EL SALVADOR: HOME-BASED WORKERS IN THE GARMENT AND FOOTWEAR SECTOR

HIGHLIGHTS FROM GLOBAL RESEARCH STUDY, 2025, HNI

Delivery of work to a home-based embroiderer in El Salvador. Photo credit: SITRABORDO

Background	
Study location	Panchimalco, Santo Tomas
HBW respondents	**61**: all women, 53 members of SITRABORDO, 7 leaders among the 53 members
Product activity	Mainly embroidery, embellishments, trimming/cutting threads, small numbers cut patterns and tailor/stitch
Employment status	All homeworkers
Key Informant	Aurora Martinez
Organization	Sindicato de Trabajadoras de Bordado a Domicilio de El Salvador – SITRABORDO, Trade Union
Currency	El Salvador is a dollarized economy, all figures used are in USD

The apparel sector accounts for 45 per cent of El Salvador's exports. It is the leading manufacturing employer, and the primary employer of women. A large number of the latter are informally employed[1] including homeworking embroiderers whose invisibility in official statistics makes them vulnerable to exploitation. Despite the worker census conducted after a gap of two decades in 2024, data on homeworkers is incomplete: respondents could not report multiple livelihood activities leading to undercounting: home-based embroiderers, who also farm, chose to identify as farmers to secure their agriculture related entitlements. No similar support exists for embroiderers. During the pandemic informalisation in the sector grew.

Poor and marginalized, all respondents are embroiderers who work in their homes; their family members, including some of the older but minor children, help with embroidery work. The work-providing local companies - likely fully export-oriented - completely control work arrangements. Homeworkers have no written contracts, are paid very low piece-rates, and bear partial production costs. To minimize tax liabilities, companies obscure the scale of operations, erase brand identifiers, and make homeworkers invisible within supply chains.

Some key challenges that homeworking embroiderers face are:

- Very low and precarious earnings result mainly from extremely low piece-rates and irregular work. Homeworkers have limited power to negotiate with work providers since minimum wage is notified only for formal workers - in March 2024, the average weekly earnings of respondents were USD 18.5, a mere 23.6 per cent of this

[1] The Central American Group. Textile and Clothing Sector Overview: El Salvador's Story.

notified minimum wage despite working over 53 hours per week against the standard 44. This is reflected in the extent of hunger reported - 20 per cent adults and 16 per cent missed meals during March.

- Work is irregular and pays poorly forcing homeworkers to work long hours. This leads to difficulty in balancing family care that is particularly heavy among this group with large families; work-related health problems that are rampant affecting worker ability; and low and precarious earnings. For the week immediately after the survey only about half the respondents had work for 5 to 7 days, 31 per cent had no idea if they would get any work at all, and 5 per cent had no work; for the upcoming quarter only about half were optimistic of getting work.

- Companies shift costs of operating factories to homeworkers without compensating them – on an average respondents incur USD 29 per month on costs associated with working from home including electricity, needles, and cutting tools.

- Since they are unable to save, embroiderers cope by engaging in other work, reducing consumption, delaying medical treatment, or borrowing. Worker ability to borrow is limited due to low earnings and informality that precludes access to formal sources of credit like banks. Only a fifth of all respondents managed to borrow - almost exclusively from family - mainly to cover food, health services, rent and utilities. At the time of the survey, average outstanding debt was USD 137, equal to less than 2 months of March 2024 earnings.

- Homeworkers suffer due to poor compliance with the labour code by work-providing companies, for instance:
  - There is no or negligible cover for working capital needs, short term consumption loans, childcare support, quality housing, and social protection.
  - Overburdened public health services compel workers to seek expensive treatment at private clinics.
  - School meals and education support has deteriorated and increased expenses for parents.

- Even though embroiderers have organised themselves to address challenges they face, the government resists meaningful collaborative dialogue with their union SITRABORDO on labour law compliance curbing worker ability to negotiate for improvements.

The study recommends the following to address these challenges of homeworking embroiderers:

- **Regular company inspections in collaboration and consultation with worker organizations such as SITRABORDO** to establish employer responsibility for formal written work contracts, fair compensation, suitable working conditions, and social security provisions including health insurance and pension.

- **Regular counting of workers** through appropriately designed census and other methods; and research on issues affecting them for instance time and motion studies to determine minimum wages.

- **Customized policies and schemes** - housing, food, potable water, credit, social security and welfare, child care and health services, well-equipped work spaces, etc. - to cover women embroiderers allowing them to contribute fully to the national economy.

- **Ratification of ILO's convention C-177** on homework to allow for suitable changes in the national law and policies for workers.

- **Recognition and support for organizations of workers:**
  - Formal recognition of organizations like SITRABORDO in, policy formulation and implementation dialogues, collective bargaining with brands, monitoring company practices, and identification of research issues relevant for homeworking embroiderers.
  - Institutional support to strengthen workers' knowledge of rights—already evident, with **77% of respondents aware of their worker rights** and nearly half informed about minimum wage provisions.

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