

# Women Workforce Participation in the Unorganized Sector: Globalization and New Challenges in the Indian Labour Market

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**Abstract:** Economic development of a country largely depends on productivity of the entire population. Being almost half of the total population issue of women work force participation is important for economic development of any country. Social constraints and attitude inhibit the women's participation in productive activities and employment especially in developing countries. The waves of globalization are sweeping across the world and also in India. Major structural changes in industries and other professions are taking place. All these developments caused an increase in the women workforce participation all over the world and also in India. Women Work Force Participation has increased and increasing in the unorganized sector at a very high rate compared to the marginal increase in organized sector. This paper makes an effort to understand the developments in the women workforce participation in India and related issues.

**Keywords:** Economic development, Globalization, Unorganized Sector, Women workforce.

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## 1. INTRODUCTION

In this age of globalization rapid changes are taking place in social political, industrial and cultural aspects. There occurs massive restructuring of work, employment and industry. Identity and aspirations shift swiftly. The knowledge revolution is taking place. Technologies change in an un-imaginable speed. All these developments caused an increase in the women workforce participation all over the world and also in India. India's workforce comprises nearly 93 per cent in the unorganized segment, with the entire farm sector falling under the informal category, while only one-fifth of the non-farm workers are found in the organized segment. It is widely acknowledged that the informal sector in India suffers from a low productivity syndrome, compared to the formal sector. Poor human capital base (in terms of education, skill and training) as well as lower mobilization status of the work force further add to the vulnerability and weaken the bargaining strength of workers in the informal sector. Thus, the sector has become a competitive and low cost device to absorb labour, which cannot be absorbed elsewhere, whereas any attempt to regulate and bring it into more effective legal and institutional framework is perceived to be impairing the labour absorbing capacity of the sector. As a whole entire informal sector has grown substantially but growth of female work force participation is far greater than growth of the male work force participation rate in this sector. The alarming expansion of informal sector, in recent times, and increasing feminization of employment in this sector has adversely affected employment and income security for the larger majority of the workforce in general and women in particular, along with a marked reduction in the scale of social welfare / security programme.

Against this background, this paper makes an effort to understand the developments in the women workforce participation in India over the years and the impact of globalization on it.

**2. DEVELOPMENTS IN WOMEN WORKFORCE PARTICIPATION**

The entry of women in the occupational field is of great social significance, from the advantage of enlarging vision, widening her outlook and developing her social personality. In ancient period, women have a greater freedom in various fields and in later period the status of women gradually declined. During the 19th century, it was considered derogatory for women to take to outside the word as a means of earning even though she had no other means of subsistence. Women are confined to take up jobs mainly due to economic necessity. The British Govt. is said to have been largely responsible for initiation modernization efforts within the country. Social reform and access to education initiated by various Indian leaders and influenced and aided by the British Govt. paved the path for increased participation of women on various platforms- political, social and economic. After independence India adopted the constitution in 1950. It provides the guidelines for India's future development mainly through its Directive Principles of State policy. By making a number of welfare activates mandatory for state and private organizations through legislations. These documents could be considered to be India's first formal attempt to address work and family matters. Notable legislation was passed around the times that have had a special bearing on women workforce participation in India. During 1970 s, it had become quite obvious that some of the laudable objectives embodied within the constitution of general uplift of working conditions and equality for men and women, were being met only partially. There appeared to be an un-mistakable long term trend of decline in women employment. The number of women in agriculture was increasing while women's employments in modern organized industry were falling. This state continued up to 1980. In mid 1980s & 1990s, as the number of urban educated women aspiring for job increased, and as the strength of marriage as a universal and ubiquitous institution within India continued unabated, there was a rise in the number of working couples in urban settings.

**3. WORK FORCE PARTICIPATION, LITERACY AND POPULATION GROWTH**

As per census 2011, India’s working population constitutes around 39% of the total population and women constitute 32% of the working population. Majority of working women are crowded in the unorganized sector. As per Country report, presented at the 4th world conference on women in Beijing in 1995, only 4% of all the working women are in the organized sector. This means that only about 0.005% of India's population comprises of working women in the organized workforce. A Comparative statistical profile relating to women workforce participation in India is shown in table 1.

**Table 1: Work Force Participation Rates**

Work Force Participation Rate		1971	1981	1991	2001	2011
<b>Total</b>	Persons	34.2	36.7	37.7	39.3	-
	Male	52.8	52.6	51.6	51.9	-
	Female	14.2	19.7	22.7	25.7	-
<b>Rural</b>	Persons	35.3	38.8	40.2	42	-
	Male	53.8	53.8	52.5	52.4	55
	Female	25.9	23.1	27.2	31	31
<b>Urban</b>	Persons	29.6	30	30.4	32.2	-
	Male	48.9	49.1	49	50.9	54
	Female	7.2	8.3	9.7	11.6	14

Source: Various Census Reports

Table 1 reveals that the total women at participation rate increased from 14.2 per cent in 1971 to 25.7 percent in 2001. The rate of rural women at work and urban women at work rate are also showing an increasing trend over the years. Among the total women workers, rural women participation at work is more compared with urban women. The workforce participation of women in urban areas is a mere 14 per cent as compared to 54 per cent for men. In rural areas, it is 31 per cent for women, where as it is 55 per cent for men. Several factors are affecting either positively or negatively on work participation rate of women. Patriarchal tradition, influence of family, religious conservatism, economic condition, education, caste, status, etc are some factors which affects on women work participation rate. Another impediment of women labour participation is the immobility of labour.

The census survey of India 2011 indicates that there are 940 women for every 1000 men in the country, making the

female population in about 48.46 per cent of the total population. The demographic changes of India are depicted in table 2.

**Table 2 Sex wise growth of population**

Population(Millions)	1951	1961	1971	1981	1991	2001	2011
<b>Total</b>	361.09	439.23	548.16	683.33	846.3	1027.02	1210.19
<b>Male</b>	185.55	226.29	284.02	353.32	439.18	531.28	623.72
<b>Female</b>	175.53	212.94	264.14	330	407.12	495.74	586.49
<b>Sex-Ratio</b>	946	941	930	934	927	933	940

Source: Census Reports

**Table 3 Literacy rates of population**

Literacy (%)	1951	1961	1971	1981	1991	2001	2011
<b>Total</b>	18.3	28.3	34.5	43.6	52.2	65.4	74.04
<b>Male</b>	27.2	40.4	46.0	56.4	64.1	75.9	82.14
<b>Female</b>	8.9	15.4	22	29.8	39.3	54.2	65.46

Source: Census Reports

Table 2 shows the sex wise growth of population, sex ratio and Table 3 shows literacy rates. The total population of the country has been increased substantially from 361.09 million in 1951 to 1210.19 million in 2011 census. The figures of 2011 census reveals a decline in the rate of growth of population from 21.54 per cent in 1991-2001 to 17.64 per cent in 2001-2011 census decades. Table also reveals that the women population has substantially increased over the years, whereas, female growth rate and the sex ratios are showing a declining trend. The overall literacy rate has increased from about 18.3 per cent in 1951 to about 74.4 per cent in 2011. Women literacy rate has also increased considerably over the years. The female literacy rate has showing an increasing trend of 8.9 per cent in 1951 to 65.46 per cent in 2011. Even through the literacy rate has increased over the years, the male female gap has not narrowed.

#### 4. UN-ORGANIZED SECTOR AND WOMEN EMPLOYMENT IN INDIA

The Indian economy is characterised by the existence of a vast majority of informal or unorganised labour employment. As per a survey carried out by the National Sample Survey Organisation (NSSO) in 2009–10, the total employment in the country was of 46.5 crore comprising around 2.8 crore in the organised and the remaining 43.7 crore workers in the unorganised sector. Out of these workers in the unorganised sector, there are 24.6 crore workers employed in agricultural sector, about 4.4 crore in construction work and remaining in manufacturing and service. As per the Economic Survey 2007-08, 93% of India's workforce include the self employed and employed in unorganized sector. The Ministry of Labour, Government of India, has categorized the unorganized labour force under four groups in terms of Occupation, nature of employment, especially distressed categories and service categories. In addition to these four categories, there exists a large section of unorganized labour force such as cobblers, Hamals, Handicraft artisans, Handloom weavers, Lady tailors, Physically handicapped self employed persons, Rikshaw pullers, Auto drivers, Sericulture workers, Carpenters, Tannery workers, Power loom workers and Urban poor.

Though the availability of statistical information on intensity and accuracy vary significantly, the extent of unorganized workers is significantly high among agricultural workers, building and other construction workers and among home based workers. According to the Economic Survey 2007-08 agricultural workers constitute the largest segment of workers in the unorganized sector (ie. 52% of the total workers. The NSSO Report of May 2011 about the casual workers in India between 2004-05 and 2009-10 compared to that of the period between 1999 – 2000 and 2004-05 very clearly shows that there is significant increase in the number of casual workers and decline in the number of regular workers. This report shows a substantial shift between 1999-00 and 2009-10 in the structure of the labour force which can be broadly divided in to self employed, regular, and casual workers. (Casual workers are employees who do not enjoy the same benefits and security as tenured employees. All daily wage employees and some categories of contract employees are casual laborers.)

The percentage of women employment in the organized sector is considerably less than the un-organized sector. Lack of education is one of the hindering factors to gain productive and remunerative employment. There is a huge education gap

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between organized and un-organized women workers. The agricultural workers have the lowest level of education. In un-organized sector, they work in various capacity-attached, bonded, casual, contract labor, workers in sweated industries like construction work, hand and power looms, bidi & cigar making, stone cutting, dhal and rice milling, pottery, crafts, match working, wooden work etc. The women employment in the Organized Sector in India is depicted in table-4

Table 4 Women Employment in Organized Sector in India (Lakh Persons as on March 31<sup>st</sup>)

Sectors		1995	1996	1997	1998	1999	2000	2001	2006
Public Sector	Total	194.7	194.3	195.6	194.2	194.2	193.1	191.4	-
	Male	168.7	167.9	168.3	166.6	166	164.6	162.8	-
	Female	26.0	26.4	27.3	27.6	28.1	28.6	28.6	30.03
Private Sector	Total	80.6	85.1	86.9	87.5	87	86.5	86.5	-
	Male	64.3	67.2	67.8	67.4	66.8	65.8	65.6	-
	Female	16.3	17.9	19.1	20.1	20.2	20.7	20.9	21.18
Total	Total	275.3	279.4	282.5	271.7	281.1	279.6	277.9	-
	Male	233	235.1	236.1	233.9	232.8	230.4	228.4	-
	Female	42.3	44.3	46.4	47.7	48.3	49.2	49.5	51.21

Source: National Institute of Public Co-operation and Child Development, New Delhi

Table 4 indicates that out of the total number of women employed in organized sector in India, women employment in the public sector is more than the private sector. The women employment in the public sector has been increased from 26.00 lakhs in 1995 to 30.03 lakhs in 2006, and also increased substantially in private sector from 16.30 lakhs in 1995 to 21.18 lakhs in 2006. The increase in the employment in private sector may be due to the growth of IT, ITES and BT industries. During this period these industries have adopted modern work styles, and family friendly measures, attracted women towards these industries. The women employment in organized sector by industry division is shown in table 5.

Table 5 Women Employment in Organised Sector by Industry Division (Thousands)

Industry Divisions	1981		1991		1996		2000		2006
	Total	Women	Total	Women	Total	Women	Total	Women	Women
Agr. Forestry, Fishing & Hunting	1321	456 (34.5)	1447	498 (34.4)	1459	479(32.8)	1418	542(38.2)	496.56
Mining & Quarrying	948	87(9.2)	1099	79(7.2)	1100	81(7.4)	1005	65(6.5)	84.46
Manufacturing	6047	595 (9.8)	6333	597(9.4)	6787	876(12.9)	6616	1023(15.5)	890.39
Electricity Gas & Water	718	17 (2.4)	945	31(3.3)	988	38(3.8)	987	46(4.6)	52.54
Construction	1161	59(5.1)	1222	61(5.0)	1212	65(5.4)	1149	68(5.9)	65.53
wholesale & Retail Trade, Restaurants, Hotels	394	21 (5.2)	450	34(7.6)	479	41(8.5)	593	45(9.1)	48.50
Transport, Storage & Communication	2769	82(2.9)	3079	140(4.5)	3152	162(5.1)	3147	180(5.7)	190.67
Financial Ins.& Real Estate	944	80 (8.4)	1448	174(12.0)	1586	208(13.1)	1654	232(14.0)	329.82
Community, Personal & Social Services	8577	1397(16.3)	10712	2167(20.2)	11178	2476(22.2)	11494	2750(23.9)	729.30
Total	22879	2793 (12.2)	26735	3781(14.4)	27941	4426(15.8)	27963	4960(17.7)	

Source: National Institute of Public Co-operation and Child Development, New Delhi

Table 5 Shows that women employment in organized sector by industry division has shown an increasing trend in all the divisions of employment. Women are employed the most in community; personal and social services, in the public sector, while they have the highest percentage of employment in the manufacturing sector followed by agriculture.

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Almost 400 million people (more than 85% of the working population in India) work in unorganized sector and of these about 120 million are women. According to an estimate, by the National Commission on Self-Employed Women (1988a), of the total number of women workers in India, about 94 percent are in the informal or unorganized sector whereas just 6 percent are in the organized or formal sector. Thus there is no exaggeration in saying that the unorganized sector in India is the women's sector.

**5. IMPACT OF GLOBALIZATION OF FEMALE WORK FORCE PARTICIPATION**

The entire world is moving ahead to meet the challenges of globalization, which in turn has compelled us to come to gather on a common platform at the provincial, national and international levels, making issues of participatory democracy a part of the ongoing struggles. After 1990, India became connected to a fast globalizing world. Especially during 1995-2000 India saw Information technology enables service (ITES) e.g. call centre and software sector boom. Many organizations in this sector adopted work styles and organization practices from developed countries in the west. The IT sector was meant to have emancipator potential for working women. The IT industries have been offering family friendly measures. All these developments created new job avenues to women.

Globalization has drawn millions of women into paid employment across the developing world. But these women workers are systematically being denied their fair share of the benefits brought by globalization. Commonly hired on short-term contracts-or with no contract at all women are working at high speed for low wages in unhealthy conditions. They forced to put in long hours to earn enough. Most have no sick leave or maternity leave, few are enrolled in health or unemployment schemes, and fewer still have saving for the future. The harsh reality faced by women workers highlights one of the glaring failures of the current model of globalization.

**6. CONCLUSION**

Though the overall literacy rate has increased and the workforce participation has risen over the years, the male female gap has not narrowed. There are many open openings and opportunities emerged in various organized and un-organized sectors due to globalization. Lack of proper education is the hindering factor. Indian women have to be given modern education and professional skills. The experiences of professional women in most of the developing countries indicate that the problems faced by them are essentially the same. The issues are tuned towards in equality, gender representation and social justice. In India the problems faced by women are the same. The governments have to implement suitable policies to effectively address gender disparities and to bring social justice. In a fast developing country like India, progress and development do not confine to increase in production, health and social welfare alone. We cannot have any major development by marginalizing the majority of educated women with professional skills. The first step in national development is to recognize their merit and their contribution. Women should really feel proud of their accomplishments and status in the society. That will strengthen themselves to fight against the social evils. The entire success of the family and nation depends of the women of the house and at the working place.

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