# Women empowerment in un-organised Sector: Opportunities and challenges

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Abstract - The Indian economy can well be studied in two distinct sectors, organized and unorganized (informal). The widespread unorganised sector in the country is a major contributor to its development but at the same time it faces several problems such as no proper service rules, no wage rules and no possibilities of career advancement. Another notable fact is that as many as 94% of total women workers work in the unorganised sector in India but they have to face many challenges in comparison to their male counterparts.

This research study elaborates the historical, social, economic, and cultural aspects that contributed to the deterioration of women's working conditions in India's unorganised sector. This paper examines the manner in which in which patriarchal social institutions, restricted economic prospects, inadequate labour rules, social stigma, and cultural norms have worsened the difficulties experienced by women in this sector of the economy.

The study exposes that women in the unorganised sector confront multiple difficulties such as inequitable employment and salary possibilities, inadequate maternity benefits, and increased susceptibility to sexual harassment. Notwithstanding the presence of laws in place to safeguard women's rights, there are still concerns with implementing these laws into effect and addressing cultural hurdles, which are hampering the achievement of gender equality in the workplace, since a long time.

The research paper offers a comprehensive strategy that involves government agencies, employers, organisations from civil society, and women themselves. It seeks to enhance women's financial autonomy, safeguard their rights, and social equity. India can fully utilise its unorganised sector to empower women economically by addressing systemic obstacles and advocating a culture of gender equality.

**Keywords: Unorganised Sector, women workers, gender discrimination** 

## INTRODUCTION

Employment in unorganised sector comprises major part of non-agricultural employment in developing countries: specifically, 48 percent of non-agricultural employment in North Africa; 65 per cent in Asia; and 72 per cent in sub-Saharan Africa. If data were available for additional countries in Southern Asia, the regional average for Asia would likely be much higher. Informal employment is comprised of both self-employment in informal enterprises (i.e. small and/or unregistered) and wage employment in informal jobs (i.e., without secure contracts, worker benefits, or social protection)[1].

The concept of unorganised sector was first introduced by Hart [2], with the distinction between wage and self employment as the essential difference between the formal and informal sectors. Later ILO broadened the scope of the informal sector.

Informal activities are typically characterized by ease of entry, reliance on indigenous resources, family ownership of enterprises, small scale of operations of labour intensive and adaptive technology, skills acquired outside formal schooling system, and unregulated and competitive markets.

The Resolution concerning Statistics of Employment in the unorganised Sector, adopted by the Fifteenth International Conference of Labour Statisticians in 1993, defined the informal sector as follows: The unorganised sector is regarded as a group of household enterprises or unincorporated enterprises owned by households that includes:

- Informal own-account enterprises, which may employ contributing family workers and employees on an occasional basis; and
- Enterprises of informal employers, which employ one or more employees on a continuous basis.

It is clear from the literature that the informal sector is multi-situation. It is characterized by non uniformity in the nature, characteristics and conditions of jobs. It consists of regular workers and casual labour, self employed and those working for others, illiterate to semi-educated, in all age groups (including below and above the normal working age bracket).

This combination of differentiated and distinct characters is more pronounced when we talk of unorganised sector in the urban areas; of a country like India. Given the disadvantaged position of women in the labour market in most parts of the developing world, the result of long-standing societal norms which discourage the social and economic integration and advancement of women, the majority of female workers are engaged in the informal sector. It is also evident that female workers rely more on the informal sector than men -- the shares of female nonagricultural employment in the informal sector are generally (and often substantially) higher than those for male workers. But women's participation in terms of their share of informal sector employment is more mixed. Recent evidence shows extremely low shares in North Africa (for example, Tunisia: 18.1 percent) and South Asia (for example, India: 22.7 percent). An estimate by the World Bank shows that 90% of the women working in the informal sector are not included in the official statistics and their work is undocumented and considered as disguised wage work, unskilled, low paying and do not provide benefits to the workers.

In India, almost 94% of total women workers are engaged in informal sector, of which about 20% work in the urban centres. Majority of women workers in informal sector come from those sections of the society which need income at any cost. Nearly 50 per cent of these women workers are only supporters of their families. Further out of all women workers a mere 7.5% are availing the membership of authentic registered trade unions. Yet another fact to cause concern is that women have to work, unpaid, even outside home, for some 5-8 hours to help their other family members. This fact has to be considered alongside the fact that an average woman has to work at home for some 7-8 hours doing household chores including upbringing the children. Most of the women workers lack proper training. They have very few options to avail as far as gainful jobs are concerned. The quiet contributors to the effortless movement of the social carriage, the women workers engaged in informal sector are poor, perhaps poorest amongst poor, uneducated and weak.

Various studies by Papola (1982, 92)[3], clearly and emphatically show the fact that, the urban labour market discriminates against women much more than the rural labour market. This discrimination results in decline in the participation of women in economic activities.

#### CATEGORIES OF WORKERS

The biggest problem with the informal sector in India is that there is no precise information about the total number of workers specially women engaged in this sector and also their respective ratios in various diversified occupations. The Report of the National Commission on for Enterprises in the Unorganised Sector highlights the existence and qualification of unorganized or informal workers, defined as those who do not have employed security, work security and social security. This universe of informal workers now constitutes 92 percent of the total workforce.

Although there is no precise and authentic information about the total number of woman workers engaged in informal sector, still an estimate is drawn on the basis of available information. As per census reports of 2001 regarding workers and their distribution there are some 60 thousand women workers under the categories of main workers, marginal workers and those engaged in household industries. According to another estimate, almost 90 percent of total women work force is engaged in the informal sector in India (National Perspective Plan for Women, 2000).

Informal wage employment is comprised of employees of informal enterprises as well as various types of informal wage workers who work for formal enterprises, households, or who have no fixed employer. These include casual day labourers, domestic workers, industrial outworkers, undeclared workers, and part-time or temporary workers without secure contracts, workers benefits, or social protection. Home-based workers and street vendors are two of the largest sub-groups of the informal workforce: with home-based workers the more numerous but street vendors the more visible of the two. Taken together they represent an estimated 10-25

per cent of the non-agricultural workforce in developing countries and over 5 per cent of the total workforce in developed countries (World Bank, 2000).

On basis of previous researches and other reports, following categories of women workers in the informal sector have been identified:

- 1. Construction labour: Women labour have to work always as unskilled labour carrying construction material on their heads to the construction site, while the skilled/ semi-skilled work is done by men.
- 2. Domestic workers: This category of employment goes mainly to women, especially young girls. The household workers include part-time and full-time workers.
- 3. Garment workers: These women work with some big drapers, boutiques and stores; here too same bias is evident that the women work as helpers to male tailors (called as masters). These workers include those involved in knitting woollens
- 4. Vendor: This is the most scattered category, which includes women engaged in selling different types of commodities, like broomsticks, cane baskets, utensils, petty cosmetics, bangles, vegetables and those running roadside tea stalls, etc. Nearly 40% of total vendors are women and 30% of these women are the sole earning members in their families.
- 5. Sales girls: These workers are further divided in two categories, one, those moving from door to and place to place, other, those working in shops (mostly women related items like jewelry, garments and cosmetics etc).

# RESEARCH METHODOLOGY

This research paper is based on secondary data (books, research papers, articles, newspaper etc) and qualitative method is used for collection of data.

# HISTORICAL BACKGROUND

Historical context of how women's working conditions deteriorated over time.

#### **SOCIAL**

Women's situations have significantly worsened in the unorganized sector as a result of historical and societal reasons. The following important elements have led to this decline:

- 1. Patriarchal Social Systems: Women have historically been relegated to inferior places in society due to a deeply ingrained patriarchal attitude. This way of thinking supports gender inequality and restricts women's access to opportunities, resources, and education. Women's capacity to rise in the workforce has been hampered by these discriminatory societal norms and attitudes, which have also increased their vulnerability in the unorganized sector.
- 2. Women Have Limited Economic Opportunities: Historically, women were expected to stay at home and were discouraged from working in the formal sector. Women's access to higher-paying employment was hampered by a lack of adequate educational opportunities and little chances to upgrade their skills. As a result, women were frequently forced into lowwage jobs in the unorganized sector.
- 3. Ineffective Implementation of Labour rules: Historically, labour rules and regulations pertaining to women in the unorganized sector have not been adequately implemented or enforced. As a result, there aren't as many safeguards and protections in place for female workers, making them more susceptible to exploitation, unfavourable working conditions, and low pay. Their conditions have gotten worse due to a lack of reliable methods to ensure compliance.
- 4. Social Stigma and a Lack of Support Systems: Women in the unorganized sector frequently experience social stigma and discrimination, which makes it challenging for women to stand up for their rights or file complaints about their working conditions. The difficulties that women encounter are further made worse by the lack of support mechanisms like paid maternity leave or childcare facilities.

#### **ECONOMICAL**

The situation of women in the unorganized sector have gotten worse due to historical economic considerations.

1. Economic Inequality and Poverty: Women have historically suffered more than men from economic inequality and poverty. Due to poverty and a lack of other work opportunities, women, especially those from marginalized communities, are more likely to be forced into the unorganized sector.

- 2. Gender-based Occupational Segregation: In the unorganized sector, gender-based occupational segregation has prolonged women's disadvantage. Women are concentrated in industries including domestic work, agriculture, and clothing manufacturing where earnings are typically low, working conditions are subpar, and job security is scarce due to traditional gender roles and biases.
- 3. The Unorganized Sector's Informal Nature: The Unorganized Sector is distinguished by its informal and unregulated nature. Due to the absence of institutional institutions and protections, women are affected by exploitation and unstable working conditions. Women are more susceptible to exploitation, unequal pay, and hazardous working circumstances due to the lack of formal contracts, the absence of social security benefits, and limited access to legal protections.
- 4. Barriers to Credit, Resources, and Financial Support: Women have historically had considerable obstacles to credit, resources, and financial support. Women have had trouble starting and maintaining their own enterprises due to a lack of collateral, discriminatory lending practices, and restricted economic autonomy. Women frequently find themselves locked in low-paying and hazardous jobs in the unorganized sector because they lack access to resources and formal financial institutions.
- 5. Gender salary Gap: Economic disparities are maintained because women are frequently paid less for comparable labour than their male counterparts. Their vulnerability is further increased by wage discrimination, which further restricts their ability to better their living and working situations.
- 6. Limited possibilities for skill development and training: Women have historically had fewer opportunities for skill development and training. Their capacity to gain useful skills has been restricted by a lack of access to high-quality education and vocational training. As a result, there is a concentration of women working in the unorganized sector doing low-skilled, low-paying jobs.

#### **CULTURAL**

Historical cultural elements have also significantly contributed to the worsening of women's working conditions in India's unorganized sector. These cultural elements consist of:

- 1. Social stigma and discrimination: Discrimination against female employees is a result of societal taboos and stigmas surrounding women's employment. Due to cultural prejudices and stereotypes, employers may discriminate against women during the hiring and promotion processes.
- 2. Limited mobility and safety issues: Due to cultural norms and safety concerns, it might be challenging for women to access job possibilities outside of their immediate area. This restricts their alternatives and puts them at risk of being harassed at work.
- 3. Patriarchal control and decision-making: Patriarchal family structures and customs may place restrictions on women's freedom of choice and to make decisions about their employment. This may lead to women being coerced into taking on undesirable jobs or working circumstances.
- 4. Lack of knowledge and representation: The advancement of gender equality has been hampered by the limited knowledge about women's rights in the workplace and the existing cultural norms. The gender discrepancies in the unorganized sector are further exacerbated by the underrepresentation of women in positions of decision-making.

#### **ANALYSIS**

In rapidly developing nations such as India, where the population is growing at an unprecedented rate, the challenge of providing employment for all has stretched the capacities of both governments and private sectors. In this context, the unorganized sector emerges as a dominant force, absorbing and sustaining a significant portion of the labour force. Within this realm, women labourers often constitute the majority. While the unorganized sector offers numerous economic opportunities for both men and women, it simultaneously subjects women to a host of unique challenges and pressing concerns that are not as prevalent in the organized sector.

The unorganized sector encompasses a wide spectrum of economic activities, including agriculture, construction, domestic work, street vending, and various informal enterprises. In countries like India, where economic disparities are stark, this sector plays a pivotal role in absorbing the burgeoning workforce, offering a means of livelihood for those who might otherwise remain unemployed, especially in a landscape where the formal job market struggles to keep pace with population growth.

Women constitute a substantial portion of this labour force in the unorganized sector. While it provides them with opportunities for economic independence and empowerment that transcend traditional gender roles, this progress is not without its unique set of challenges.

Challenges in the Unorganized Sector are analysed further are,

- 1. Lack of equal Opportunities of Employment and Wages: The unorganized sector often lacks the protective mechanisms and labour regulations that are more prevalent in the organized sector. This leaves women workers vulnerable to exploitation and abuse related to work, with little recourse for seeking justice. Common issues include wage disparities, long working hours, ineffective policy implementation, and difficulty in securing work, making women labourers more susceptible to economic instability.
- 2. Absence of Maternity Benefits in the Unorganized Sector: The absence of formalized contracts and employment benefits makes women labourers in the unorganized sector more prone to instability in working conditions. For instance, the absence of maternity benefits, such as paid leave, which are granted rights in the organized sector, poses a significant challenge for women balancing work and family responsibilities in the unorganized work environment.
- 3. Sexual Harassment in the unorganized Sector: Societal biases and stigma exacerbate the challenges faced by women in the unorganized sector. The absence of formal regulations and protective mechanisms, coupled with limited knowledge and awareness, makes women vulnerable to sexual harassment in this sector.

Addressing these challenges requires a multi-pronged approach. Governments must implement and enforce labour laws that protect the rights and well-being of women workers in the unorganized sector. This includes provisions for maternity benefits, equal pay for equal work, and measures to ensure safe working conditions, along with provisions to spread awareness about women's rights.

## CONCLUSION AND SUGGESTIONS

Women's struggles in an unorganized economy exist within social conventions and are instigated by a lack of legal safeguarding and economic disadvantage. All these challenges unite to form barriers against women's advancement. These include low job opportunities, unequal pay, minimal maternal health benefits, and increased susceptibility to sexual harassment.

Societal values reinforce gender discrimination, thus hindering women's access to work and economic opportunities. The prevalent biases that deny opportunities to women's advancement in their careers also manifest such things as biased perceptions, social expectations, and traditional gender roles.

Poor laws also exacerbate problems for women in the informal economy. Several pieces of legislation address workers' rights, but their implementation is not uniform, with inconsistency exposing females to abuse and discrimination in the workplace. Steps like strengthening laws and their proper implementation are necessary to give equal opportunities and fair treatment to the women working in the unorganized sector.

To address these multifaceted challenges, a comprehensive approach is imperative. This approach should encompass various stakeholders, including government agencies, employers, civil society organizations, and women. It requires collaborative efforts to introduce gender-sensitive policies, implement stronger legal protections, provide access to skill development and entrepreneurship opportunities, and foster a supportive work culture that embraces diversity and inclusivity.

Here are some specific suggestions to address these issues and promote social equity for women in the unorganized sector:

- 1. Strengthen Legal Provisions and implementation: There is a need to strengthen legal provisions that protect women's rights in the unorganized sector. This includes reviewing and amending existing laws to ensure they are more inclusive and effective in addressing the unique challenges faced by women. Government agencies responsible for implementing labor laws and social security programs should ensure timely, efficient and transparent processes.
- 2. Promote Awareness: Comprehensive awareness campaigns should be launched to educate women in the unorganized sector about their legal rights, including equal pay, maternity benefits, and protection against sexual harassment. Accessible information should be provided through community based programs and digital platforms. Further, addressing the deeply ingrained societal norms and cultural biases is essential. Community based initiatives and advocacy campaigns can promote a more inclusive and equitable society.
- 3. Empowerment Initiatives: Empowerment initiatives, including skills training and financial literacy programs, should be developed to enhance women's economic independence and decision-making abilities. These programs can help women access better employment opportunities and manage their finances effectively.
- 4. Legal Aid and Support: Establishing free legal aid clinics and support systems specifically tailored to the needs of women in the unorganized sector can help them seek redress for grievances, including cases of sexual harassment. These resources should be easily accessible and sensitive to the challenges faced by these women.

In total, the unorganized sector in developing nations, while instrumental in providing employment opportunities, presents a unique set of challenges for women workers. To harness the full potential of this sector and ensure gender equality, concerted efforts are needed to implement labour reforms, raise awareness, and empower women to thrive in the workforce. Only then can unorganized sector truly

become a source of economic empowerment for women in the ever-evolving landscape of developing nations.

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