



## CONDITION OF WOMEN WORKING IN THE UNORGANIZED SECTOR

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**“You can tell the condition of a nation by looking at the status of its women”. - Jawaharlal Nehru.**

### **Abstract:**

Presently our Indian economy is to a great extent by large number of people working in unorganized sectors as unorganized workers. More than 400 million people - almost 85% of the working population in India - work in the unorganized sector. Of these, at least 120 million are women. Workers involved in the unorganized sector do not have the benefit of several laws such as the Minimum Wages Act or the Factories Act. The term 'unorganized' is often used interchangeably with the term 'informal', or employment in the informal sector. Discrimination at the workplace remains a contentious and yet, an ever present issue for women. By and large, there are three types of issues of unorganized sector workers that need to be addressed. It is time to address the issues and discuss the kind of policy reforms and institutional changes required for the emancipation and empowerment of rural female labour force. Empowerment should aim at changing the nature and direction of the power structures which marginalize the women workers.”

### **Introduction:**

Presently our Indian economy is to a great extent by large number of people working in unorganized sectors as unorganized workers; transitional nature of the Indian economy, disparity in education, skill and training are some of the major factors abetting such a large concentration of workers in an area most vulnerable to exogenous economic vicissitudes. Women working in the unorganized sector deserve a separate mention as they are much marginalized.

More than 400 million people - almost 85% of the working population in India - work in the unorganized sector. Of these, at least 120 million are women. The recent Arjun Sengupta Committee report is a stark reminder of the huge size and poor conditions in this sector. A subsequent draft Bill to provide security to workers, which bypasses regulatory measures and budgetary provisions, has generated intense debate

The term 'unorganized' is often used in the Indian context to refer to the vast numbers of women and men engaged in different forms of employment. These forms include home-based work (for example: beedi rolling papad's making as self-employment selling vegetables), employment in household enterprises, small units, on land as agricultural workers, labour on construction sites, domestic work, and a myriad other forms of casual or temporary employment.



Workers involved in the unorganized sector do not have the benefit of several laws such as the Minimum Wages Act or the Factories Act. They are also not covered by statutory welfare measures such as maternity benefits, provident fund, gratuity, etc, all of which were put in place after intense struggles by the Indian working class in the pre- as well as post-Independence period.

The term 'unorganized' is often used interchangeably with the term 'informal', or employment in the informal sector. Strictly speaking, 'informal' is used to denote those forms of enterprise that are not governed by any legal framework (for example, registration under Company Laws).

The use of contract workers to run canteens or do housekeeping and gardening, employing teachers on a clock-hour basis, and 'outsourcing' jobs such as data entry are some examples that may unravel the complex nature of employment in the unorganized/informal sector in the country. What is important is this: whether in terms of the legal status of the enterprise or the employment relations, workers in this sector are the most disadvantaged section of workers in India.

Two National Labour Commissions, along with several other international and national commissions, committees and conferences in the last 50 years have documented the socio-economic conditions of workers in the unorganized sector in India. The latest is the National Commission for Enterprises in the Unorganized Sector (NCEUS), also known as the Arjun Sengupta Committee, which submitted its report to the Government of India in 2006.

The Committee estimated that more than 340 million (approximately 34 to 37 crore) workers in the unorganized sector in India, and that they contribute around 60% to the national economic output of the country.

### **Issues:**

The issues regarding unorganized sector is largely country specific and its many manifestations are too been viewed and analyzed in that context. *The Arjun Sen Gupta Committee Report* shows an estimated 92-93 percent of the workforce would be employed in the informal sector by the year 2017.

Discrimination at the workplace remains a contentious and yet, an ever present issue for women. For example those who work as domestic helps do so in an unregulated environment and mostly outside the gambit of labour legislations. These unregulated conditions facilitate exploitation that manifest in different shades – quite often, sexual too. Migration has changed the demographics beyond conventional estimates. Those who are compelled most are the poor, illiterate and mostly women and children hailing from rural areas, who work as domestic helps/construction workers; the most vulnerable of the lot.

Gender discrimination, job-typing and occupational segregation is not always overt but they exist in many subtler shades.



By and large, there are three types of issues of unorganized sector workers that need to be addressed. One is the regulation of their working conditions, the second is provisioning for conditions in which they are unable to continue to work, such as old age and disability, and the third is measures to help them overcome situations of insecurity, such as major illnesses and the liability of losing employment or being laid off at the will of the employer, for which they have no legal remedy.

Unorganized sector work is characterized by low wages that are often insufficient to meet minimum living standards including nutrition, long working hours, hazardous working conditions, lack of basic services such as first aid, drinking water and sanitation at the worksite, etc.

Both formal and informal surveys reveal that on an average, unorganized sector workers do not earn more than Rs 30-50 per day. Some may appear to earn more but the work is often seasonal and the total earnings amount to roughly the same. In order to earn more, workers work longer and harder. This is particularly the case for self-employed persons such as vendors, rag pickers, and petty traders, who make their services available from the early hours of the morning to late at night, in all types of inhospitable working conditions.

Parents often take the help of children to supplement their own earnings, and this is a major reason for the widespread prevalence of child labour in the unorganized sector. Women are given low and unequal wages. Sexual harassment is common but unarticulated due to fear of loss of employment. There is no question of paid leave and maternity benefits. The use of cheap labour in the unorganized sector is the major source of profit for employers and contractors who exploit the workers' lack of collective bargaining power and state regulation.

Living in abject poverty, most workers in the unorganized sector barely manage a subsistence existence. There is no question of saving, particularly for times when they are unable to work. Hazardous work conditions often cause accidents, loss of limbs, etc. Such disability is disastrous because there are no other sources of income for these households. More importantly, there is no provision of old age security such as a pension. When AIDWA decided to organize domestic workers into a union in Pune city, the overwhelming response of women to the demand for pensions revealed the huge insecurity they faced.

The lack of savings and support systems also mean that there is no fall-back in other emergencies, especially major illnesses or the death of an earning member in the family. The rising costs of private healthcare and the systematic dismantling of the public health system in these times of liberalization are a major reason for the huge indebtedness of households in the unorganized sector. There is a pressing need to provide insurance, especially health insurance cover to the workers.

When the great noble prize winner “Amarthya Sen” had taken up the issue of women’s welfare, he was accused in India of voicing “foreign concern”. He was told, Indian women don’t think like that about equality. But he argued saying that if they don’t think like that they should be given an opportunity to think like that.



The International Labour Organization says that women represent:

- i) 50% of the population
- ii) 30% of the labour force
- iii) Perform 60% of all working hours
- iv) Receive 10% of the world's income
- v) Own less than 1% of the world's property

#### **Inevitable to go for Work: Why do women work?**

- Poor women work mainly for economic independence, for economic necessity,
- Most Indian rural and urban poor women by and large undertake "productive work" only under economic compulsion
- This is the reason for high female participation rates in economically under privileged communities
- Work participation rate is found to be higher among rural women (27%) than the urban women (10%).
- The main workers are those who "work" for the major part of the year. Female main workers constitute 14.65% of the population and men- 50.54%. Female marginal workers constitute 6.26% of the population, whereas males being only 0.98%
- Most of the women are found to be employed in agricultural activities and in the unorganised sector. The employment of women is high in the unorganised sector such as part time helpers in households, construction center, tanneries (setting, parting and drying), match and beedi industries etc.
- World Bank shows that 90% of the women working in the informal sector are not included in the official statistics
- Vast majority of Indians work in Agriculture where 55% of the population is female agricultural workers and 30% of the men are labourers and not cultivators.

#### **Women are more burden (Overworked)**

- Women work roughly twice as many as many hours as men.

"The extent of women's contribution is aptly highlighted by a micro study conducted in the Indian Himalayas which found that on a one-hectare farm, a pair of bullocks' works 1,064 hours, a man 1,212 hours and a woman 3,485 hours in a year."

- 53 percent of the total human hours per household are contributed by women as compared to 31 percent by men.

**In organized sector, working conditions result in premature and stillbirths:**  
The tasks performed by women are usually those that require them to be in one position for long periods of time, which can adversely affect their reproductive health.



- A study in a rice-growing belt of coastal Maharashtra found that 40 percent of all infant deaths occurred in the months of July to October.
- The study also found that a majority of births were either premature or stillbirths.

### **The invisibility of women's work: Women's work is rarely recognized**

- If all activities — including maintenance of kitchen gardens and poultry, grinding food grains, collecting water and firewood, etc. — are taken into account, then 88 percent of rural housewives and 66 percent of urban housewives can be considered as economically productive.
- And, any income generated from this work is generally controlled by the men

### **Women are mistreated**

- Violence against women and girls is the most pervasive human rights violation in the world today.
- Women have to face at home forces them to work for meager wages and without social security.
- Women face a lot of sexual harassment in the course of employment.
- Women in gold mines handle mercury and cyanide with their bare hands.
- Woman has to work beyond working hours, even in advanced stages of pregnancy, and there is no leave facility.
- In some quarries in Orissa, women have to work at night and are sexually abused . HIV AIDS, other sexually transmitted diseases, respiratory problems, silicosis, tuberculosis, leukemia, arthritis and reproductive problems are more prevalent among women working in mines.
- The service sector now provides most jobs for women. Of the total number of employed women in 2006, 40.4 per cent work in agriculture and 42.4 per cent in services

### **Recent problems and Government action:**

- The most serious hazard faced by the working class in the era of globalisation is the increasing threat to job security.
- The informal sector is fast expanding, while the organised sector is shrinking.
- Contract, casual, temporary, part-time, piece-rated jobs and home based work etc are increasingly replacing permanent jobs.
- The NDA government had introduced 'fixed term' employment through an administrative order, which continues under the present UPA regime.
- Special Economic Zones, which are areas deemed to be outside our territory, are being opened in large numbers throughout the country.
- While there is no explicit provision that labour laws would not be applied in these zones, in practice, even labour commissioners are not allowed inside these zones and the workers are practically at the mercy of the employers.



- The workers in the informal sector, a large number of who are women, have no job security.
- Work is often unskilled or low skilled and low paid. Availability of work is irregular; when work is available, they have to work for long hours. However the concerned governments choose to ignore this open flouting of the labour laws.
- The Factories Act, The Mines Act, The Dock Workers' Act etc are some of the laws, which contain provisions for regulating the health of the workers in an establishment.
- The Employees' State Insurance Act and the Workmen's Compensation Act provide health benefits and compensation to the workers in cases of ill-health and injuries etc.

### **Observations:**

**The National Council of Applied Economics Research (NCAER)** calculated that the informal economy or the unorganized sector generates about 62 percent of GDP, 50 percent of gross national savings and 40 percent of national exports. Numerous legislations abound to regulate the conditions of work and to create social security for the workers of the organized sector, but very few of them extend their scope to the vastly unregulated unorganized sector.

**The Equal Remuneration Act, 1976 (Amended in 1987) stipulates – in Section 4 read with Sec 5 – that:**

- It provides for the payment of equal remuneration to men and women workers for same work or work of a similar nature.
- It also prohibits discrimination while recruiting men and women workers

**A National Floor Level Minimum Wage** was envisaged by the **National Commission on Rural Labour in 1991**. National Floor Level Minimum Wages currently stand at Rs 80/- per day and The Minimum Wages Act, 1948, stipulates equal pay irrespective of gender. Coming back to Table 2, one can see that there is 36.5% and 42% in the wage rates between male and female rural agricultural labourers and rural non-agricultural labourers respectively.

### **Conclusion:**

It is time to address the issues and discuss the kind of policy reforms and institutional changes required for the emancipation and empowerment of rural female labour force. Empowerment should aim at changing the nature and direction of the power structures which marginalize the women labourers.”

- "The female labour force constitutes one third of the rural workers in India.
- Women workers face serious problems and constraints related to work such as lack of continuity, insecurity, wage discrimination, unhealthy job relationship, absence of medical and accident care etc.
- The exploitation of female labourers in rural regions happens both horizontally and vertically.





Despite legislative protection, the data on women in the unorganized sector looks far from promising. In a country mired in abysmal levels of poverty and illiteracy, does rising minimum wages marginally, help in solving the underlying problems? The answer is a resounding no. The best yardstick to measure progress of women workers working in this unforgiving and demanding sector is to devise methods to increase their self-worth by creating opportunities for ownership by controlling assets.

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