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Employment of Women in Informal Sector in India- A Macro Perspective**HarleenKaur * & Gunjan Munjal****

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Abstract

The organized (formal) sector and the unorganized (Informal) sector are the two inseparable facets of the economy of India. The informal economy refers to those economic activities which are off-limits to the state's legal framework regulation and protection. From domestic workers to labor, garment workers, vendors and sales girls, women are engaged extensively in different areas in informal sector. While Women are predominantly employed in the informal sector but at the same time their employment is weighed down by various issues and problems. Informal sector is hallmarked by glaring lack of service rules and regulations, wage rules and opportunities for career progression. As reported by International Labor Organization Participation of women in informal sector has declined over the years in India from 34.1 per cent in 1999-00 to 27.2 per cent in 2011-12. There are complex sociological and economic factors at which heavily impact the fall in rate of women's employment. Women face many barriers that include access to decent employment, types of assigned work, challenging working conditions, issues with employment security, gender bias, income inequality, risk of exploitation and discrimination. The lack of education and training programs, skills enhancement, inaccessibility to safe transportation and child and maternity care impact the employment adversely. Thus, unfortunately fifty percent of the India's population contributes to less than half of the national income. This further weakens the possibility of the women's economic independence and equivalence. There is massive call for the political will; policies and legal frameworks can help bridge the gap and alleviate the problems faced by women.

Keywords: Informal sector, women's employment, International Labor Organization, Economic Independence, Barriers

Introduction

The informal sector indicates the production and employment in small unregistered or unincorporated or business enterprises (International Conference of Labor Statisticians, 1993). The informal employment refers to employment that is low skilled and low paid without and legal and social protection (International Conference of Labor

Statisticians,2003) The informal economy refers to the diversified set of economic activities, ventures employment and labor that are not under the government regulation or protection .As per International Labor organizations market update(2016) along with National Sample Survey Office (NSSO,2011-12) greater than 90% employment in agricultural sector and nearly 70% employment in non agricultural sector falls in ambit of informal employment. The extensive informal sector in the country while on one hand is a significant contributor to its development but on the other hand it is weighed down by various problems such as lack of legislative controls on employment, wages and career building and progression.

Despite being a country of over 480 million strong workforce (census 2011) India employs only 28.5% of female population in the active workforce as compared t 81.7% of male population. Further staggering majority of women that is 95% or 195 million are engaged in informal or underpaid work, wherethey have to face many issues like gender prejudice, unequal pay and risk of sexual exploitation.

Informal Indian Economy

The most prominent occupations in informal sector are from manufacturing, construction and trade that account for 76% and 68% of total number of workers of informal labor from non agriculturalsector. These includesubcontracted workers working from home, independent producers, workers in family businesses and street vendors. In India, women working in the informal sector often work as , domestic or household workers,rag and waste gatherers, vendors, personal grooming artists and beauticians, construction laborers, and garment workers.

Objective of the Study

- To understand the role and status of women in informal sector
- To examine issues affecting women in informal sector

According to Guba (1994)the research paradigms can be characterized through their Ontology or What s the reality? Epistemology of research referring to what and how cans the realityor knowledge be known or discerned? Theoretical perspective indicating the approaches that can be used to obtain the knowledge .Themethodology, or the procedures and tools are used to acquire the knowledge and finally the sources of data that from where the data may be collected? The sources of data may be primary or secondary. This study is based on secondary sources of data that is the journals, books, research papers, websites and conference proceedings.

Role of Women in Informal Indian Economy

Women's involvement in the informal sector is attributed to a range of factors. One such factor is that the jobs in the informal sector have ease of entry and wide accessibility. Majority of women employed in informal sector belong to financially weaker backgrounds who are desperately seeking a source of income. Nearly, 50 per cent of these women workers are the only earning members of their families and lack any other support. There is a stark lack of support from trade unions towards women and that is evident from the fact that a meager 7.5% of informal women workers only are affiliated with registered trade unions. Another appalling fact is that after their engagement at work there is 7- 8 hours of additional unpaid work related to domestic chores and upbringing of the children awaiting them after their return home. Major challenge that multitude of women informal workers face is that the most of the women workers are unskilled and untrained and consequently they are left with very few job alternatives to choose from. The common denominator in women workers involved in informal sector is that they are poor, uneducated and are treated as physically less productive as compared to male labor. Informal sector is the major source of employment for women in India and other developing nations worldwide. Data suggests that 90% of women are engaged in informal sector for their livelihood.(Chen, 2013)

There are different occupations in informal sector in which the women engage in primarily are construction labor, domestic workers, garment workers, vendors, and sales girls(Gupta, 2011). Construction labor employs the women in unskilled work like physically moving the construction material to the construction site, while the men are preferred when skilled/ semi-skilled work is involved. Domestic workers are the ones who are engaged in household work and this category employs the majority of women workers in India. This work profile predominantly employs women as in 1997-98, there were some 1.68 million female domestic workers and only 0.62 million male workers. The domestic workers could be working for few hours a day or as a full time employment. Garment workers are those who work under big drapers, boutiques and stores as helpers to tailors. Some of these workers are involved in knitting jobs. Vendors are women engaged in selling different types of commodities, like broomsticks, utensils, cosmetics, bangles, vegetables etc. Sales girls may be engaged in two kinds of activities, the first kind includes those who move from door to door and place to place, and the second include those who work in shops.(Gupta, 2011)

According to Women in Informal Employment: Globalizing and Organizing or the WEIGO organization, women are the least visible of informal workers. They can be home based workers, domestic workers, contract workers in restaurants, construction laborers, embroiderers, incense stick or cigarette rollers, kite or football makers, food processor street vendors, weavers, waste and rag pickers, garment workers, small holding farmers and so on. (WEIGO, 2019)

Issues Affecting Women In Informal Sector

Various issues plague women and their employment in informal sector. Women labor have lower wages than their counterparts in formal sector. There is a struggle to maintain livelihood for a want of better skills, the burden of child rearing which is unequally shared between the parents. The women lack social security, representation with trade unions, some suffer abject poverty and are deprived of the benefits of welfare schemes due to lack of awareness. These issues are further grouped into socio-cultural, economic and politico-legal factors

Issues Related to Socio-Cultural Factors

Work Place Discrimination

The labor is discriminated not only on the basis of gender but also on account of different caste, community, region etc; the marginalized sections of the society are given the lowly jobs. (Bhosale, 2014) Still despite the Minimum wages act the labor are sometimes not given the adequate pay as per requirements of the act. This is especially rampant in construction workers, domestic workers and salesgirls alike (Gupta A., 2011). In case of Domestic workers that employ predominantly women the wages are sometimes not sufficient even to cover the minimum subsistence requirements. Wage based gender discrimination was reported by Labor Bureau in 2010 according to which there was a wide wage gap in payment to men versus women. While male workers received Rs 103 per day women received 55 Rs per day for same with wage gap ratio of 1.87 in agricultural sector. Sometimes the gender bias may not be so overt and may include subtle nuances like lack of mentoring, unsympathetic attitude of employer and inhospitable working conditions (Brian Welle, 2005)

Lack of Education and Skills

According to census of 2011 Literacy rate of female is 65.46% compared to male which is 82.14% in India. The Chart 1.2 shows that majority that is 29% of the labor is illiterate and only 23.74% are up to primary or below. These uneducated labor and especially women are at the lowest end of socioeconomic spectrum. They are ill informed about the market and employment opportunities and mostly depend on contractors and middle men without any legal protection.

Thus most of them end up as low status workers and mostly live below poverty line. Since they have low level of skill it is very difficult for them to go ahead with any career advancements or look for paid work involving skills. While National Policy on Skill Development and Entrepreneurship, 2015 has been launched with large number of schemes in its ambit. However covering such large workforce requires awareness, , quality training better infrastructure and strong cooperation among government, employers and participants. Ultimately creation of more jobs in formal sector can absorb these newly skilled incumbents .The support for financial, technological and marketing should also be extended by the government.

Insufficient Maternity And Childcare Support

Women are primarily seen as the care givers in the family. However they are torn between providing childcare and breastfeed their children and going out to work to support the family .Statistics of National Family health survey (2015-16) show that 48.2 million children in India are suffer from chronic malnutrition and stunted growth due to fact that they donot receive adequate nutrition during critical years of life. There are no crèches or child daycare facilities where women can leave their children and tend to them while at work.

Social Status:

India is primarily paternalistic society with status of women viewed as inferior to that of men. Working women in Informal sector have loads of responsibilities other than their job that includes maintaining the household, running the family, taking care of farm land or domestic animals. Despite their contribution their work goes unnoticed and falls in category of unaccounted work. The women work for almost around 14 hours a day versus men who work roughly 8 hours a day The informal sector treats women as subordinate pool of labour. Whenever their services are required they are utilized after which they are fired adding to the job insecurity .(Bhat J.A., 2017). ILO states that it might take more than 200 years to close the gender gap in especially at work in Asia. Further the attitudes of employers are unsympathetic towards the women. Since 1994 till 2010 only 9 million jobs have increased for women in informal sector. However ILO estimates that it could increase by double had the women have had equal access to work in industries as their male counterparts.

Challenging Working Conditions:

Many of women that are working in informal sector in urban areas constitute migrant labor. They often face lack of housing and sanitation even in the home based work. Those who are street

workers or sell from pavements are often target of municipal corporations and the police.(Bhosale, 2014)

Lack of Social Security:

Women do not have pension and insurance and other schemes without protection of labor law, health insurance or paid sick leaves .The woman on daily basis have to work for lower wages and in inhospitable conditions exposing them to risk of job related security and sexual harassment. The lack of social protection has lasting impact on women .For example fewer women receive financial support in advancing age and thus more and more elderly women live in poverty. Despite the introduction of Social security schemes the female labor faces lack of safety and welfare protection amounting violence and violation towards their rights in the informal sector.

Exposure to Occupational Hazards:

Certain informal occupations expose the workers to varied occupational hazards to which women were found to be more vulnerable. In occupations like power loomweaving, handloom weaving, tobacco processing, fish processing and construction works to of health problems are rampant. These jobs are characterized by long hour shifts in cold and wet or hot dusty environments with improper ventilations and high noise levels. There is poor work organization and safety measures and repeated exposure to gases, dust vapors or fumes..There is repeated occupational contact of workers with cotton fibers and threads (weavers), tobacco residue (beedi rollers), cement powder and ash(construction) and bio-aerosols (fish packaging and processing) .Additionally, the workers suffer from poor work postures, repetitive nature of activity and high demand of concentration or eye sight .Construction workers often suffer from injuries and falls at construction sites. In a study done on occupational hazards in India nearly 70% of women reported skin troubles, respiratory maladies, Issues with eyes, headaches and giddiness.Women were found to be at a higher risk of respiratory complaints, injuries and eye related complaints.(Nag A, 2016)

Issues Related to Economic Factors

Poverty

Globally as per the World Bank anyone having income less than \$1.90 per head approximately 130 rupees of purchasing power parity falls under category of extremely poor. The poverty headcount ratio as per above criteria was found to be 21.2% in 2011.In India ,according to

Tendulkar committee (2004-2005) poverty was reported at 27.5% but in 2009 committee came up with revised methods of poverty estimation and found that 37.2% citizens of India fall below the poverty line. Below poverty line status limits the women to access the training and education to equip themselves with skills required to be employed with the formal sector. In fact they may be pushed into labor as child laborers to supplement the family income to make the two ends meet. This also creates huge vacuum in their knowledge of their rights and leaves them vulnerable to exploitation. As per ILO studies the correlation between poverty and working in informal sector is stronger in case of women

Income Inequality

A study done by SEWA (the Self Employed Women's Association) reported wide inequalities in the incomes of males and female informal workers. While women workers draw average monthly wage of Rs. 1815 the average wage for men was Rs. 3842. Wage indicator data report for the year 2013 reported that there was a stark contrast in gender based pay gap at 24.81%. The labor is widely discriminated in India on the basis of remuneration given to males versus females. Female participation in paid labor market is low. Also when they return to work after a break their pay is lesser than male colleagues. Even if the women do not have children they face pay discrimination they are seen as potential mothers who may apply for leave in future.

Issues Related to Politicolegal Factors

Schemes and Legislations

Government of India has enacted the Unorganised Workers' Social Security Act, 2008. This aims to provide social security to the workers in unorganised sector in addition to schemes for unorganised workers on matters relating to: life cover, health and maternity benefits, old age protection. Some of the social security schemes being implemented by various ministries include Indira Gandhi National Old Age Pension Scheme (Ministry of Rural Development), National Family Benefit Scheme (Ministry of Rural Development), Janani Suraksha Yojana (Ministry of Health and Family Welfare), Aam Aadmi Bima Yojana (Department of Financial Services); Rashtriya Swasthya Bima Yojana (Ministry of Health and Family Welfare). Further, Central Government has also launched the Atal Pension Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana and Pradhan Mantri Suraksha Bima Yojana for all citizens especially targeting unorganized workers to provide them comprehensive social security. While the efforts of the government are laudable, however these schemes create a rift

between the unorganized workers falling below the poverty line and those above. This bill does not address the national minimum wage and on humanizing working conditions. The schemes addressing then women's issues specifically are few. The amendments may be made that address the problems of women workers like low wages and protects them from sexual harassment at the workplace.

Written Job Contracts

As reported by National Sample Survey Organization 2004-05 in the informal employment other than agriculture, nearly 79 % of employees from rural areas and 68 % from urban areas were without any formal written job contract with their employers. Out of this women constituted 43% in rural sector and 61% in urban areas. AGEGC Sector had a higher prevalence of informal employment without written job contracts. Reportedly there were nearly 87 per cent informal employees in the rural areas and 83 per cent in the urban areas without formal employment. In the rural areas, among the regular wage/ salaried workers, nearly 65 per cent of female workers had no written job contract urban areas nearly 42 per cent female workers had no written job contract. Written employment contract enables the enforcement of Indian labor law. However government needs to revisit the labor law as while these laws protect those who are in formal sector but for those in informal sector they are inadequate. These laws may be amended it such that it can cover the rights of those in the informal employment, provide social protection, skill development, make credit available easily and ensure speedy resolution of labor disputes.(Khan, 2010)

Conclusion

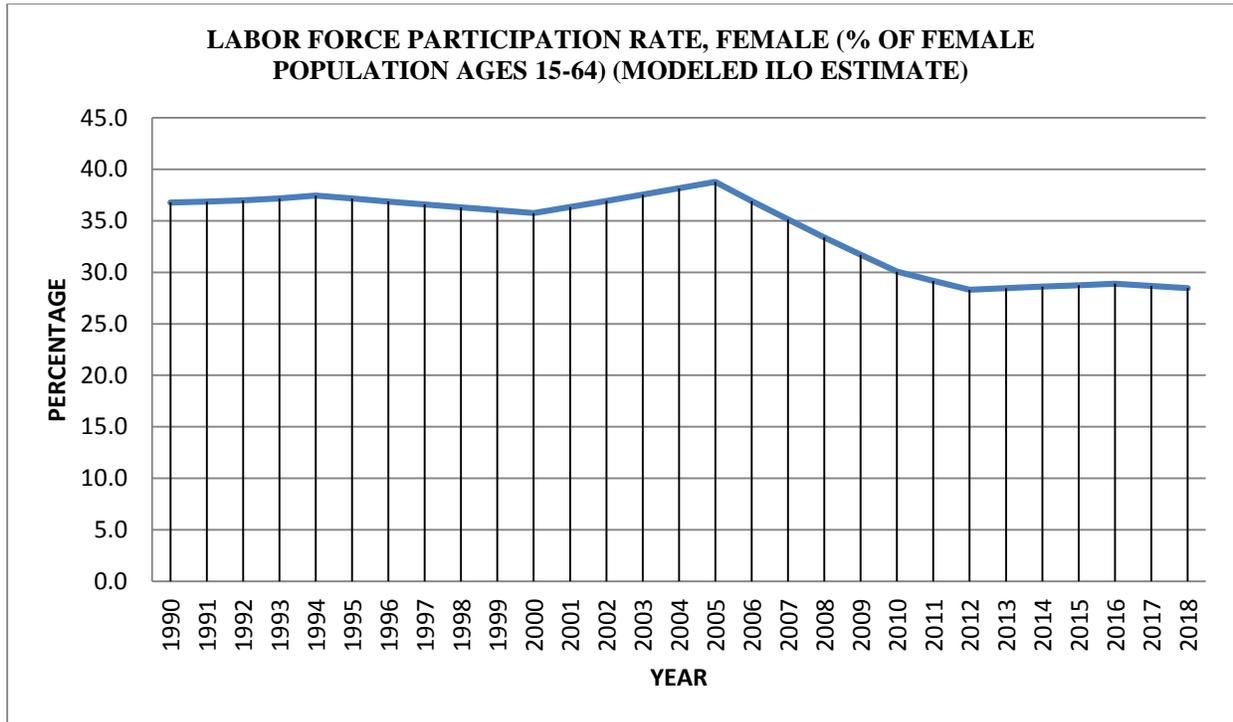
It is evident from the above information that informal sector is one of the main employments driven sector of the economy despite having so many grey areas and Women's contribution in informal sector cannot be undermined. While a lot of programs have been launched by government towards empowering women in informal sector, but there are structural changes required in this sector so that the benefits of these programs can reach them. It is clear that increasing economic development does not necessarily implicate empowerment women in this sector. Poverty is multidimensional concept and to eradicate it some serious efforts required from the Government. We find that a highly noticeable percentage of women workers maintain to live a life full of subsistence and compromises. The challenges are still complex and the lack of acknowledgment for women workers are still to be fully addressed. Unless we sight women

workers as equivalent and dynamic part of a changing India, we will not be able to resolve this problem.

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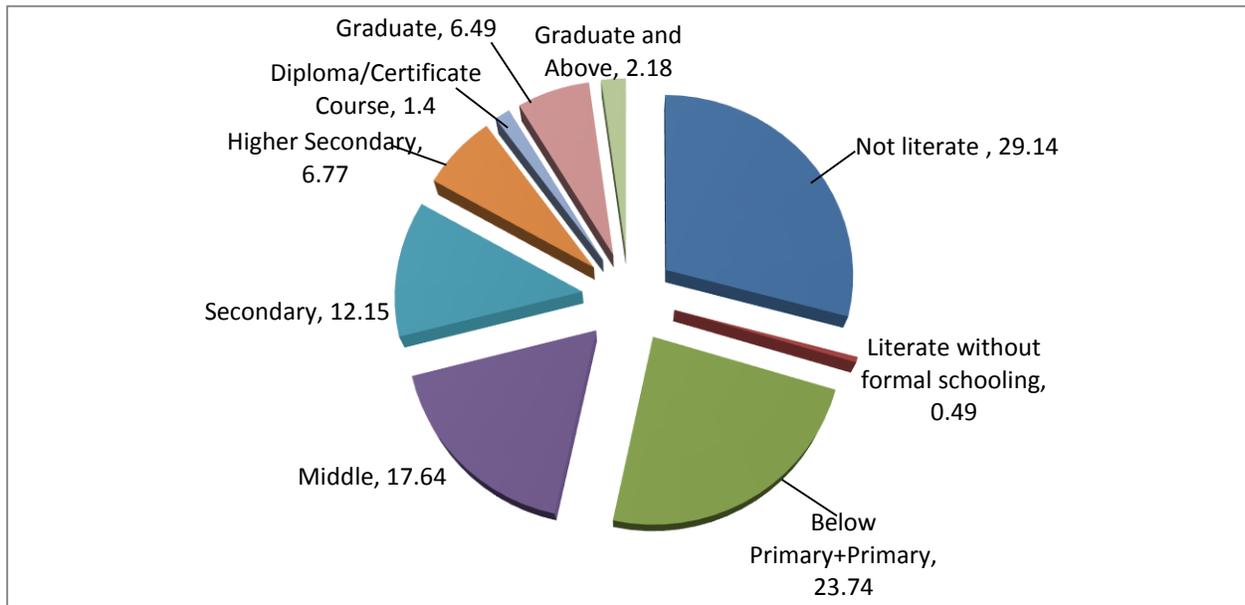
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FIGURE1: LABOR FORCE PARTICIPATION RATE, FEMALE

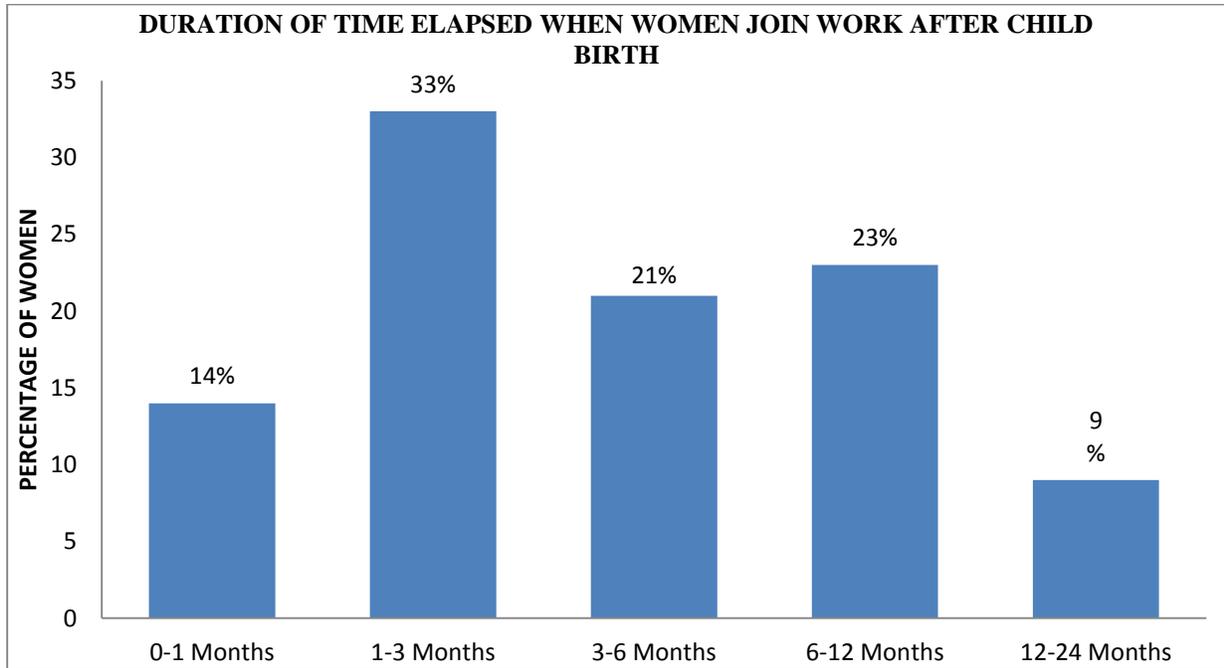


Source: Labor Force Participation Rate , Female (% Of Female Population Ages 15-64) ILO Report.

FIGURE2: GENERAL EDUCATION LEVEL OF LABOR FORCE IN THE AGE GROUP 15-59



Source: TABLE 22.19 Twelfth Five Year Plan (2012-2017) General Education Level of Labor Force in the Age Group 15-59



Source: IHS study on Child Care Practices of Mothers Working in Informal Sector New Delhi (2017)

FIGURE 4: WAGE RATES PER DAY FOR AGE GROUPS 15-59 YEARS

