Home-based workers in Cambodia build their livelihoods together

Home-based workers (HBWs) produce goods or services in or near their homes. They sell these goods locally and in global markets. They are often invisible and undervalued. In most countries, they are excluded from labour legislation, social protection and have low and insecure incomes. To overcome these hardships, home-based worker organisations around the globe have put into practice different social and solidarity economy (SSE) organising models. These SSE models value principles like democratic ownership and control of the organisation to make it accountable to its members, self-help, self-reliance and the building of solidarity amongst the members of the organisation. By following these principles, many SSE organisations have built better access to markets and members’ income has improved.

AAC Empowers HBWs

Sinoeun Men has been working with the Artisans Association of Cambodia (AAC) since 2003. Initially AAC focused on empowering informal businesses, especially those that employed landmine survivors from the Cambodian war. Later AAC widened its membership to include people with disabilities, victims of human trafficking, HIV patients and single household mothers. The aim was for members to build independent social enterprises, often around the making of handicrafts.

Many of these handicraft workers were home-based workers (HBWs) who worked at home making mats, baskets and brooms using natural materials like reeds, rattan, palm leaves. Others sewed bags, clothes, purses, hats, embroidery and other things. Sinoeun began to recruit these HBWs into AAC as a separate grouping.

In 2009, AAC became a member of HomeNet South East Asia (HNSEA). HNSEA gave a mandate to AAC to form HomeNet Cambodia (HNC) with the aim of organising home-based workers, self-employed or own account workers and subcontracted home workers, in four cities (Phnom Penh, Siem Reap, Battambang and Poi Pet). HNC’s focus was on livelihood and social protection advocacy.

Strengthening Livelihoods

Sinoeun saw that most HBWs "are dispersed, they are poor, they are living based on their daily activity.” If they didn't work, they didn't have money to feed their families.

For Sinoeun the priority was to strengthen HBWs’ livelihoods in the four cities chosen before talking about social protection. He first brought women together into small groups. "We talked to them about our work and about them, what they do. They didn't know they were HBWs."

Members were given training on the legal structure of the organisation, how to make decisions in a democratic manner, the meaning of leadership and the role and responsibility of the group leader as well as individual members. Skills such as how to keep records and how to save were also included. Groups would then elect their leaders and be encouraged to “help each other and trust each other.”
Group members shared the challenges they faced in improving their income. One of their biggest challenges was being dependent on middlemen. They sold their mats to them at 5000–6000 riels per reed mat. The middlemen then sold them at the market at a much higher price. HBWs were helped to avoid the middlemen and started to sell for themselves directly at the market at 8000 riels a reed mat. Some groups asked their group leader to sell for them. In exchange, the group leader kept some of the income from the sales for herself.

Another problem they faced was the time it took each woman to cut, collect and dry the reeds or rattan and palm fibres they used to make the brooms, mats, and baskets. This valuable time prevented them from making their income-generating goods. With the help of HNC, funding was allocated to each HBW group as a “start-up fund,” says Sinoeun, “to pay for raw materials like jute, reed, palm fibres, transport, etc. The next time they must do it by themselves at the market price.”

This action freed the women to spend more time making the mats and growing their income. Every bit of support given to the HBW groups had to be done in such a way as to make them “become sustainable” and independent.

Making Progress

Proof that groups are making progress comes from the members themselves. A few months after advising HBWs in Battambang city how to avoid the middlemen, Sinoeun visited again. “Oh teacher [the name the HBWs have given to Sinoeun], I’m one step ahead, I am really proud of this work,” one of the HBWs told him. Puzzled by ‘one step ahead’, he asked her to clarify. “She told me that she had got rid of the middleman, she was now earning more, and she was supplying to the same middleman, and he was offering a better price.”

HBWs are also “more confident in terms of managing their group and market access...They know where to get raw materials,” says Sinoeun even outside of their province or village.

AAC also helps HBWs’ livelihoods in other ways. It helps with design and product development of their goods and with marketing their products. AAC members who have their own businesses help sell the HBWs' products in their shops and place orders with the HBWs for certain goods. Sinoeun stresses that those HBWs selling their goods to AAC shops must be “really good quality and good design... they are selling high-end products to high-class people like foreign tourists, expatriates, and importers.”

Very few people in Cambodia have bank accounts and that includes HBWs. Instead, many of the HBW groups have set up savings groups in some towns e.g., Phnom Penh and Siem Reap. Group members sell their products and put some of what they have earned into the savings group. A team in the group manages the savings. And “maybe twice a year they share the interest to the savers in the group, based on their share.” Members of the group can also borrow money from the savings group at low interest.

Digital Marketing

Despite offers from a funder to set up online marketing for HBWs, Sinoeun resisted. His experience with AAC’s online marketing was that it was difficult and required skills that the HBWs didn’t have. He wanted to build a sustainable model that HBWs could operate themselves without having to rely on the AAC head office.

He first trained groups of HBWs on how to set up a Facebook page – either for the HBW group or for an individual. Many HBWs have smartphones. “They are very good at posting [on Facebook] in Cambodian language but not yet in English,” says Sinoeun. They post pictures of their goods, the prices and where they are located. HBW groups, or each individual HBW, open
mobile money accounts. This enables a buyer to send money to the HBW’s mobile account. The HBW can then choose to withdraw that money at a mobile kiosk near them or keep it in their account until they need it. Mobile money accounts are relatively inexpensive.

**HNSEA’s December 2021 newsletter** describes the success that young HBW leader, Vichekah Yun, had after she had gone through this course on digital marketing. Leader of the Chamka Samrong group in Battambang City, she secured an order for 300 sedge mats and 100 brooms from a customer 60kms away from her by advertising on Facebook and communicating with the customer via Messenger. She sourced some of the order from her own group and the rest from other HBW groups in Battambang City.

### Covid-19 and Social Protection

The Covid-19 pandemic brought hardship to Cambodian people just as in other countries. The Vice-President of HNC died as well as five members of the families of HBW workers. Despite this, Sinoeun is proud that “those who work from home, even through the pandemic, [most of them] still survived and they still operate.”

For those HBWs that lost their markets and their livelihoods, AAC and HNC stepped in to support them and help them learn new skills like baking cakes which they now sell in their communities. And guided by the group’s solidarity principles, “those in the group that don’t sell or make the cakes, still get a small percentage of the sales,” says Sinoeun. Another group has just started to create new designs with new dimensions for mats for new clients. The price of the new design is higher than their regular mats and they can use the remaining reeds to weave the regular mats. Another woman diversified and now grows mushrooms for sale.

One unexpected benefit of Covid-19, Sinoeun says, is that “people [started to] think about accessing healthcare, support, and food.” And he was able to explain that these issues were the responsibilities of society and government and that this is what social protection meant.

Cambodia has a social protection system in place called ID poor. However, strict criteria exist that exclude many HBWs. Criteria like “if you have one motorbike and you borrow money from the bank” can prevent a person from qualifying for ID poor.

HNC with the help of international organisation, Women in Informal Employment: Globalizing and Organizing (WIEGO), conducted a survey of 311 of its HBW members in Siem Reap, Battambang and Phnom Penh. They wanted to find out how many of the HBWs were receiving social assistance from the government through its ID poor programme. They discovered only 31.8 per cent had cards. Of that, 8.1 per cent no longer received payments or benefits because the card had not been renewed. So less than one out of four were getting social protection benefits. The vast majority, more than 60 per cent, had never received benefits. As a result, most HBWs are part of the ‘missing-middle’, those that are not quite poor enough to access government assistance but who still live a very precarious life with their incomes hovering around the poverty line.

Covid-19 has forced the Cambodian government to reassess the way in which it chooses who is eligible for ID poor and the process it follows. Before, different areas were targeted every three years. Village leaders and section leaders interviewed those who applied, and both were influential in deciding who qualified. Now “any poor HBW can talk to the village leader, can register, and send the application to the interview team. If they pass, they get ID poor, if they don’t have enough reason to get it, they don’t get it,” says Sinoeun. Moreover, the growing visibility of HBWs means that some village and section leaders also consult the leaders of the HBW groups to check who are the neediest in their groups.
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HomeNet International (HNI) is a global network of membership-based workers’ organisations representing thousands of home-based workers (HBWs) around the world. In February 2021, 36 HBW organisations from 20 countries became the first affiliate members to join the organisation, representing more than 600,000 HBWs. The network aims to achieve the following: raise visibility and gain recognition of home-based workers (HBWs) as workers, build and provide solidarity amongst HBWs around common issues and use the power of a global voice to influence governments and employers globally. HomeNet International held its first Congress and was officially launched on February 23 and 24, 2021.

National Social Security Fund (NSSF)

All formal workers in Cambodia belong to the National Social Security Fund (NSSF). Each worker (and their employer) pays a percentage of their salary to the fund. In return workers receive unemployment benefits, free hospital benefits and will get pension benefits in the year 2022.

AAC and HNC and other informal worker groups like tuk-tuk drivers and domestic workers, are currently pressuring the government to extend the NSSF to informal workers. The government has agreed to run a pilot project with tuk-tuk drivers and domestic workers. And it has accepted, says Sinoeun, that these workers “won’t pay the same contribution [as formal workers] because their earnings are much lower and unstable.”

In addition, NSSF, IDEA (Independent Democracy of Informal Economy Association), WIEGO and HNC have agreed to conduct a similar pilot project with street vendors and HBWs. WIEGO is currently estimating the cost of this pilot project.

Even though there is still a long way to go, Sinoeun is proud of “where the HBWs are now.” There are now about 400 HBWs organised in three cities (Phnom Penh, Siem Reap and Battambang). Each HBW has moved from a “family enterprise to become a visible woman with decision-making powers both in her family and in her community.”

A Cambodian home-based worker making face masks.