



# REVIEW OF RESEARCH

ISSN: 2249-894X

IMPACT FACTOR : 5.7631(UIF)

UGC APPROVED JOURNAL NO. 48514

VOLUME - 8 | ISSUE - 9 | JUNE - 2019



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## FEMALE IN UNORGANIZED SECTOR IN INDIA: CHALLENGES AND ISSUES

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### ABSTRACT:

*The unorganized sector constitutes an essential part of the Indian Economy where more than 90 per cent of the national products are accounted for by the unorganized sector. They have to perform dual role i.e. both outside employment in harsh and working condition at their home. Mostly, females bear domestic responsibilities such as preparing food, caring children, cleaning the house and old aged caring. If females work outside they are expected to go home as soon as possible because there is no option to do domestic work. It was also founded that females faces many problems such as low wages; long working hours and distance to workplace at their common problems. Females encountered many challenges at work place. Female's physical harassment took different forms i.e. abusing, scolding, gazing, physical torture, physical touching and sexual exploitation etc. were very common features with working females in the unorganized sector. The objective of this paper is to investigate the status of female in unorganized sector in India. Further it also explains the challenge faced by female workers in workplace in unorganized sector. Both primary and secondary data are used to analyse. The NSS data used to investigate the status female in the unorganized sector.*



**KEYWORDS:** Female employment, Labour force & unorganized sector .

### INTRODUCTION

Keith Hart, a British economist, was the first person to introduce the term "Informal Sector". The mission chose to use the term "Informal Sector" rather than "Traditional Sector." The term informal sector came in broader sense in the academic literature only after the visit of an ILO employment mission to Kenya in 1972. NAS uses organized and unorganized sector and NSSO defines the informal sector can be therefore be considered as a sub-part of the unorganized sector (NCEUS,

2009). The term of informal sector used in the official work. A more meaningful use of the concept of unorganized sector is its identification with pre capitalist structure of production while organized sector is related to capitalist structure. The National Commission on Self-employed women (1988) of the total number of women workers in India, about 94 per cent are in the unorganized sector whereas just 6 per cent are in the organized sector. Thus there is no exaggeration in saying that the unorganized sector in India

is the women sector. Therefore, unorganized sector has important contribution to employment generation especially for women. In general, those who are unable to find job in the formal sector or are limited by the formal sector get absorbed in the unorganized sector. The unorganized sector is a significant set of economic activities which plays a vital role on a country's development. The size and structure of unorganized sector can fluctuate in several stages of development. The unorganized sector constitutes a

pivotal part of the Indian Economy where more than 90 per cent of the national products are accounted for by the informal sector. A high proportion of socially and economically underprivileged sections of society are concentrated in the informal economic activities. Unorganized sector plays a very important role especially for female because they do have less education qualification and skills. Women seek jobs in unorganized sector because it is easy to enter into this sector. In unorganized sector, there is no need of a license or skill diploma. Informal sector employment is generally a larger source of employment for women than for male in developing countries. Therefore, even with less education and training they can start the work. Women are also exploited in many ways in organized sector because they cannot leave the work. They have to perform dual role i.e. both outside employment in harsh and hostile working condition at their home.

The most of important features of unorganized sector are that basically women labors are appointed as contract labors. The women are from rural areas and unskilled labors. The women workers in the Unorganized sector work as piece rate, self-employed workers, paid workers casual workers without fixed employers, sub-contract workers limited to formal enterprises. Home based workers, street vendors are two of the largest sub-group of the informal workforce. In unorganized sector women have different work to do such as, rag pickers, domestic workers, coolies, vendors, beautician, and construction labor and garment workers etc.

Females are the backbone of our society but suffer a lot of due to ill custom. The Sharma Shakti report on Self-employed and Women in the Informal Sector (1988) shows that women are extremely vulnerable to working condition across various occupations, suffering high level of discrimination, as well as variety of health hazards. Females are more concerned about family and their children. Females have some fundamental essentials but due to lack of adequate resources and social support they could not fulfil to complete the basic needs, try to search work. But it is very harsh to get the work because women usually do not have financial support to set up any business or other own work. There is only one solution to solve problem that is to enter into unorganized sector. Supply of female labour is influenced by certain social and economic factors. Women's participation in the labour market depends on some helping factors rather than wage rates. These helping conditions would include several factors like number of children, their age, type of family, size of family, health of family members, nature and type of job, distance of workplace, etc. If these factors are favourable the level of wage rate is almost unrelated for the decision to enter the labour market.

## REVIEW OF LITERATURE

Many studies have focussed on the status of women, challenges and problems faced in unorganized sector. Banerjee (1983) investigate that unorganized sector provides transitory employment or work for new comer from outside. Further, lower income, lower wage are in the unorganized sector than in organised sector but education and skills are same in both sectors. Education is very significant weapon to get employment in both sectors. Mostly, illiterate and less educated found in the unorganised sector (Acharya, 2009). Illiterate and inadequate skills education faces many crucial problems and women have no chance to get proper work in their life to support their family. Hence, women force to live in the unorganized sector (Rahuram, 1995). Return of education in unorganized sector is very low as compare to organised sector (Funkhouser, 1996). Wage differential is crucial problem. Men gained more wage for same work while women got less wage. This is the main problem in the unorganized sector. Sundaram (1996), studies that women workers in unorganized sector were generally illiterate, had high unemployment rate as compared to men. Papola (2007) shows the U-shaped relationship between education and labour force participation rate of women workers in the unorganized sector in India. Women faces many type of problems in the unorganized sector such as low wage, long working hour, delay in wages and physical harassment etc. Bhagwat (1996) explains women worked for 10-12 hours daily, earned low wages, sexual harassment and physical exhaustion. There is difference in wages of men and women workers even when the same type of work was done by both. (Naik, 1964, Malik & Giri, 1986). Singh (2001) analysed domestic workers did not enjoy better conditions of work and working conditions and neither did they get satisfactory wages. The factors

responsible for the dominant conditions of women of unorganised sector were poverty, unequal distribution of income, illiteracy, disparity and male dominance (Sundaram, 1996).

## METHODOLOGY

The study is based on both secondary and primary data. The data is taken from NSSO, Economic Survey and NCEUS (National Commission for Enterprises in the Unorganized Sector), Employment-Unemployment rounds and several other published documents. Primary survey has been conducted in two districts of Uttar Pradesh as Meerut and Unnao per requirement of study using structural questionnaires.

## FEMALE AND UNORGANIZED SECTOR

Women's participation in the unorganized sector has been studied under the conceptual framework of labour market theory. As per standard theory of labour, labour is a positive function of real wages. But standard labour supply theory has certain restrictions and is not applicable in case of labour supply in the rural and urban in the unorganized sector. Supply of female labour is influenced by certain social factors. Women's participation in the labour market depends on some helping factors rather than wage rates. These helping conditions would include several factors like number of children, their age, type of family, size of family, health of family members, nature and type of job, distance of workplace, etc. If these factors are favourable the level of wage rate is almost unrelated for the decision to enter the labour market. Through the centuries, women have been working for their families as long as sixteen hours or more from day break till late into the night. Most researchers have found that more than 90 per cent of workforce in India is unorganized (Banarjee, 1988 & Datt and Sundharam, 2010). Using residual method (Satpathy, 2004) found that in 1999-2000, an estimated 398.4 million people in India were engaged in different market and non-market economic activities and are, classified as worker usual principal and subsidiary status (ps+ss). As a whole, about 96.63 per cent of female employment is in the unorganized sector as against about 93.06 per cent of male's national commission for enterprises in the unorganized sector (NCEUS, 2004-2005). Unorganized sector play a significant in providing employment to workers. Mostly, in India women engage in unorganized sector because there is no need of specific qualification, skills and technology. Women have dual role in their life; domestic work as well as earning work; without unorganized sector, they cannot possibly survive themselves.

## FEMALE EMPLOYMENT IN THE UNORGANIZED SECTOR

The unorganized sector constitutes a pivotal part of the Indian Economy where more than 90 per cent of the national products are accounted for by the informal sector (Kamala, 2012). A high proportion of socially and economically underprivileged sections of society are concentrated in the informal economic activities. Informal sector employment is generally a larger source of employment for women than for male in developing countries. Unorganized sector plays a very important role specially for female because they do have less education qualification and skills. Women seek jobs in unorganized sector because it is easy to enter into this sector (Gupta, 2011). In unorganized sector, there is no need of a license or skill diploma. Therefore, even with less education and training they can start the work. Women are also exploited in many ways in organized sector because they cannot leave the work. Research shows that women and girls, who tend to work harder than male, are more likely to invest their earnings for their children. Women are the backbone of our society but suffer a lot of due to ill custom. They have to perform dual role i.e. both outside employment in harsh and hostile working condition at their home, which needs a loud hearing (Neha, 2012).

The most of important features of unorganized sector are that basically women labors are appointed as contract labors. The women are from rural areas and unskilled labors. The women workers in the Unorganized sector work as piece rate, self-employed workers, paid workers casual workers without fixed employers, sub-contract workers limited to formal enterprises. Home based workers, street vendors are two of the largest sub-group of the informal workforce, home based workers are numerous but street vendors are more visible of the two (Kamala, 2012). In unorganized

sector women have different work to do such as, rag pickers, domestic workers, coolies, vendors, beautician, and construction labor and garment workers (Kamala, 2012).

### ESTIMATED LABOUR FORCE IN THE UNORGANIZED SECTOR BY THE YEAR 2012

During 2011-12, the work population ratio was 36 per cent and 40 per cent constituted in urban and rural area respectively (NSS, 2012). Female percentage was 22 per cent and male was 54 per cent. In case of distribution of workers (ps+ss), 52 per cent constituted for self-employed. The share of rural areas was near about 56 per cent and 42 per cent in urban areas. Female was much higher than male 56 per cent, 51 per cent respectively (NSSO 2011-12). As per the NSS round, among workers in the AGEGC and non-agriculture sectors about 72 per cent were employed in the informal sector and 75 per cent in the rural areas and 69 per cent in the urban areas. This proportion was higher for males i.e. 73 per cent and 69 per cent for females. Further, it was 76 per cent for rural males and 73 per cent for rural females, 70 per cent for urban males and 64 per cent for urban females (NSS, report no. 557).

The status of employment is a significant feature to consider as it offers insight about the quality of employment experienced by the worker. It can be seen that 100 per cent workers in both rural and urban areas engaged in both sub-sectors of informal sector (P&P) enterprises belonged to these workers (ps+ss). However, in 'all' types of enterprises the ratio was 95.2 per cent in rural areas and 99.6 in urban areas during 2011-12. Table 1 also shows that major portion of these workers on both types of enterprises belonged to self-employed people with 56.8 per cent in P&P and 44.0 per cent in 'all' types of enterprises.

**Table 1: Percentage Workers (ps+ss) in AGEGC and Non-Agriculture in Unorganized Sector (P & P) Enterprises and 'all' Types of Enterprises during 2011-12**

Status of Workers	Rural					
	Male		Female		Person	
	P&P	All	P&P	All	P&P	All
Self-employed	49.8	39.3	77.1	57.1	56.8	44.0
Regular wage employed	13.4	22.7	5.7	14.7	11.4	20.6
Casual labour in public work	36.8	35.7	17.2	16.5	31.8	30.6
Total	100	97.7	100	88.3	100	95.2
Status of Workers	Urban					
	P&P		All		Person	
	P&P	All	P&P	All	P&P	All
Self-employed	56.0	40.4	66.1	42.5	57.7	40.8
Regular wage employers	27.7	45.3	21.7	46.3	26.6	45.5
Casual labour in public work	16.3	13.9	12.2	11.1	15.7	13.3
Total	100	99.6	100	99.9	100	99.6

**Source-** NSS Report No.557 Informal Sector and Condition of Employment in India

Interestingly, female workers form a comparatively bigger share in self-employed people among these workers with 77.1 per cent in P&P and 57.1 per cent in 'all' types of enterprises against 49.8 per cent and 39.3 per cent males in respective enterprises. It can be understood why higher proportion of females are engaged in self-employed jobs which are mostly less paid or organized at households level. The facts that share of female proprietary and partnership enterprises appear to hire largely as compare to male especially in case of self-employed in rural area i.e. 49.8 per cent for male and 77.1 per cent for female. Regular wage earners formed the least proportion in rural areas among such workers with 11.4 per cent in P&P and 20.6 per cent in 'all' types of enterprises. However, in urban areas regular wage earners were higher in proportion than casual workers across both the genders with 26.6 per cent in P&P and 45.5 per cent in 'all' types of enterprises. It can be seen in the table that size of such workers was least in casual work in public sector with 15.7 per cent in P&P enterprises and 13.3 per



cent in 'all types of enterprises in urban areas. However, size of these workers was significantly higher in rural areas with 31.8 per cent in P&P and 30.6 per cent in 'all' types of enterprises during 2011-12. There was some upward movement in case of AGE GC not only in male but also in female i.e. 53.65 per cent for male and 55.77 per cent for female in 2004-05 and 59.49 per cent for male and 59.49 per cent for female in 2011-12. But in the percentage of male and female engaged in non-agriculture sector was 46.35 per cent and 44.23 per cent respectively in 2004-05. And, in 2011-12 it was 40.51 per cent for male and 40.51 per cent for female (Table 2).

**Table 2: Percentage of Workers in Unorganized Sector among AGE GC and Non-Agriculture (ps+ss) during 2004-05, 2009-10 and 2011-12**

Area	Industry Group	2004-05		2009-10		2011-12	
		Male	Female	Male	Female	Male	Female
Rural	AGE GC	53.65	55.77	55.38	59.71	59.49	59.49
	Non-agriculture	46.35	44.23	44.62	40.29	40.51	40.51
Urban	AGE GC	54.08	59.91	56.39	61.91	55.88	60.84
	Non-agriculture	45.92	40.09	43.61	38.09	44.12	39.16

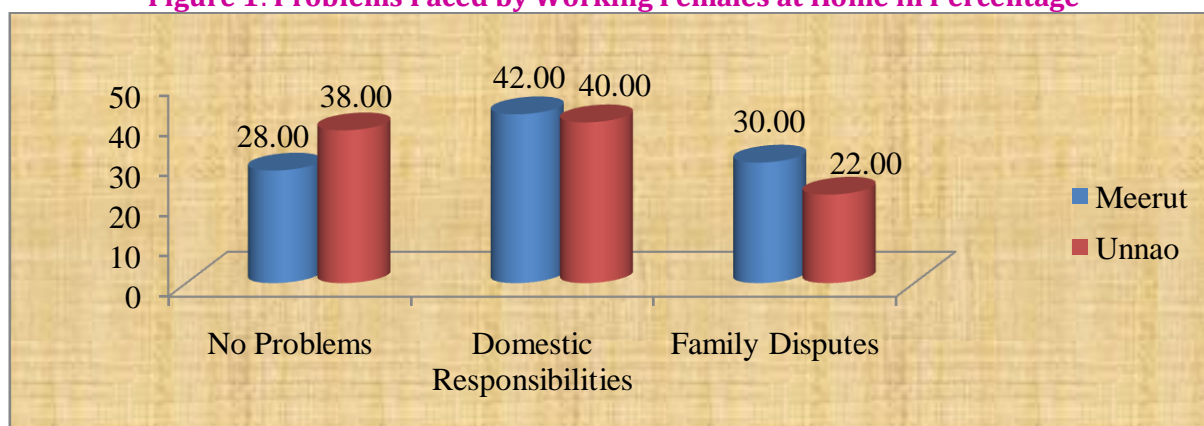
**Source-**NSS Report No.557 Informal Sector and Condition of Employment in India

There was slight decrease in both genders during 2004-05 to 2011-12. The condition was same for the urban area. It was 54.08 per cent for male and 59.91 per cent for female during 2004-05 which increased to 55.88 per cent and 60.84 per cent for male and female respectively in 2011-12. In case of non-agriculture, there was some decline from 45.92 per cent for male and 40.09 per cent for female to 44.12 per cent for male and 39.16 per cent for female in 2011-12. During 2004-05 to 2011-12, there was absolute withdrawal of workers for both male and female due to attending educational institution (Kannan, 2012) and increase in household's income. However, during 2004-05 to 2011-12, there was a major decline in female employment particularly for rural areas because of growth in mechanisation of agriculture (Himanshu, 2011).

### PROBLEMS AND CHALLENGE FACED BY FEMALE

Figure 1 shows working female suffer a lot from the double burden of works at home as well as outside. Mostly, females bear domestic responsibilities such as preparing food, caring children, cleaning the house and old aged caring. If females work outside they are expected to go home as soon as possible because there is no option to do work. The data shows that 28.00 per cent female in Meerut and 38.00 per cent female in Unnao, female face no problems. In case of domestic responsibilities, female bear only 42.00 per cent in Meerut and 40.00 per cent in Unnao faces problems. Further, 30.00 per cent female face family disputes in Meerut while, in Unnao 22.00 per cent female face family disputes. Family disputes have critical problems in both districts. There are so many types of disputes between husband and wife due to alcohol and clash with mother in law due to old age and age gap. The children of such type of families became weak both physically and mentally.

**Figure 1: Problems Faced by Working Females at Home in Percentage**



Source- Field Survey

Females in the study area, like in most parts of India, were responsible for management of household duties. They did all kinds of household activities like washing, cooking, cleaning, taking care of children and taking care of the elderly. For working females, their daily time schedule is fixed with household responsibilities in the early morning before going to work, then participating in income generating activity, and then returning back home carry out all kinds of domestic activities.

Females encountered many challenges at work place. Female’s physical harassment took different forms i.e. abusing, scolding, gazing, physical torture, physical touching and sexual exploitation etc. were very common features with working females in the Unorganized sector (Saran, 1990). Frequently, females do not report such happenings to their family members because fear of losing the jobs. They think that these problems are quite common in life. Very few of them reported such events. In both districts females faced various forms of male torture was a key problems tackled by working female. While the degree of this problem was much lower in Unnao. Table 3 shows the percentage of harassment by employers is 8.70 per cent in Meerut and 4.17 per cent in Unnao. The ratio of harassment is low in Unnao. Lower wage rate is the central problems in both districts i.e. 26.09 per cent for Meerut and 33.33 per cent in Unnao. ‘Lack of require skills’ reported by 8.70 per cent in Meerut and 12.50 per cent for Unnao. So there are more need to increase the require skills to get more employment. Somewhat less economically helpless households do take safeguards before sending female outside for work.

**Table 3: Challenges for Females at Workplace in Percentage**

Challenges	Meerut	Unnao
Harassment by employer	8.70	4.17
Distance of work place	13.04	16.67
Long work hours	21.74	29.17
Lower wages	26.09	33.33
Lack of require skills	8.70	12.50
Lack of basic facilities at work place	4.35	4.17
Total in percentage	100.00	100.00

Source- Field Survey

The members of female’s workers regularly check out the nature of work and whether the place is harmless or not before allowing them to work. Females are perhaps the most vulnerable unit of the workforce and they need to show marvellous flexibility to continue being in the workforce. Therefore females consist under the lower wage and lower income in the unorganized sector.

## CONCLUSION

The unorganized sector is a significant set of economic activities, which plays a vital role on a country's development. The size and structure of unorganized sector can fluctuate in several stages of development. The study of the unorganized sector also draws attention to the condition of female workers. A huge number of female workers are employed in the informal sector and they constitute a significant proportion of all women workers. Mostly, decline in female participation was because of proper lack of employment opportunities for them and possibly gave to various social norms exists in the century, which do not allow to them participate in labour force. There are many hindrances in the path of finding employment such as they do not wish travelling far for work due to lack of proper security, long distance of work place and domestic duties. All these factors lead to low income or wage for females. The most fundamental problem noticed in the primary survey that females work a lot throughout their life but they are not considered as main breadwinner in the economy. They always feel as a helper in the labour market.

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