

Research Article

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Status of Informal Employment and Problems of Informal Women Workers in India

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Abstract

Informal economy has recorded a very fast growth in all parts of the world, particularly in the emerging countries in the period of globalization. Informal sector places a dominant role, in respect of generating employment in developing countries including India. More than 90 per cent of the workers and nearly 50 per cent of the GDP is attributable to this sector. In India, the percentage of total women workers are involved in informal sector is nearly 94%. This study tries to examine the informal employment status and the major problems of informal women workers in India. This paper is based on secondary sources of data. Status of informal employment shows majority of this workers are working as self-employed or casual worker. The conditions of unorganized women workers are vulnerable. Most of them have below subsistence level of income and suffer a lot to meet their daily needs. They did not have adequate basic facilities of life and their standard of living is very pathetic.

Keywords

Informal sector,
Unorganised sector,
Gender discrimination

1. Introduction

The evolution of the informal sector in the emerging labour market is inevitable. Growing competition combined with increased market opportunities and limited resources have directed to the development of an informal economy. The informal labour market includes those who working in the informal sector and casual workers in the formal sector (Raja and Abu, 2014). The importance of informal sector in the modern time can be depends up on its capacity of employment potential and its role in encouraging economic development. The ILO (1972) provided a set of features to distinguish informal sector such as:

small scale of operation, family ownership, dependence on native resources, labour concentrated and adaptive technology, skills acquired outside the formal system, no barriers to entry in to activities and operation in unfettered and competitive market. The National Commission for Enterprises in the unorganized sector (NCEUS) has defined unorganized worker as Unorganised workers consist of those who working in the unorganised sector, excluding regular workers with employment and social security benefits, and the workers in the formal sector without such benefits provided by the employers. The term unorganized is frequently used instead of the term informal or employment in the informal sector.

Informal sector places a dominant role, in respect of its employment potential in developing countries including India. Instead of that, its contribution to GDP, savings and capital formation are also very crucial. The informal economy in India employs about 86 per cent of the country's work force and 91 per cent of its women workers and it contribute around 50 per cent of the GDP (NCEUS, 2008). In India, a major part of socially and economically weaker sections of society are depending up on the unorganised economic activities and they have no employment and social security benefits. Unorganised workers including agricultural workers, home-based works likes rolling beedis, self-employment programs like selling vegetables, employment in household enterprises and small units, labour on construction sites, domestic work, handicrafts, khadi and village industries, handloom weaving and sericulture etc. Even if the Unorganized Workers' Social Security Act, 2008 ratified to provide the social security and welfare, the conditions of unorganized women workers are vulnerable. The present study is an attempt to examine the informal employment status and the major problems of informal women workers in India.

2. Objectives of the Study and Data Sources

The main objectives of the study are to examine the status of informal employment in different occupational categories of Indian economy; to identify the problems faced by the informal women workers in India and find out the suggestions for the improvement of informal women workers in India. The present study is based on secondary sources of data and it is obtained from NSSO Survey reports of various time periods, other government publications, journals, books etc.

3. Discussion: Status of informal employment

Generally, the workers in informal occupations do not have any employment security, work security and social security and therefore it is possible to identify informal employment on the basis of any one or more of these features. The categories of workers who comprise unorganised workers/informal employment are wage workers in the unorganised sector, self-employed in the unorganised sector, unprotected wage workers in the organised sector and regular unorganised workers. In India informal sector consists of three main categories that is self-employed, regular wage or salaried, casual workers.

Table.1 Status of the informally employed workforce in India

Categories	2004-05		2011-12	
	No of workers (in Million)	Percentage share	No of workers (in Million)	Percentage share
Self-employed	257.16	60.34	244.97	56.22
Regular wage/ salaried	36.19	8.49	48.79	11.19
Casual workers	132.81	31.16	141.91	32.57
Total Informal Workforce	426.16	92.73	435.66	91.78

Source: NSSO unit level data of 2004-05 and 2011-12.

Table 1 shows the status of employment of the informally employed workers in India. It is clear that majority of informal workers are working as self-employed or casual worker. The self-employed workers accounted for a major share of the informal employed but their share deteriorated around 4 percentage points in 2011-12 as compared to 2004-05. The portion of the casual employed shows a marginal increase during this period. Thus, among the total informal workforce, around 90 per cent are either self-employed or casual. The segment of informal employed in the regular wage or salaried category increased from 8.5 per cent in 2004-05 to 11 per cent in 2011-12.

4. Informal Women Workers

One of the important development indicators of any country is the position and condition of women in that society. Half of the total world population is women. It has been well established that women play a significant role in economic and social life of the country. The triple role perform by women in any society is reproduction, domestic labour and productive labour. As per the International Labour Organization report, women constitute 50 per cent of the population and 30 per cent of the labour force again perform 60 per cent of total working hours and obtain only 10 per cent of the world's income, at last own less

than 1 percent of the world's assets. Due to the industrialization employment opportunities available to the women have assumed wider dimensions in developed as well as developing countries.

In India, total workforce contributes 39.79 percent in the total population and female contribute 25.5 percent. Rural women contribute 30.02 percent and urban women contribute 15.44 percent. Work participation rate is found to be higher among rural women (27%) than the urban women (10%). In India, around 90% women workers are involved in informal sector, out of which about 20% concentrates in the urban areas. In India, 118 million women workers are depended on the unorganized sector, which is about 97% of the total women workers. The informal sector in the non-agriculture segment alone engaged 27 million women workers in India. Women account for 32% of the workforce in the informal economy, including agriculture and 20% of the non-agricultural workforce (2011 Census).

Women's employment in the informal sector is also likely to rise due to various reasons. Majority of women workers in informal sector are sole bread winners and they come from weaker sections of the society. They are concentrated in this sector due to the biased social value, less skills required for the job, ease of entry, traditional role assigned to them, technological advancements in the organized sector etc. With the implementation of the mechanical adjustment programme and deteriorating incomes of households causes to enlarged entrance of women into the labour market. Replacement of industries from the developed to the developing countries, industrialization and globalization also increase the employment particularly women employment in the informal sector. These factors contributing informalization of the labour force (Unni, 2001). In India informal women workers are mainly working as construction workers, domestic workers, garment workers, vendor and sales girls etc.

5. Glitches of Informal Women Workers

Women workers in the informal sector is considered as the one of the most susceptible groups in the Indian economy. Problems of female worker in unorganized sector are index of worry for India. Several studies conducted at national level reveals that informal women workers facing numerous problems. The problems are connected to family and working place and these problems has been increased at alarming

rates in the past decades. Discussion regarding the problem associated with women workers has many aspects such as economic, political, psychological, sociological and legal etc. Following are some of the important difficulties faced by the informal women workers.

5.1 Deficiency of Education

Illiteracy is one of the important constraints to empower women workers in informal sector. Low level of education creates lots of difficulties among informal women workers. Due to this deficiency of education these women workers are not talented to attain higher level of achievements. Lack of literacy depriving women workers to understand various information. They are not aware of business, technology, banking and market knowledge. Due to the less literacy they are difficult to understand their training programmes.

5.2 Irregular and Seasonal Employment

One of the important features of the informal employment is most of them are irregular or seasonal based. This feature mainly found in the various categories of wage workers, self-employed, homeworkers, construction workers and agricultural labourers. Women workers mainly engaged this type of irregular effort due to the family and personal obligations. They are not getting constant work all over the year. Employment in the agricultural sector is also irregular because work in this sector depends on rainfall and climatic conditions. Employees without any written work agreement leads to the temporary nature of service in the informal sector.

5.3 Gender Discrimination

Gender is a strong differentiating factor in the Indian labour market. Gender discrimination at the workplace is reflected through the nature of work performed, assessment of the skills and the technology used by men and women. Women are often faced separation within an occupation. Most of the time women are concentrated in relatively low paying jobs which reduces their bargaining power. Even in the same occupation men and women have different rank and pay. In other words, due to the gender bias women have less chances for carrier enhancement within an occupation. occupational segregation therefore may reveal that women are concentrated in certain occupations within a broad group.

5.4. Low Remuneration

Even if the law prescribing as equal wages for equal work, majority of women are paid less wages compared with men. The employers give several reasons for this like women are always less productive and less skilled. This is mainly due to the lack of opportunities to attend training programmes. Other reasons for low wage is due to low bargaining power, lack of control over earnings, exploitation by middle men, no job contract and not implementing Minimum Wage Act etc. 87% of the women workers in urban areas and 81% of the women workers in rural areas get wages below the national minimum.

5.5 Inadequate Physical conditions at work place

Important components of the physical conditions of work are space, volume, ventilation, light, temperature, humidity, hygiene and cleanliness. The provision of protective equipment against loss of life and limbs is also very important. Numerous studies pointed out that the working circumstances of the unorganised sector in India is very deprived. Physical conditions of workers are inhuman. Studies have noted that large numbers of workers were overcrowded in a tiny room, or that the roof the work shed was very low which making the work place hot, humid and stifling. Some studies have also identified health hazards that can be directly related to inadequate ventilation at work place and long exposure to dust and fumes.

5.6 Health Problems

Long hours of work and monotonous physical labour lead to many health problems like back pain, leg pain etc among the women workers. More over contact with hazardous materials and lack of basic facilities like sanitation facilities, wash rooms, rest rooms, first aid and drinking water facilities at the working place for the women workers also creates some health problems.

5.7 Inadequate Training and information

Training programmes and other information classes are essential for improving the productivity and skill of the women workers. Non-availability of time to attend such programme is the major problem of this workers. This adversely affect the enhancement of their skill, ability and empowerment. Such programmes are useful to new, young and rural informal women workers for their advancement. But

most of the time they are not participating such programme due to their illiteracy or they are not got an opportunity to attending the programme or not getting permission from family.

5.8 Work-life balance problems

Women perform triple role that is reproduction, domestic labour and productive labour. It has been well established that women play an important role in economic and social life of the country. Women's family and personal obligations like motherhood, child care, family maintenance are the greater barriers for achieving success in the working field. Working women have to bear the double burden of work at home and outside work. Only few women are able to manage home and outside work efficiently. Their condition is more worsen if no support from the part of family members. Women's time use in economic activities that give them a return is limited but their participation in such economic activities that add to the economic output of the household is more than that of men. Therefore, taking these two together, women spend, on average, 17 per cent more time than men

5.9 Challenges at Workplace

Women workers were face numerous challenges at the workplace. Harassment from the part of the superior workers is one among them. Constant criticism about the quality of their work is another type of aggravation that women have to face. Sexual harassment is the one of the extreme types of harassment faced by the informal women workers. In spite of this, lack of basic facilities like toilet facility, rest rooms etc at workplace is another problem facing women at workplace. Due to the fear losing job they tolerate all such problems facing at the workplace.

5.10 Financial Problems

Lack of assets and unavailability of institutional credit are other difficulties faced by the women in informal sector. Usually women do not have their own property or any other asset for use it as collateral securities for obtaining funds from financial institutions. So, do not get any funds from formal financial sources to start any business activity. More over banks consider women are less trust worthy and discourage women borrowers. In this situation they depend on other financial sources that also worsen their conditions. Only hope is SHGs and friends and they depend on

these sources but the amount is negligible. Thus, their activities are failed due the shortage of funds.

6. Policy Initiatives

Women work participation ensure financial security as well as their participation in household decision making process. When position of women is improved, the whole family and society gets benefited. Thus, the condition and position of women in any society represents its socio-economic development. Based on above problems some of the policy suggestions are presented below;

- (i) Social security schemes for the unorganized women workers should be implemented as per the unorganised worker's Social Security Act, 2008.
- (ii) Urgent need for special policies and programmes for improving the position of informal women workers.
- (iii) Active campaign should be conducted for the operation of equal remuneration act and Minimum Wage Act.
- (iv) Separate act should be enacted and implemented to protect women informal labours from sexual harassment.
- (v) Urgent need for special consideration to the problems of women working in informal segment.
- (vi) Maternity, health and family welfare services should be included to the informal women workers.
- (vii) Adequate training must be provided to the informal workers for enlightening their skills and productivity.
- (viii) Leadership programmes should be conducted for informal women workers in association with international agencies like ILO, UNICEF etc.
- (ix) Local governments should arrange training programmes for informal women workers through SHGs.
- (x) Government should make arrangement for providing credit facilities to make initial investment and for further expansion for the informal women workers.
- (xi) The government should develop a mechanism to listen the grievances and the grievances should be redressed periodically to the informal women labours.

7. Conclusion

Informal sector is considered as back bone of our Indian economy. This sector employing more than 90% of women workers and they contribute nearly 50% of the GDP. These workers contribute

substantially for economic upliftment of the family as well as the nation. But their conditions are vulnerable and they are facing various problems. Both the Government and non-Governmental agencies have to play vibrant role for the upliftment of this workers. The government should make efforts to improve their working conditions in terms of occupational safety, working hours, payment of adequate wages to them so that the informal workers engaged in unorganized sector of employment may have mandatory decent and dignified work. It will be difficult to ignoring these women workers because they are the important contributors to national income of the country.

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