

# **Activity Status of Women Workers in Informal Sector –A Study in Palashbari Revenue Circle of Kamrup District of Assam**

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## **1. Introduction:**

For women, all over the world, informal sector is the main source of employment. Informal sector refers to activities operate at low level of organization and technology, with the primary objective of creating employment and income. Small scale operation, little barriers to entry, reliance on family labour and local resources, labour intensive technology and low capital endowment, a high degree of competition, unregulated market, unskilled workforce and acquisition of skills outside the formal education system are some of the characteristic features of informal sector. Workers who are not under national labour legislation, income taxation or social protection are considered as informal workers. Informal women workers are the most deprived and vulnerable section of the society.

Horizontal segregation or concentration is often observed in female labour market. This implies clustering of women in certain occupations and in a limited number of activities within them. Such occupational segregation is found in informal sector also. Women are often found in low paid jobs of informal sector. Within this sector women are mostly worked as self-employed. Low paid activities like spinning, weaving, tailoring, food processing and trading, domestic and personal services etc. are performed by women. The status of women largely depends on whether they are having ‘decent work’ or not. So, it is necessary to study about the activity status of women workers in informal sector.

## **2. Literature Review:**

There have been extensive studies on women in informal sector. The estimates by Women in the Informal Economy Globalising and Organising (WIEGO) suggest that informal economy accounts for over half the urban employment in Africa and Asia and a quarter in Latin America and Caribbean. In Asia and the Pacific, women in the informal sector are concentrated in small enterprises. These are often family based using simple labour intensive techniques of production which involves repeating monotonous work. These jobs are unregulated, vulnerable and dependent on sub-contracting.

Kalpna Majumdar (2011) in her analysis about women, work and poverty in “Women and Work, Barriers and Strategies” shows that for women informal employment generally

represents a larger source of employment than formal employment. Again the share of women's in informal employment is larger than men. In developing countries over 60 per cent of women workers are in informal employment outside of agriculture, far more if agriculture is included. Within the informal economy, women are concentrated in work associated with low and unstable earnings and with high risks of poverty. Outside of agriculture, women are more likely than men to be own account workers, domestic workers, unpaid contributing workers in family enterprises and industrial outworkers.

Micro level studies on informal sector and specific industries has shown that women's employment has increased mainly in the unorganized and informal activities and that they are concentrated in the lower rungs of employment (Banerjee, 1985). The macro trend of women workers shows that as in other developing countries in India too, a higher proportion of women are in informal employment compared to men and women are over represented in the informal sector. Satpathy (2004) found in his analysis on informal sector in India that women are more dependent on informal economy especially in informal agricultural than men as a primary source of employment, and the proportion of women in the informal economy is more than that of men.

Report of the National Commission on Labour (2002) shows that informal sector women workers are overwhelmingly present in agriculture, forestry, fishing, plantation and allied activities with the highest proportion working as agricultural labourers and cultivators. They predominately concentrate in certain industries such as garments, textiles, food and electronics.

### **3. Objectives:**

The present paper tries to visualize the different activity status of informal sector women workers with the help of both primary and secondary data. The main objectives of this research paper are:

1. To assess the rate of participation of women workers in the informal sector.
2. To find out the rate of participation of women workers in different types of work within the informal sector and to find the occupational segregation of women within this sector.

### **4. 4.1. Research Methodology, Data Sources and Methods of Data Collection:**

Both descriptive and analytical methods are used in the preparation of the present paper. The research paper is based on both primary and secondary data. Major sources of secondary data are various reports from Labour Ministry, Census of India, National Sample Survey Office (NSSO), Directorate General of Employment and Training (DGE&T), Directorate of Economics and Statistics (Assam) etc. Both quantitative and qualitative research methods have been used to

collect data. Primary data are collected through household survey, focused group discussion and in-depth interview.

#### **4.2. Sample Frame:**

The survey design includes 220 sample households.

Primary data have been collected with the help of the technique of multi-stage random sampling. Tippet's Random Number Table has been used to select sample units in every stage.

In the first stage Palashbari Revenue Circle has been selected purposively for a case study. The circle has both rural and urban areas. In the second stage 15 villages have been selected for household survey.

Again seven wards have been selected randomly from Palashbari Municipal Board (MB) which is the only municipal board of the circle. The lone ward of census town Mirza has also been selected for the field survey.

In the third and final stage households have been chosen from the selected villages and wards. Ten (10) households from each of the 15 villages have been selected for data collection. Thus a total of 150 households are selected from the rural area of the circle.

From each of the selected wards of Palashbari MB five households are selected for household survey. Thus, 35 households have been selected from the Board. Another 35 households have been selected from the Census Town Mirza. Finally, from the urban area 70 households are chosen for the study.

#### **4.3. Data Analysis:**

Basic statistical tools are used to analyse the quantitative data. For evaluating the degree of occupational segregation across gender groups in the sample area the Duncan Index<sup>1</sup> is calculated with the formula:

$$\text{Duncan Index (D)} = 1/2 \times \sum \text{ABS (Fj-Mj)} ; j = 1 \text{ to } N.$$

Where,           N = Total Number of occupations  
                      Fj = Proportion of all females in occupation j  
                      Mj = Proportion of all males in occupation j

An index equal to 1 corresponds to the extreme situation of complete segregation (no men or women work in the same occupation). An index equal to zero means that women and men have identical employment distributions across occupations. Another way to interpret D is as the percentage of women (or men) that would have to change occupations in order to eliminate the difference in occupational distributions.

**5. Results and Discussion:**

**5.1. Women Workers in the Informal Sector:**

All over the world women workers are mostly concentrated in the informal sector. India is also experiencing the similar situation. It is estimated that out of the total female workforce of 129.49 million in 2009-10, the informal sector absorbed 123.65 million and only 5.84 million female workers were engaged in organized sector. That is, informal sector absorbed 95.49 per cent of total female workforce of India, whereas formal sector absorbed only 4.51 per cent female workers. In Assam, total female workforce in 2009-10 was 22.37 lakhs of which 18.70 lakhs were engaged in informal sector and only 3.67 lakhs were employed in formal sector. That is, out of total female workforce 83.59 per cent were engaged in informal sector and 16.41 per cent were employed in formal sector. Again in our sample area out of 268 female workers 261 are informal workers and only 7 are formal workers. That is, whereas 97.39 per cent female workers are informal, only 2.61 per cent are formal.

**Table-1: Share of Formal and Informal Sector (PS+SS) <sup>2</sup> in Total Workforce in 2009-10**

In PC.

Coverage	Formal			Informal		
	Male	Female	Person	Male	Female	Person
India	6.68	4.51	6.08	93.32	95.49	93.92
Assam	8.63	16.41	10.23	91.37	83.59	89.77
Sample Area	8.33	2.61	6.07	91.67	97.39	93.93

*Source: Computed from NSSO 66<sup>th</sup> round EUS, Annual Employment Review, 2010 of DGE & T and field survey.*

Note: Residual Method is used to estimate informal sector workers for India and Assam and Direct method is used in case of Sample area.

Both secondary and primary data analysis reveal informalisation of women’s work. Comparatively more female are engaged in informal work than male. It is found that 91.67 per cent of all male workers and 97.39 per cent of all female workers are informal in the sample area. Thus, 8.33 per cent male and only 2.61 per cent female workers are formal in the area. So, it is

clear that women in the sample area are mostly concentrated in the informal work. Similar situation is seen in case of India.

**5.2. Distribution of Informal Women Workers by Different Activity Status:**

Traditionally, agriculture is the main occupation of female in Assam as well as India. Breaking this tradition our survey in the sample area exhibits that female workers are mostly operating in non-agriculture sector as their male counterpart.

The broad division of women workers into agriculture and non-agriculture shows that out of 261 informal female workers 66 are engaged in agriculture and 195 are involved in non agriculture. That is, 74.71 per cent of all female workers are engaged in non-agriculture and only 25.29 per cent are employed in agriculture.

**Table-2: Distribution of Informal Workers (PS+SS) in Agriculture and Non-agriculture of the Sample Household**

Sl. No.	Activity Status	Male		Female		Persons	
		In No.	In PC.	In No.	In PC.	In No.	In PC.
A	Agriculture	130	34.76	66	25.29	196	30.87
	i. Self Employed in Agriculture	106	81.54	46	69.70	152	77.55
	ii. Agriculture Labour	24	18.46	20	30.30	44	22.45
B	Non-Agriculture	244	65.24	195	74.71	439	69.13
Total (A+B)		374	100.00	261	100.00	635	100.00

*Source: Field survey.*

For several reasons informal women workers shift their choice from agriculture to non-agriculture. Low growth of agriculture compared to industry, high wage rate in non-agriculture compared to agriculture, improvement in education, inter-sectoral differences in worker

productivity, government programmes and socio-cultural factor are found responsible for shifting women workers from agriculture to non-agriculture in rural India (Chand and Srivastava 2014).

**5.3. Distribution of Informal Women Workers in Different Non-agricultural Activities:**

The three broad statuses in employment where most of the informal sector workers engaged are self-employed, regular wage / salaried employees and casual labour engage in works other than public works. It may be noted that casual workers engaged in public works are outside the coverage of informal sectors.

Persons who operated their own farm or non-farm enterprises or engaged independently in a profession or trade on own account or with one or a few partners are treated as self-employed in household enterprises. Self-employed are again categorized as own account workers, employers and helpers in household enterprise or unpaid family workers.

Regular Wage / Salaried Employees are the persons who work in others’ farm or non-farm enterprises (both household and non-household) and in return, receive salary or wage on a regular basis. This category includes not only persons getting time wage but also persons receiving piece wage or salary and paid apprentices, both full time and part time.

A person, who is casually engaged in others’ farm or non-farm enterprises (both household and non-household) and, in return, receives wages according to the terms of the daily or periodic work contract, is a casual wage labour.

Self employment is the major activity status where majority of women informal workers (PS+SS) are concentrated followed by regular wage / salaried employees and casual labour. It is visible from the sample data that 73.33 per cent of all non-agricultural informal female workers are self-employed.

**Table-3: Distribution of Informal Non-Agricultural Workers (PS+SS) by Employment Status**

Sl. No.	Employment Status	Male		Female		Person	
		In No.	In PC.	In No.	In PC.	In No.	In PC.
1	Own account worker	131	53.69	133	68.20	264	60.13
2	Employer	5	2.05	1	0.51	6	1.37

3	unpaid family worker	9	3.69	9	4.62	18	4.10
1+2+3	Self Employed	145	59.43	143	73.33	288	65.60
4	Regular wage / salaried employees	37	15.16	23	11.80	60	13.67
5	Casual Labour	36	14.75	6	3.08	42	9.57
6	Paid domestic workers	2	0.82	12	6.15	14	3.09
5+6	Casual Labour with Paid domestic workers	38	15.57	18	9.23	56	12.76
7	Any Other	24	9.48	11	5.64	35	7.97

*Source: Field survey.*

Amongst the self-employed own account workers have occupied 93.01 per cent share. Employers have a share of only 0.70 per cent. The unpaid family workers who are focused as the poorest section in different empirical studies have a share of 6.29 per cent in self-employed in our study (Table-4).

**Table-4: Distribution of Informal Self Employed Non-Agricultural Workers (PS+SS)**

Sl. No.	Employment Status	Male		Female		Person	
		In No.	In PC.	In No.	In PC.	In No.	In PC.
1	Own account worker	131	90.34	133	93.01	264	91.67
2	Employer	5	3.45	1	0.70	6	2.08
3	unpaid family worker	9	6.21	9	6.29	18	6.25
1+2+3	Self Employed	145	100.00	143	100.00	288	100.00

*Source: Field survey*

In the total non-agricultural women workers the share of own account workers is 68.20 per cent. Employers have only 0.51 per cent shares in total non-agricultural female workers

whereas unpaid family workers have 4.62 per cent share in it (Table-3). NSS data also visualized that self-employed is the main activity status for female informal sector workers in India and Assam.

The percentage share of regular wage / salaried employees in the total informal non-agricultural female workers is 11.80 per cent and casual labourers have the share of 3.08 per cent. However, if we combine paid domestic workers with the casual labourers, the share of casual labourers in the total non-agricultural informal female workers becomes 9.23 per cent. It is estimated that 6.15 per cent informal female workers in non-agriculture are paid domestic workers. The percentage of ‘any other’ worker in total informal female worker is 5.64 percent (Table-3 & Fig.-1).

**Fig.-1: Distribution of Informal Workers among Non-Agriculture**



Self-employed and casual labourers together constitute 82.56 per cent of total informal non-agricultural female workforce in the sample area. These two categories of workers face different kinds of vulnerabilities or risks such as job insecurity or social insecurity or both (Rani and Unni 2004). So, high magnitudes of informal women workers in these two statuses signify their poor socio-economic condition. Regular workers in the informal sector work for others and they get salary or wages in return on a regular basis. They enjoy job security. But these workers also suffer from social insecurity due to sickness or injury or old age and are not entitled to any social security against these vulnerabilities. In our sample population only 11.80 per cent female are such regular workers.

A comparison of the distribution of the female informal workers with that of male shows that relatively more female (73.33 per cent) are self-employed than that of male (59.43 per cent). Within the self-employed, whereas the relative share of female as own account worker is 93.01 percent that of male is 90.34 per cent. Employers have a very small share in self-employed. But gender difference is quite visible in this category also. Whereas 3.45 per cent male self-employed are employers only 0.70 per cent female self employed are engaged as employer. The share of unpaid family workers in total self employed is about the same for both male and female (6.21 per cent for male and 6.29 per cent for female) (Table-4).

The gender difference is also distinct if we consider the share of own account worker, employer and unpaid family worker in total non-agricultural employment (Table-3). It is estimated that 60.13 per cent of all non-agricultural workers in the sample area are own account workers. Whereas 68.20 per cent of all female non-agricultural workers are own account workers, 53.69 per cent of such male workers are own account workers. Employers have a share of only 1.37 per cent in the total non-agricultural employment. Out of all non-agricultural male workers, 2.05 per cent are engaged as employer and out of all non-agricultural female workers only 0.51 per cent are engaged as employer in the sample area. At all India level also 0.1 per cent of non-agricultural women workers in the rural area and 0.7 per cent of non-agricultural women workers in the urban areas are employers.

In the sample area 4.10 per cent of all informal non-agricultural workers are unpaid family workers. In case of unpaid family workers, the share of female is relatively higher (4.62 per cent) than that of male (3.69 per cent). However the share of unpaid family workers for both male and female in the sample area is much lower than all India level. In India, the share of unpaid family workers for female in non-agriculture is 35.1 per cent in rural area and 23.7 per cent in urban areas.

The condition of regular wage / salaried employees considered to be better than the other category workers in the informal sector. Here also the position of women is far behind the men. It is observed that 15.16 per cent of all male non-agricultural informal workers are regular wage / salaried employees. The proportion of female in this category is 11.80 per cent. Similar picture is

seen in case of casual labour also. Whereas the share of male casual labour is 14.75 per cent, the share for female is only 3.08 per cent. The share of casual labour combined with paid domestic workers for male is 15.57 per cent and for female is 9.23 per cent. In the category of paid domestic workers, which is generally considered as female work, the relative share of female (6.15 percent) is larger than that of male (0.82 per cent).

To capture the women workers in the informal sector better, data have been collected for some activities which are generally considered as women related activities. Sewing, tailoring, spinning and weaving for others are some such activities in the sample area which are found to be dominated by female workers. All these activities are clubbed in own account worker (OAW).

**Table-5: Size of Informal Workers (PS+SS) with Detailed Activity Status in the Sample Household**

Sl. No.	Activity status	Unit	Male	Female	Person
1	Own account worker	No.	119	36	155
		PC.	31.82	13.79	24.41
2	Employer	No.	5	1	6
		PC.	1.34	0.38	0.94
3	Work as helper in h/h enterprise (unpaid family worker)	No.	9	9	18
		PC.	2.41	3.45	2.83
4	Regular wage / salaried employees	No.	37	23	60
		PC.	9.89	8.81	9.45
5	Casual Labour in works other than public works	No.	36	6	42
		PC.	9.63	2.3	6.61
6	Sewing, tailoring for others	No.	5	4	9
		PC.	1.34	1.53	1.42
7	Spinning for others	No.	3	64	67
		PC.	0.8	24.52	10.55
8	Weaving for others	No.	4	29	33
		PC.	1.07	11.11	5.2
9	Paid domestic workers	No.	2	12	14
		PC.	0.53	4.6	2.2
10	Self employed in agriculture	No.	106	46	152
		PC.	28.34	17.62	23.94
11	Agricultural labour	No.	24	20	44
		PC.	6.42	7.66	6.93
12	Any others	No.	24	11	35
		PC.	6.42	4.21	5.51
13	Total Informal workers	No.	374	261	635
		PC.	100	100	100

*Source: Field survey.*

The activity status which employs largest number of informal women workers is spinning for others: out of 261 informal women workers (PS+SS), 64 are engaged in spinning for others. That is, 24.52 per cent of all informal female workers are engaged in this activity status. On the other hand out of 374 male informal workers only 3 are engaged in this category. That is only 0.80 per cent of all male informal workers are engaged in this category. This particular activity is dominated by female as 95.52 per cent of all informal workers engaged in spinning are female and only 4.48 per cent are male. Another women dominated activity is 'weaving for others'. In this category, it is observed that 11.11 per cent of all informal female workers are employed whereas only 1.07 per cent of all male informal workers are engaged in weaving. Again out of the all informal workers engaged in 'weaving for others' the proportion of female workers is 87.88 per cent and of male is 12.12 per cent. In sewing and tailoring for others, 1.53 per cent of all informal female workers are found to work and 1.34 per cent of all informal male workers are engaged in this status. The female –male share in this status are 55.56 per cent and 44.44 per cent respectively. Paid domestic workers are another female dominated activity in the sample area where female and male shares are respectively 85.71 per cent and 14.29 per cent. Paid domestic workers are the most exploited section of the informal workers. It is estimated that 4.60 per cent of all informal women workers in the sample area are engaged as paid domestic workers whereas the proportion of male in this category is 0.53 per cent (Table-5).

Other than sewing, tailoring, spinning and weaving, there are a number of heterogeneous activities in the category of own account workers. The activities found in the survey in this category are ranges from low income activities to high income activities. We have found a number of own account workers like small artisans (who made handicraft products), vegetable vendors, fish vendors, persons engaged with production and selling of local wine, small shopkeepers, beauticians, IT workers, private tutor, grocers, person engaged with financial market, contractor etc. The earning of these workers is varying from person to person.

The activities which are considered as better paid are dominated by male workers. For example, in the category of employer in the household industry the share of male workers is 83.33 per cent and of female only 16.67 per cent. In regular wage / salaried employees, the share of male is 70.30 per cent and of female is 29.70 per cent. In the casual labour (without paid domestic worker) where the share of male is 85.71 per cent, the share of female is only 14.29 per cent. In the category 'self-employed in agriculture' the share of male is 69.74 per cent and of female is 30.26 per cent. Again in case of agricultural labour the male-female shares are 54.55 per cent and 45.45 per cent respectively. Thus, occupational segregation is quite visible in the area. Women have been found to occupy the low paid jobs and the male in comparatively high paid jobs. To measure the occupational segregation Duncan Index is calculated.

**Table-6: Measure of Occupational Segregation of Male and Female - Duncan Index (D)**

Sl. No.	Activity Status	Distribution Males and Females across occupation				
		Female in PC	Male in PC	(Fj)	(Mj)	Fj-Mj
1	Own account worker	13.79	31.82	0.1379	0.3182	0.1803
2	Employer	0.38	1.34	0.0038	0.0134	0.0096
3	Work as helper in household enterprise / unpaid family workers	3.45	2.41	0.0345	0.0241	0.0104
4	Work as regular salaried employee	8.81	9.89	0.0881	0.0989	0.0108
5	Work as casual wage labour in other than public work	2.30	9.63	0.023	0.0963	0.0733
6	Sewing, tailoring for others	1.53	1.34	0.0153	0.0134	0.0019
7	Spinning for others	24.53	0.80	0.2453	0.008	0.2373
8	Weaving for others	11.11	1.07	0.1111	0.0107	0.1004
9	Paid domestic workers	4.60	0.53	0.046	0.0053	0.0407
10	Self employed in agriculture	17.62	28.33	0.1762	0.2833	0.1071
11	Agricultural labour	7.67	6.42	0.0767	0.0642	0.0125
12	Any others	4.21	6.42	0.0421	0.0642	0.0221
Total Informal workers		100.00	100.00	1.00	1.00	0.8064
<b>DUNCAN INDEX (D)</b>						<b>0.4032</b>

The value of the index is found as 0.4032 which suggests that 40 per cent women (or men) would have to change occupations in order to eliminate the difference in occupational distribution.

**6. Conclusion:**

From the above data base analysis it is clear that horizontal and vertical segregation is present in the labour market of the sample area. It is found that women workers are concentrated as informal workers than male which can also be treated as informalisation of women's work as often researchers has been mentioned. Within the informal sector women are concentrated in a relatively narrow range of labour-intensive light industries like weaving and spinning. In agriculture also, more women are concentrated as agricultural labour rather than self-employed in agriculture. As weaving, spinning, tailoring etc are the major activity status of women in informal sector, these activities should be considered as the major employment and income generating activities. Policy makers should take necessary steps for the development of these occupations so that women workers in informal sector could have decent livelihood.

**Notes:**

1. Duncan Index: This statistic was developed by two Sociologists Otis Dudley Duncan and Beverly Duncan in 1950s. The statistic is used most frequently to compare distribution of workers. The Duncan Index (D) is commonly referred to as a measure of dissimilarity since it indicates how similar (or dissimilar) the distribution of two groups is across occupations.
2. PS+SS : Principal Status and Subsidiary Status taken together.

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