RWANDA: HOME-BASED WORKERS IN THE GARMENT AND FOOTWEAR SECTOR

HIGHLIGHTS FROM GLOBAL RESEARCH STUDY, 2025, HNI

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Background

Study location	Kigali, Eastern Province
HBW respondents	**60**: 9 men, 51 women; all organized, 9 leaders
Product activity	Tailoring, stitching, sewing/embellishing shoes, cutting patterns, repair, embroidery
Employment status	All self-employed
Key Informants	Jean-Pierre, SYTRIECI
Organization	Syndicat des Travailleurs Domestiques et Indépendants de l'Economie Informelle (SYTRIECI or Union of Domestic and Self-Employed Workers in the Informal Economy - Trade Union)

Informal employment is recorded at 84 per cent in the country which largely holds true for the garment and footwear sector too. Modern, factory based garment production began to develop in 2017 under the government's "Make in Rwanda" initiative. Still nascent, " (It) struggles with limited demand for locally made garments and competition from cheap, mass-produced imported clothes" (ILO[1]). Lack of materials and skills restrict sector growth including access to export markets. The sector is almost entirely comprised of micro and small businesses and self-employed ("independent") tailors working individually or in groups from or near their homes, broadly categorised as home-based workers (HBWs). Most respondents – 85 per cent - sell exclusively to individual clients whether it is garments or footwear; remaining service either bulk buyers or sell to both types of customers.

Recognizing the largely informal nature of employment in the country, the government promotes cooperatives to organise informal workers including HBWs.

Key challenges faced by HBWs include:

- Earnings are low and precarious because of insufficient work and cheap imports. Average weekly earnings in March 2024 were RWF 10,344 (USD 7.98), only about 27 per cent of the living wage estimated by Global Coalition for Living Wages. As compared to minimum wage, living wage covers a broader range of human needs including food, shelter, clothing, health, education, and emergencies. About 12 percent of respondents earned at less than half the average rate, likely due to a combination of limited skills and access to raw materials. Payment delays are common; 67 per cent listed them as a challenge.

- Irregular, uncertain, and insufficient work affects a large majority (83 per cent) of workers. In March 2024, respondents worked on an average a little over 30 hours per week against the 40-hour standard. For the week immediately following the study survey only 37 per cent respondents had assured work for 5 or more days; and for the succeeding three months, 50 per cent had no idea if or how much work they would get. Women respondents are worse off than men by a large margin on all these indicators; a significant number (67 per cent) find it challenging to do paid work while managing domestic responsibilities. 78 per cent respondents, mostly women, suffer work-related health issues such as back pain and eye troubles.

- Workers tend to underestimate costs of working from home unless explicitly pointed out. On an average respondents spend RWF 48,102 (USD 37.1) per month with shoemakers – almost entirely men - spending almost double than the rest.

- To cover the gap between earnings and basic expenses, HBWs cope in a variety of ways. 85 per cent of respondents used one or more among depleting savings, selling assets, reducing consumption, delaying medical treatment, buying essentials on credit, and borrowing. 72 per cent of all and 89 percent of men HBWs borrowed, mostly from family, friends, neighbours, and informal sources; and mainly for food, work-related needs, children's education, and health expenses. Average outstanding debt of borrowers stood at RWF 47,674 (USD 36.8) equivalent to about a month of their March 2024 earnings. For the small percentage earning less than half the group average, this was equivalent to almost 4 months of their earnings.

[1] Weaving Better Working Conditions into Rwanda's Garment Industry, ILO and Embassy of Sweden, 2018

- If customised for HBWs, their access to public services would increase. Though public health service coverage is still limited, the government supports essential services for all and is agile in responding to any emerging challenges such as jump in food and fuel prices. Respondents benefit from food aid, public schools, and, where available, public healthcare services. Delays in payment for work done is widespread necessitating financial support. The village savings and loan groups, encouraged by the government, help cover this to some extent. Easing the compulsory requirement to buy public health insurance for all family members can make it more affordable and improve access to HBWs with large families.

The study recommendations include:

- **Regular counting of HBWs** through census and other methods; and research on their issues.
- **Customized policies and schemes** - credit, social protection and welfare, child care services, etc. - to address needs of HBWs, especially of women workers.
- **Strengthening worker collectives and their organizations like SYTREICI further, to represent HBW voice in:**
  - Policy formulation and implementation processes - As per World Bank estimates, Rwanda is expected to continue growing at 7 per cent or more till 2029[2]. Designing labour laws in consultation with collectives can be crucial to support modernization and growth of key economic sectors including garments and footwear, especially for protection of informal workers like HBWs.
  - Identification of research issues relevant to homeworkers, like the process to estimate and administer living wages.
  - Reinforcement of cooperative work among HBWs, such as through VSLAs, to build social solidarity for economic empowerment, access to public services, awareness of labour rights and regulations, and policy advocacy.
  - Ways to improve access to raw materials and markets for HBWs.
- **Ratification of ILO Convention 177 (C177)** covering HBWs to allow for suitable changes in the national law and policies for key issues such as:
  - Social protection initiatives for home-based workers.
  - Establishing a process to determine and periodically update living wages for sector HBWs.

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[2] Overview, The World Bank in Rwanda