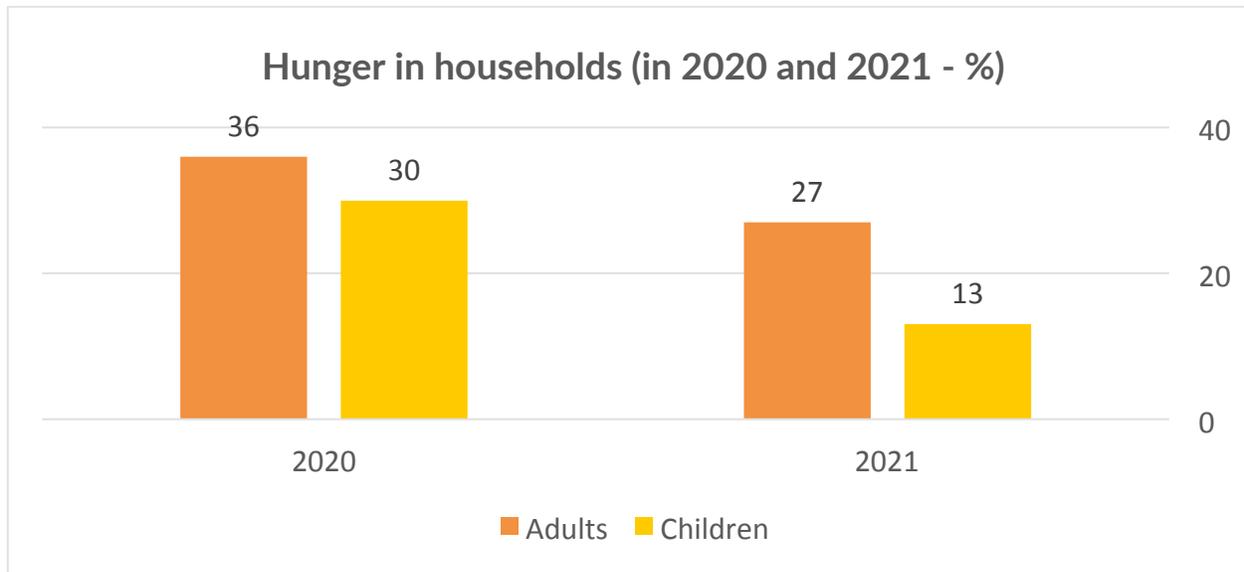
Outside the PDS, market prices of basic food items in Gujarat, and elsewhere in India, spiked during the national lockdown in April and May 2020; and have generally continued to rise. The inflation rate in urban Gujarat in September 2021 was 6.82% (Consumer Price Index, Ministry of Statistics and Programme Implementation). As a ground-level barometer of prices, the street vendors reported to SEWA organizers that the buying price of vegetables doubled during the crisis and the buying price of items used in festivals (such as clay oil lamps and decorations) more than doubled but that they were not able to charge higher prices to their customers, mainly working class people who were themselves strapped for cash.

Despite the regular food rations and the food aid channeled through the PDS, some households experienced hunger during the two waves of the pandemic, given the decline in work and earnings resulting from the national lockdown and subsequent government restrictions, the resultant economic recession and the hike in prices.

In Round 2, 27% of respondents reported hunger<sup>9</sup> among adults in their household during the past month, compared to 36% of respondents in Round 1 between May and July 2020. And 13% of respondents who had children under 16 in their households reported hunger among children over the past month compared to 30% in Round 1 between May and July 2020. Also in Round 2, nearly half of the respondents reported that they or other household members had skipped a meal in the last month and had eaten a smaller variety of foods than they would have normally; and 9% of the respondents reported that their household had reduced food consumption in order to get by. Adult hunger was most prevalent among waste picker households (63%) in Round 2 and higher in those households than in Round 1 (36%). Considered another way, just over one-third of the respondents (34%) who reported having to reduce their food consumption were waste pickers, although they represented just under one-quarter (22%) of the Round 2 sample.

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<sup>9</sup> Respondents were asked whether in the last calendar month 2021, any adults or children in their households “go hungry because there wasn’t enough food?”



*“The situation worsened during Corona period. We could not even eat. We became indebted to grocery shop owners. We lost income as we had lost out work/business.”*

*“We faced intense food crisis when everything was closed. On our request, the shopkeeper allowed us to buy groceries on credit every month. So, we now owe 4000 INR to him. We have repaid him 150 INR every month as of now. But every month we have to buy fresh groceries. So, the INR4,000 (the principal) remains unpaid.”*

*“We could only eat for many months because the government provided us with free food grains. However, the quantity was not sufficient for my family so for many days we remained half hungry.”*

When asked about food insecurity among the women she worked with, the SEWA grassroots leader who works with women waste pickers who collect paper said: “I don’t even want to talk about the food insecurity. We have closely experienced the situation. Whenever we think about it, our eyes get moist with tears. The women would tell us that, ‘we can remain hungry, but we cannot see the children and elderly go without food.’ What could the women paper workers do, if they did not get work?”

## **Health and Safety**

In India, the second wave of the virus in the second quarter of 2021 spread faster and more widely than the first wave a year earlier. Although there was no significant increase in the death rate during the second wave, the total number of deaths was very high due to the alarmingly high number of infections. The fear of virus infection and death was palpable. As a member of the SEWA legal team reported: “We did a lot of counseling during this time because people were dying in large numbers and this created panic amongst people.”

Between the two waves of the virus, the Government of India struggled to produce – and failed to order – enough vaccine doses for its 1.4 billion people. For some time, government clinics and

hospitals did not have adequate vaccination supplies and people were forced to pay for vaccinations at private clinics and hospitals. As of mid-2021, only 4.28% of the eligible population of India had been fully vaccinated. So a national vaccination drive was mounted. By the time the Round 2 survey began in Ahmedabad in September 2021, 11% of the eligible population of India had been full vaccinated.

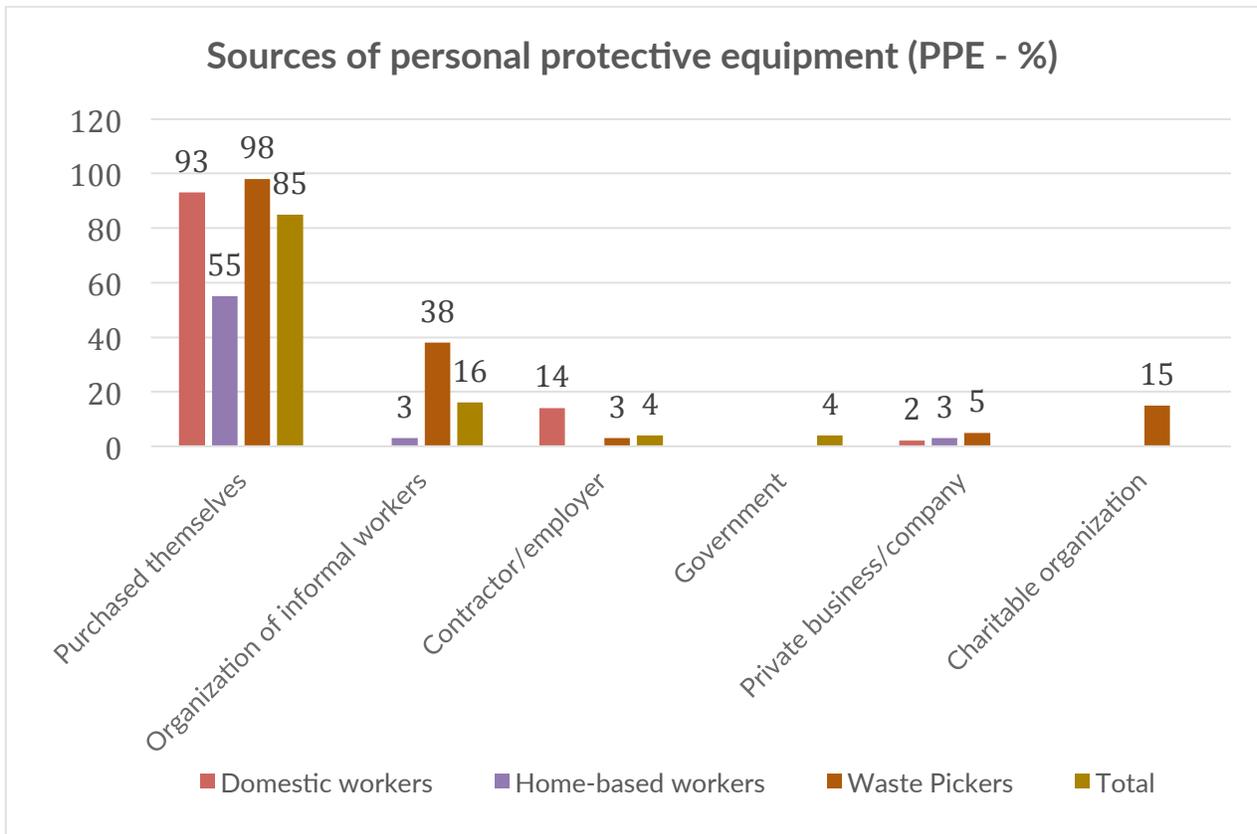
In June 2021, the Ahmedabad Municipal Corporation (AMC) launched a special vaccination drive for “super-spreaders”, including vegetable vendors, grocers, petrol pump staff, barbers, courier and food delivery agents. A center was set up in each of the city's seven civic zones to facilitate this vaccination.<sup>10</sup>

In September-October 2021, nearly 91% of the respondents reported that they had been vaccinated or were scheduled to be vaccinated. Nearly all street vendors (98%), more than any other group, reported that they had been vaccinated or were scheduled to be vaccinated. In large part this was due to the fact that SEWA collaborated with the AMC and local police stations to arrange vaccination camps and drives in areas where SEWA members work and live, including the natural markets of street vendors.

Among respondents who were working in August 2021, most (89%) reported wearing masks and using sanitizers (89%) which mainly they bought themselves. While all domestic workers and most street vendors (93%) wore masks, only 55% of home-based workers and 40% of waste pickers did.

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<sup>10</sup><https://economictimes.indiatimes.com/news/india/covid-19-over-11000-super-spreaders-vaccinated-in-ahmedabad-under-special-drive/articleshow/83951583.cms?from=mdr>



Note: Respondents could select more than one response

## Household Stress

### Care and Other Household Responsibilities

In August 2021, compared to pre-COVID (February 2020), 19% of respondents reported an increase in childcare, 15% in elder care, 16% in cleaning and 14% in cooking. Moreover, of those that reported an increase in care and other household responsibilities, around 40 per cent reported that increased household responsibilities prevented them from working and another 40 per cent reported increased household responsibilities stopped them from working the same number of hours. “I brought my pregnant daughter to my place for child delivery. I could not go for work as I had to look after her. She was all alone that is why I brought her here. She gave birth to a baby boy and so I am not going for work,” explained one waste picker.

### Concerns and Tensions

Nearly two-thirds (62%) of the respondents reported that their household income had decreased since the start of the pandemic. The economic, health and other impacts of the pandemic recession on respondent households were compounded by their vulnerable living conditions. Two-thirds (65%) lived in informal settlements, often in a one-room house. Nearly one-third (30%) lived in households with more than five people but the average size of respondent households was five people.

A SEWA grassroots leader described the living conditions of waste pickers she worked with as follows: “The condition of the women waste paper workers would often moist our eyes. We felt sad because they would live in a 10x10 feet tiny houses. Sheelaben from Wadaj shared with us that there are many places (informal settlements) which have such extremely narrow lanes that if a cow comes in front of us we have to slide inside someone’s house to give way to the cow. In places where there is a single road, a single infected person is enough to get everyone else infected. The conditions of people living in 10x10 small houses were extremely pitiful. Most of the people were at home due to no work - more (household) members at home - hence they lived in a miserable condition.”

The cumulative stress of the pandemic recession over 18 months was palpable in the responses to open-ended questions. Several respondents reported that loss of work, financial struggles and increased household responsibilities triggered feelings of stress and anxiety.

*“My son-in-law got sick and died two months ago. The responsibility of my daughter and granddaughter are on my shoulders. Mental stress has increased” – Domestic worker*

As a waste picker explained: “During Corona, the work that my sons used to do at a workshop and my husband used to do at a factory stopped altogether. Even I lost my work. It became difficult to run the house. I lost sleep due to the constant worry about ‘how will I run my house?’ and ‘how will I feed my grandchildren and my daughters-in-law?’” Another waste picker explained how the reduced work and earnings impacted her mental health. “The work of waste picking was reduced. The prices (for recyclables) decreased. The waste is not available. I am afraid to go out to do this work. This has resulted in mental stress.”

A SEWA grassroots leader who works with waste pickers summed up the cumulative stress on women waste pickers as follows:

*“When everything was shut down, there were many women who would tell us that they are able to go to sleep hungry but they could not bear to see their children going to sleep hungry. When I spoke to one woman from Madhupur via telephone, she told me that, ‘we feel like consuming poison and go to sleep instead of living in such pathetic situation’. Women were distressed. Some women said that the riots were better than this pandemic, as they would get relaxation during the curfews and also the riots were limited to certain areas and could be resolved by making people understand, but during the pandemic, it was difficult to understand what to do and what not to do. Therefore, when the work resumed people were afraid to commit to the work.”*

## **Relief Measures**

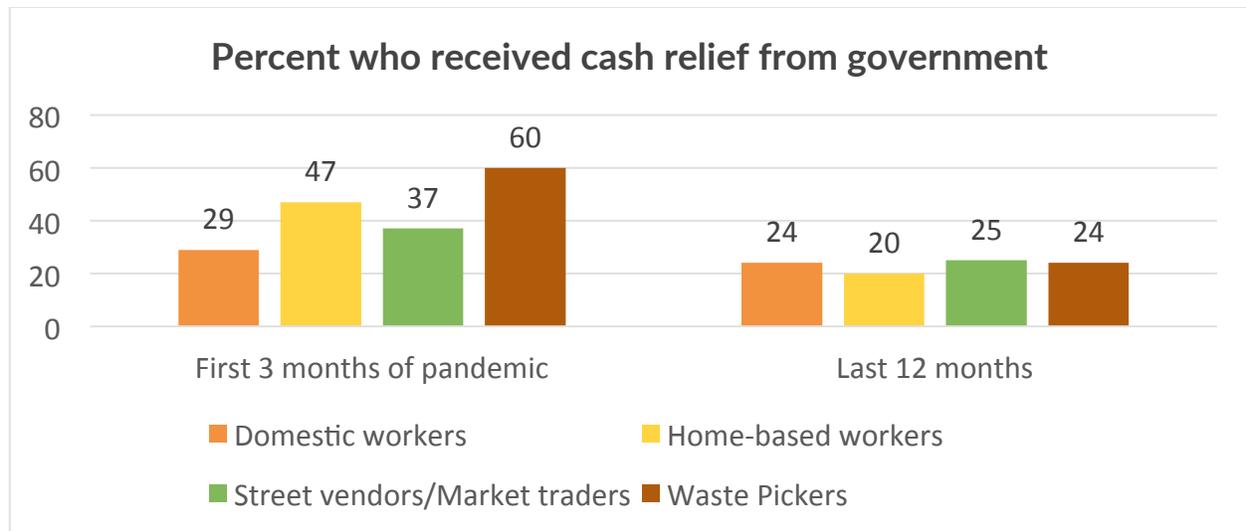
There was less overall relief, from both government and non-governmental sources, during the second wave of the virus in 2021 compared to the first wave and national lockdown in 2020.

### By Government: Cash Grants

In 2014, the Government of India introduced the Prime Minister's Jan DhanYojana (People's Wealth Scheme), a financial inclusion scheme for all citizens of India aimed at getting people to open bank accounts through which to channel credit, remittances, insurance and pensions. The main channel for delivering government relief cash grants was through Jan Dhan bank accounts.

At the onset of the pandemic in 2020, the national government dispensed small cash grants for two months, largely to those with Jan Dhan bank accounts. In June 2020, the national Ministry of Housing and Urban Affairs launched a scheme (Atma Nirbhar Nidhi) to provide interest-free loans of up to 10,000 INR to approximately 5 million street vendors to help them restart their businesses. But the Atma Nirbhar Nidhi scheme did not reach the target number for a variety of reasons, including limited publicity of the schemes, cumbersome procedures and (often) political favoritism.

During the Round 2 survey, 24% of the respondents reported that they received some government cash relief during the previous year. While in the Round 1 survey, 42% of the respondents reported that they received some government cash relief during the first three months of the pandemic (April to June 2020). For instance, just under one-quarter (24%) of the waste pickers received a cash grant between August 2020 and August 2021 while over one-half (54%) received cash relief between April and June 2020. The main reasons cited by respondents for not receiving cash relief is that the government did not issue cash transfers (48%), they did not have a Jan Dhan account (19%) or they did not apply (14%).



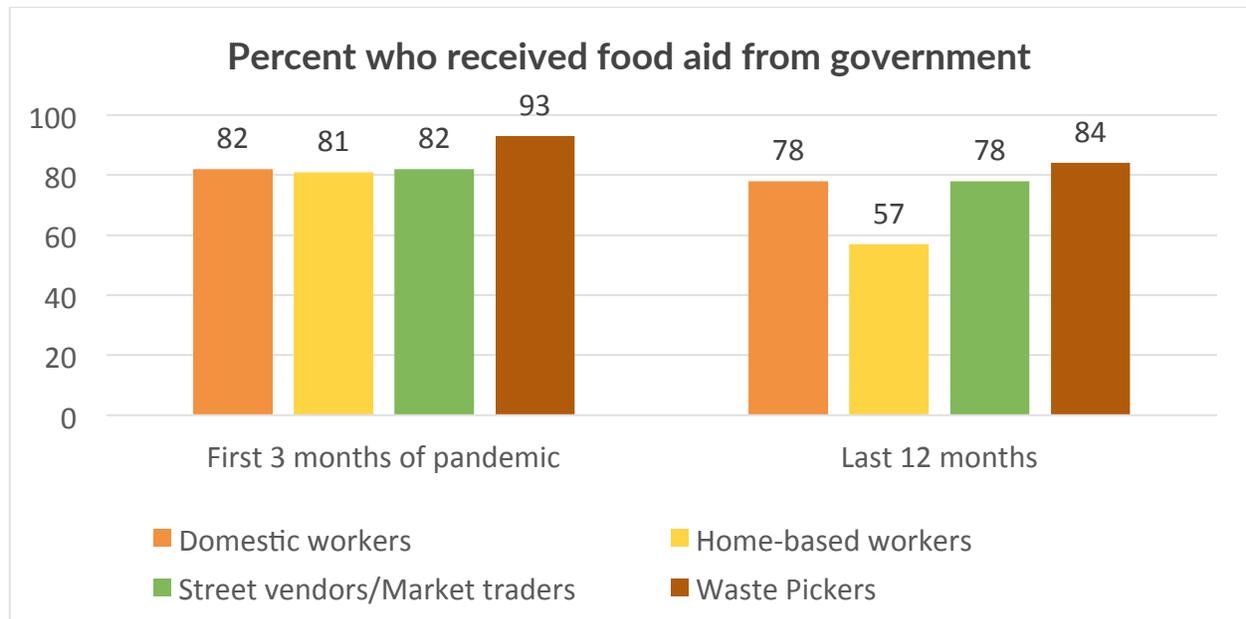
### By Government: Food Aid

The Public Distribution System (PDS), as described above, is the main channel for distributing food aid. In May and June 2021, the national government offered free food grains to households below the poverty line under a special scheme for the poor (Garib Kalyan Ann Yojana). However, the listing of those below the poverty line was based on a 2011 census and often excluded the country's most vulnerable households.

In August 2021, 75% of respondents reported receiving food aid over the past year, compared to 84% between May and July 2021. A higher percentage of waste pickers than of the other three groups received food aid in both periods (84% and 93%, respectively). Some respondents reported that the quantity of food aid distributed by the government was not enough. “We had to remain hungry many a times. We used to sleep after drinking water only. The food packets were not sufficient and were limited to cater to a few people. Many a times I did not eat so that my three sons, two daughters-in-law and grandsons could eat enough,” said a waste picker.

A few widowed respondents reported that their status as widows enabled them to receive an extra quantity of food grains. “My husband passed away two years ago. So, I received more food grains that were granted by government to widows as aid. Apart from this, I have five sisters, whose situation is good. They used to help me every month with food and money. That is why I didn't feel much trouble during the lockdown,” reported one widow.

Over one-third (36%) of those who did not receive food aid thought food aid was not available or did not know whether it was available, 8% did not have a ration card or other documentation, 8% felt it was too difficult to apply, and 8% applied but did not receive food aid. “The respondent neither received food grains through the Ration Card system nor received any aid under the Widow Aid Scheme. So, she asked me to help her with the necessary steps to get the benefits of such schemes,” explained a researcher about one of the widowed respondents.



### By SEWA

In 2020, SEWA mounted a multi-prong response to protect the economic, physical and mental health of its members. During 2021, SEWA continued offering the same range of support to its members, especially to the poorest households and to households in which members had contracted or died of COVID-19. However, during the second wave of the virus in 2021, SEWA had to deliver far less food aid and had to negotiate fewer work permits for essential workers as food rations and public transportation were more readily available and there were fewer restrictions on movement.

## SEWA Responses to Health and Economic Crisis

### SEWA Responses to the Health Crisis

- public health messages and medical advice
- protective equipment and materials
- health care and medicines
- mental health support

### SEWA Responses to the Economic Crisis

- channelling of government relief measures
- delivering food packets and cooked food
- facilitating market linkages
- negotiating work permits for essential workers

Throughout 2021, SEWA's local community-based leaders continued to facilitate government aid. They informed SEWA members what they were entitled to, how to apply, how to open a bank account; and approached local government officials, police and politicians on members' behalf.

A SEWA legal team member described what SEWA did regarding relief, public health and mental health counselling and livelihood support (especially for street vendors) in 2021, as follows:

**Relief** – *“SEWA helped women to get their ration cards renewed and distributed ration kits, biscuit packets, masks and sanitizers to the women for free.”*

**Public Health and Medical Support** – *“During Corona and especially during the second wave, there was no place in the hospitals, so we would connect them to the doctors who would arrange beds for them. SEWA had formed a panel of three doctors, who would provide online assistance to the needy women and prescribe medicines (for example, the doctors would prescribe medicines for cold and cough online and the women would buy it from the medical stores). We would connect with the doctors and the working teams to take the health-related information to the members. The vendors would get afraid if they caught cold thinking it to be Corona, so they would not go to the hospital. They were worried, if they got admitted to the hospital then who would go and earn? How will they feed their families? They would have to get quarantined for 15 days. SEWA would counsel such men and women and make them understand that if they do not go to the hospital and in case if they had Corona, then they would infect others as well, so it is better to go to the hospital.”*

*“Secondly, the women of SEWA, especially the women vendors, were not ready to take the vaccine, so we would make them understand that they come in contact with at least 50 people daily, so if they do not take the vaccine, then what about their protection against the virus? They would stay protected if they have taken the vaccine. SEWA would incessantly counsel upon matters regarding the Corona test, vaccine and protection. We would counsel them that, if one member of their family had tested positive for Corona, then the other members of the family must stay indoors.”*

### Recovery (for street vendors)

*"We are incessantly working and negotiating with the police and the Municipal Corporation to help stabilize their employment, if our members face issues regarding their employment during these circumstances. When our women vendors were not allowed to sit in the Bhadra market, so along with their committee, we gave it in writing to the Ahmedabad Municipal Corporation that we will wear mask, maintain social distance, keep sanitizing our hands at regular intervals, we keep the money aside for one day, which is given by the customer, etc. After this, the corporation allowed them to sell in the market.*

*During the first wave (in 2020), with the help of the Municipal Corporation, SEWA had started the e-rickshaws to supply milk and vegetables in the contentment zones like central zone and southern zone, during the first wave of Corona. Earlier, we had hired men as drivers for the e-rickshaws but later we came to know that even the drivers have been hired by the corporation. With the help of e-rickshaws, we were able to provide employment to around 150 men and women.*

*During the second wave (in 2021), SEWA had made an attempt to connect the rural vendors with the urban vendors to curb the expenses and increase income, as well as to maintain the employability; SEWA had set up a SEWA bazaar in Jodhpur (Ahmedabad), which was an extremely important task. The vegetable farmers from Anand and Mehsana used to come here to give their supplies and the local women vendors would get it on wholesale (Jamalpur) rates.*

*Other than this, SEWA also got these women vendors trained by the doctors regarding the dos and don'ts while going to sell the vegetables like, they must not allow the customers to touch the vegetables, and if the customer buys something, then the vendors must weigh it and give it to the customer. Secondly, they were also taught about maintaining social distance, wearing masks, and they must give and take money from the customers after sanitizing. After the second wave of Corona, they were also trained to take care of themselves against the 'Mucormycosis' disease.*

*We had distributed the pamphlets/posters of this training at the Ahmedabad Municipal Corporation office, Corporator and also gave it to the stakeholders for further distribution.*

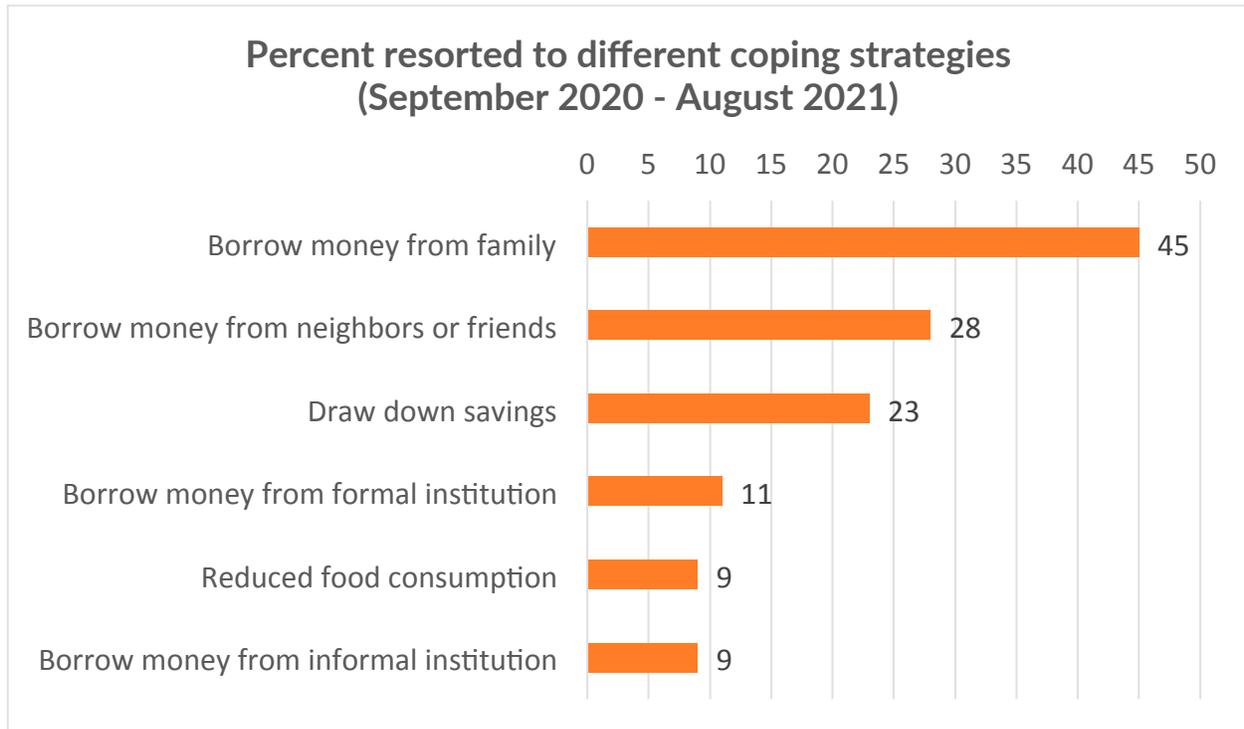
*Everyone was pretty scared during the second wave, but SEWA was always there with them to resolve their issues related to business, health, etc, which is a matter of pride. Sometimes, it is not important to give them something, but listening to their issues is very important."*

## Coping Strategies

Between September 2020 and August 2021, 85% of the respondent households had to resort to at least one adverse coping strategy, and most resorted to more than one. Many respondents had to borrow money: 45% borrowed from family, 26% from friends or neighbours, 11% from banks or formal financial institutions and 9% from informal moneylenders. Nearly one-quarter (24%) drew down savings; 13% pawned or sold assets; 8% reduced food consumption; and 5% reduced consumption of non-food items.

The vast majority of street vendors (98%) and waste pickers (92%) resorted to one or more adverse coping strategies, followed by home-based workers (84%) and domestic workers (61%). Among all respondents, the most common coping strategy was to borrow money, and most often from family (29% of domestic workers; 35% of home-based workers; 56% of street vendors and 60% of waste pickers). Forty-two percent of respondents needed capital to restart their businesses, especially street vendors (84%). But only four per cent of respondents received a loan from government.

Among the respondents who took out loans over the last 12 months, the average amount of outstanding debt was INR26,478.



*Note: Respondents could select more than one response*

One respondent summed up the common situation as follows: “Debt increased as we had no income. We have not been able to repay the debt. The daily wage earners like us neither have any savings nor any jewelry that can be pawned. On one hand, I cannot save money and on other hand, my debt has increased. Corona has drained us all”. Moreover, some respondents pointed out that their social networks were no longer able to provide support because everyone had been adversely impacted by the pandemic. “I could not even borrow as everyone suffered through similar situation. But the shopkeeper of the grocery store who is good-natured allowed us to buy groceries on credit,” said another respondent.

Of the respondents who had drawn down their savings since the start of the pandemic, 87% had not been able to rebuild their savings by Round 2 (September-October 2021); 2% had rebuilt less than half of their savings; and 10% had rebuilt half or more of their savings.

*“Jobs, work, businesses got closed. Earnings ceased. We had to resort to borrow money. The loan installments are due to be paid. Interest has increased. We don't have money for food. So, we have to anyhow get money and repay the loan installments.” – Domestic Worker*

*“Work of all the household members has stopped. I have withdrawn my children from the school. We have utilized the scholarship money in running the house. I live in a rented house and I haven't paid the rent yet. Even the house owner has not reduced the rent. But I have been given a longer respite for payment. I am not sure about getting back my pawned ornaments. This is also another stress-giving situation and I face great challenge in running the house. The transportation fares have increased. Everything has become costly. Which of all these situations should we tackle?”*

*– Waste Picker*

## Relief, Recovery and Reforms

In open-ended questions at the end of the survey questionnaire and in the in-depth interviews, the SEWA members, grassroots leaders and organizers expressed the needs and demands of the domestic workers, home-based workers, street vendors and waste pickers.

### Immediate Relief

The SEWA members, leaders and organizers expressed the need for continuing relief for the duration of the pandemic recession, including food aid, cash grants, waivers or subsidies for key expenditures (i.e., rent, utilities, school fees, licenses or permits); In the open-ended questions, nearly half of the respondents (105 in all) asked for help with meeting daily expenses: including food aid, cash grants, being able to buy goods on credit and waivers or subsidies for housing, utilities, school fees, licenses/permits and loan repayments.

### Recovery Support

In addition to immediate relief measures, many SEWA members, grassroots leaders and organizers expressed the need for support in restarting livelihoods or finding more secure employment.

*“It would be better if we are provided with work because if money or cash is provided then it will get spent.” – Home-Based Worker*

*“I want that youth - both men and women - should be provided with better employment so that sons and daughters of the poor like us can go to work. Thus, we can lead a peaceful and healthy life through this.” – Waste Picker*

*“Job for my son so that we can get bread for the entire life. Thus, we can get peace for our entire lifetime.” – Street Vendor*

They also demanded subsidized loans or (preferably) grants and other livelihood support (e.g. skills training; employment opportunities). Street vendors were especially likely to request an interest-free or subsidized loan to help resume their work and for a secure place to vend. In the open-ended questions, one in five asked for support with their livelihoods or employment: 21 wanted loans or grants to buy equipment and tools or for working capital, 5 (all street vendors) wanted a secure place to work, and 18 wanted regular work.

*“Interest-free loan from government to resume our business and to repay the debt. As there won't be any interest we can repay the principal gradually.” – Street Vendor*

## Reform Measures

Many SEWA grassroots leaders and organizers, and a few survey respondents (14 in all) spoke about longer-term reforms.

**Social Protection** – India has a patchwork of social protection and anti-poverty schemes which cover only a small percentage of the population, more so in rural than urban areas. What India needs, and what SEWA has been demanding, is a comprehensive integrated social protection system, comprised of both social assistance/safety nets and social insurance, including income support and social services for the large urban informal workforce especially during crises. In the open-ended questions, nine respondents demanded social protection coverage.

*“The government must think of something for the women waste pickers. They should be granted pension or other aid every month.” – Waste Picker*

**Policy and Legal Reforms** – Many of the SEWA grassroots leaders and organizers discussed the types of policy and legal reforms that SEWA has been struggling for since long before the COVID-19 crisis but which are made all the more necessary by the crisis. For instance, a SEWA organizer of domestic workers detailed what SEWA is and has been advocating for domestic workers:

*“We are not the government. But, at least as an organization and a national union, we have been fighting with the Central Government for ratifying the Convention 189 for the benefit of domestic workers. We have been lobbying for a Welfare Board of domestic workers to improve their visibility. Like other workers, there should be laws for the domestic workers as well. They should be ensured with rights such as fixed working hours and a minimum wage. Such an initiative for domestic workers is led by Naliniben of Kerala. She raises her voice and puts forth the issues of the domestic workers at the national level every year. We are also a part of the committee organizing such discussions.*

*Domestic work is not considered as a type of work. So, we tell the domestic workers that this is also a work that you have been doing. We try to create awareness about the convention (Convention 189) for domestic workers declared by the International Labour Organization. To that extent we conduct trainings and awareness campaigns where we tell them that there is a welfare board for the construction workers, which decides and ensures minimum wage for them. Such welfare boards need to be made for domestic workers as well. There is a law for social security, but it has not been implemented yet. So, we organize and advocate with the Central Government for implementation of such laws.”*

SEWA is also calling for fundamental reforms – a resetting of priorities and of existing approaches to economic development, health care and social protection – as articulated by Ela Bhatt, the founder of SEWA:

*“The current COVID-19 pandemic has become a wake-up call for every country, big and small, rich or poor, developed or developing. It has opened our eyes to the fragility of our health-care systems, the instability of our economic structures, rising communal hatred, and to the vulnerabilities of our society. How well we cope with this crisis will depend on how we respond to local – not only global – realities, and how well we recover from the crisis will depend on how willing we are to reorganize our priorities when we rebuild.”*

**COVID-19 Crisis and the Informal Economy** is a collaboration between the global network Women in Informal Employment: Globalizing and Organizing (WIEGO) and local 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, with support from the International Development Research Centre (IDRC/CRDI), Canada. The mixed-methods longitudinal study includes survey questionnaires of informal workers and semi-structured interviews with informal worker leaders and other key informants, all conducted by phone. 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).

The **Self-Employed Women's Association (SEWA)** is a trade union of women informal workers founded in 1972. With over 1.8 million members, SEWA is the largest organization of informal workers in the world and the largest trade union federation in India. SEWA is committed to empowering its members to secure income, assets, food, health care, childcare, and shelter for themselves and their families. SEWA pursues a dual strategy of struggle (through the union's organizing, mobilizing and advocacy) and development (through sister institutions which provide financial, marketing, training and other services). The **Indian Academy of Self-Employed Women (IASEW)** is one of the sister institutions and provides research, training and communication services to SEWA and its membership.

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