CHAPTER V

LABOUR ABSORPTION AND MOBILITY PATTERNS
5.1. INTRODUCTION

The process of labour absorption and mobility patterns assumes importance in the analysis of urban labour market. The labour market characteristics of the two sectors contrast more sharply than any other characteristics used as a basis for dichotomous classification of the urban economic activities. The labour market of the informal sector is unregulated and highly competitive on the supply side, with absolute freedom to entry, while that of the formal sector is regulated and has several entry restrictions on the basis of standard hiring norms and formalised recruitment procedures. The supply of labour in the informal sector consists of mostly new entrants into the labour markets. Most of the immigrants are young persons entering the labour forces who aspire for jobs in the formal sectors, but after finding the opportunities for it limited and entry restricted, start doing something or the other in the informal sector either as self-employed or part-time workers or apprentices or full-time workers in small establishments. As such the tendency of these workers is to move from the current occupation as and when the opportunities arise. This results in intra-sectoral and inter-sectoral mobilities of labour. In this chapter an attempt is made to examine the process of labour absorption and mobility patterns along with the determinants of labour participation.

5.2. PATTERNS OF ENTRY AND SECTOR OF WORK

Information relating to the labour absorption in different sectors during different time periods is presented in Table 5.1. It can be observed from the table about 50.00 per cent of the sampled workers in the informal sector and 33.33 per cent of the sampled workers in the formal sector have been absorbed in the last decade. The percentage of
Table 5.1

DISTRIBUTION OF ENTRANTS BY REFERENCE PERIOD AND SECTOR OF WORK

<table>
<thead>
<tr>
<th>TIME PERIOD</th>
<th>SECTOR OF WORK</th>
<th>Total Informal</th>
<th>Formal</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SE</td>
<td>C</td>
<td>D</td>
<td>IE</td>
</tr>
<tr>
<td>Before 1950</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>1951-1960</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>1971-1980</td>
<td>18 [32.14%]</td>
<td>8 [86.69%]</td>
<td>13 [37.14%]</td>
<td>42 [41.36%]</td>
</tr>
<tr>
<td>1981-1990</td>
<td>30 [53.57%]</td>
<td>1 [11.11%]</td>
<td>20 [57.14%]</td>
<td>52 [50.00%]</td>
</tr>
<tr>
<td>TOTAL</td>
<td>56</td>
<td>9</td>
<td>4</td>
<td>35</td>
</tr>
</tbody>
</table>

NOTE: Figures in brackets indicate percentage to the total.
SOURCE: Workers Sample
workers drawn into informal and formal sectors have been increasing from decade to decade. Only the inflow of workers into the formal sector is more during the decade 1971-80. On our analysis of the distribution of the entrants, it is observed that the addition of new workers is high in the last decade as compared to the previous decade on the whole in the informal sector but there is a fall in the addition of workers in the casual and domestic sub-sectors followed by formal sector. It shows increasing number of workers are inclined to be self-employed and also be employed in informal establishments.

5.3. DURATION OF CURRENT SECTOR OF WORK

Statistical information relating to the distribution of workers by duration of current job and sector of work is presented in Table 5.2. In the category of self-employed around 35.71 percent of the workers have been in the sector for about 10 years and 16.07 percent are for more than 15 years. In the case of labour engaged in casual sector for more than 15 years is nil, indicating most of the casual workers are switching over to some other sectors after acquiring certain amounts of skill and experience. With regard to domestic workers a good percentage (50.00) is confined to the same line of occupation. This may be because of lack of skills and occupations for these workers. An overall picture of the informal sector workers indicates that about 14.42 percent of workers have been confining to their respective sectors of work for more than 15 years, while in the case of formal sector it is 16.67 percent. Thus it may be inferred that out of the total workers only a few claimed to have long duration of current job.

5.4 INTRA-SECTORAL MOBILITY OF THE WORKERS

Previous occupation and mobility of the sampled workers are expected to throw light on occupational and intra-sectoral mobility.
### Table 5.2

**DISTRIBUTION OF WORKERS BY DURATION OF CURRENT JOB AND SECTOR OF WORK**

<table>
<thead>
<tr>
<th>Duration of Current Job [in months]</th>
<th>SE</th>
<th>C</th>
<th>D</th>
<th>IE</th>
<th>Total Informal</th>
<th>Formal</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 12</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>1 [0.96]</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>25 - 60</td>
<td>14</td>
<td>6</td>
<td>12</td>
<td>32</td>
<td>1 [31.62]</td>
<td></td>
<td>33</td>
</tr>
<tr>
<td>61 - 120</td>
<td>20</td>
<td>1</td>
<td>12</td>
<td>33</td>
<td>2 [32.73]</td>
<td></td>
<td>35</td>
</tr>
<tr>
<td>121 - 180</td>
<td>5</td>
<td>3</td>
<td>1</td>
<td>15</td>
<td>1 [12.73]</td>
<td></td>
<td>16</td>
</tr>
<tr>
<td>181 +</td>
<td>9</td>
<td>2</td>
<td>4</td>
<td>15</td>
<td>1 [16.67]</td>
<td></td>
<td>16</td>
</tr>
<tr>
<td>TOTAL</td>
<td>56</td>
<td>9</td>
<td>4</td>
<td>35</td>
<td>104</td>
<td>6</td>
<td>110</td>
</tr>
</tbody>
</table>

**NOTE**  Figures in brackets indicate percentage to the total

**SOURCE**  Workers Sample
## Table 5.3

**DISTRIBUTION OF WORKERS BY PREVIOUS AND PRESENT SECTORS OF WORK**

<table>
<thead>
<tr>
<th>Previous Sectors of Work</th>
<th>SE</th>
<th>C</th>
<th>D</th>
<th>IE</th>
<th>Total Informal</th>
<th>Formal</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>16 [47.08]</td>
<td>6 [17.64]</td>
<td>10 [29.41]</td>
<td>33 [97.66]</td>
<td>1 [2.94]</td>
<td>34 [100]</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>1 [100]</td>
<td></td>
<td></td>
<td>1 [100]</td>
<td></td>
<td>1 [100]</td>
<td></td>
</tr>
<tr>
<td>Formal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>12 [70.59]</td>
<td>3 [17.65]</td>
<td>1 [5.88]</td>
<td>17 [100]</td>
<td></td>
<td>17 [100]</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>56 [100]</td>
<td>9 [100]</td>
<td>4 [100]</td>
<td>35 [100]</td>
<td>104 [100]</td>
<td>6 [100]</td>
<td>110 [100]</td>
</tr>
</tbody>
</table>

**NOTE**  Figures in brackets indicate percentage to the total  
**SOURCE**  Workers Sample
Distribution of sampled workers according to previous and present sectors of work is presented in Table 5.3. Here the mobility of the worker from one sector to the other sector within the informal sector is termed as intra-sectoral mobility while the mobility of the worker from informal sector to formal sector is treated as inter-sectoral mobility. Out of the total self-employed workers, 76.92 percent of the workers remained in the same profession while 15.38 percent switched over to the informal establishment sector and 7.69 percent to formal sector. As such, there is both intra-sectoral and inter-sectoral mobility on the self-employed sector. Out of the 34 workers in the casual sector, only 17.64 percent stayed in the same profession while 47.06 percent entered self-employed, around 29.4 percent slipped down to domestic sector. About 29.41 percent moved into informal establishments and around 29.4 percent switched over to formal sector. Thus, both intra-sectoral and inter-sectoral mobilities are noticeable from the casual sector. With regard to domestic servants, practically, there is no mobility as all the sampled workers in the domestic sector continued to be in the same sector work. In the case of the informal establishments, out of the total 32 workers, 62.50 percent of the workers confined to the same sector of work, while 25.00 percent of workers moved into self-employed sector. 3.13 percent slipped into domestic sector and 9.38 percent of workers graduated to the formal sector. Thus, it may be concluded that there are intra-sectoral and inter-sectoral mobilities in all the sectors with the exception of the domestic servants.

5.5. FEMALE WORK FORCE PARTICIPATION

The proportion of the women workers in the work force is an indicator of the socio-economic profiles of the informal sector workers. It is argued that lower the earnings of the household, higher will be the women participation in the work force and vice-versa. Data relating to the female workers participation rates and average monthly earnings of
Table 5.4

**FEMALE WORK FORCE PARTICIPATION AND EARNINGS BY THE PRINCIPAL EARNER AND BY BROAD SECTOR OF WORK**

<table>
<thead>
<tr>
<th>Average Monthly Earnings in Rupees</th>
<th>Percentage of Women in age group 15-59 who worked in Household</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Informal</td>
</tr>
<tr>
<td>1-100</td>
<td>90.88</td>
</tr>
<tr>
<td>101-200</td>
<td>65.71</td>
</tr>
<tr>
<td>201-300</td>
<td>35.15</td>
</tr>
<tr>
<td>301-500</td>
<td>23.79</td>
</tr>
<tr>
<td>501+</td>
<td>15.32</td>
</tr>
</tbody>
</table>

*SOURCE: Workers Sample*
the principal earner are presented in Table 5.4. It can be observed from the table that the participation of women is significantly high 90.8 percent in the lower per capita monthly earnings group (below Rs 100 of the total sampled workers). By contrast, the female participation rate is only 15.56 in the higher earnings group (Rs 501+). It was also observed that the female participation rate has been declining with the increase in average earnings of the household. Thus, it can be concluded that female participation rate is significantly high in the lower average earnings group while it is very low in the higher average earnings group.

5.6. DETERMINANTS OF PARTICIPATION RATES

Labour participation rates refer to the proportion of workers to the total number of able-bodied persons in the reference age-group. In this study, we have used the 15-59 age group for analysis of determinants of the participation rates at the workers/household level. There are three sets of factors which affect these work force participation rates. They are (1) Social Background, (2) Economic level, and (3) Demographic structure. Social background determines the values that the households may attach to education, women working and also trade-off between higher household earnings and the status of keeping away from work, especially for women. Secondly, economic level also affects the participation rate of labour force. As household income increases, there is a tendency to withdraw women and children from labour force. Thus, within the given social systems, the level of household earnings may affect the participation of women and children in the work force. This effect may be of an inverted 'U' shape, so that at lower levels of household earnings there is a positive effect of increase in earnings, but it tapers off beyond a certain level of earnings. Finally, demographic structure is another important factor which affects the work force participation in different ways. The size of the household may have positive effect on labour participation rates if it implies a
larger number of dependants and hence, greater necessity for work. On
the other hand, the number of small children in the household may also
restrict the women from seeking work outside. Since women are less
likely to work the presence of greater number of females in the
reference age-group would obviously have a negative impact on the
work force participation rates.

561 MODEL SPECIFICATION

From the above discussion it is clear that different factors exert
influence on the household work force participation rates. To
disentangle the relative importance of these factors, it is necessary to
adopt a multiple regression framework. The basic form of the model
employed in the study is of the following type

\[ P = f \left( \text{Social Background, Economic Level, Demographic Structure} \right) \]

\[ P = a_0 + a_1 \text{HHER} + a_2 \left( \text{HHER} \right)^2 + a_3 \text{SEX} + a_4 \text{CHSP} + a_5 \text{D}_1 + \\
   a_6 \text{D}_2 + a_7 \text{D}_3 + a_8 \text{D}_4 + U \]

PARTICIPATION RATES:

Participation rate is measured by the proportion of workers to
the total number of workers in the working age-group.

\[ \text{HHPR} = \text{Number of workers as a proportion of total persons in age-group 15-59} \]

SOCIAL BACKGROUND The social background variable is
captured by using caste dummies. First, all the sample workers are
classified into five caste groups. Caste Group I includes all the upper
castes such as Brahmans, Kshatriyas, Vysyas, Telaga etc. All the
backward communities excluding professional artisan castes and craftsmen are grouped in the Caste Group II. This includes Kapu, Kalinga,
Baliya Reddiya, Gavara, Yadava etc. Caste Group III includes professional artisans such as Blacksmith, Goldsmith, Padmasali Kummari, Mangali, Rajaka etc. In the Caste Group IV all the scheduled castes such as Harijan Madiga Mala etc. and scheduled tribes are included. In the fifth group all the minority communities such as Muslims, Christians and others are included. Caste Group II being the numerically largest in the sample is taken as the base with

\[
D_1 = \begin{cases} 
1, & \text{if the household belongs to caste group I,} \\
& \text{namely, Brahmins Kshatriyas Vysyas, etc} \\
0, & \text{otherwise}
\end{cases}
\]

\[
D_2 = \begin{cases} 
1, & \text{if the household belongs to caste group III} \\
& \text{namely Goldsmiths Padmasali etc} \\
0, & \text{otherwise}
\end{cases}
\]

\[
D_3 = \begin{cases} 
1, & \text{if the household belongs to Caste Group IV} \\
& \text{namely Scheduled Castes and Scheduled Tribes} \\
0, & \text{otherwise}
\end{cases}
\]

\[
D_4 = \begin{cases} 
1, & \text{if the household belongs to Caste Group V} \\
& \text{namely Muslims Christians and others} \\
0, & \text{otherwise}
\end{cases}
\]

**ECONOMIC LEVEL**

Economic level is measured in terms of monthly per capita income of the household

**HHER:** Monthly per capita income of the household

To explain the impact of economic level on work force participation over a period of time, the rate of change in the per capita earnings is taken
\[ \text{HER} = |\text{HER}| \]

**DEMOGRAPHIC STRUCTURE:** To analyse the impact of demographic structure on the work force participation rates, number of females in the working age group and the number of children under 5 years age per female in the age-group 15-59 are considered. It is assumed that larger number of females in the working age group will have a negative impact on the participation rate. It is also assumed that the presence of small children below 5 years in the household may also restrict women participation rate.

**SEXF:** Number of females in age group 15 - 59 per 1000 males in the same age group.

**CHSF:** Number of children less than five years of age per female in age group 15 - 59.

**FORMAL SECTOR**

Statistical exercise is not done with regard to formal sector. The number of units engaging more than 10 employees in the organised formal sector in the town of Nellore is very small and thereby only 6 sample household were taken into consideration for the purpose of the study. Hence in this chapter and in the next chapter the study relates to total informal sector and sub-sectors of the informal sector in Nellore town.

**5.7 FINDINGS:**

The results of the regression analysis for the informal sector are presented in Table 5 5. The explanatory variables together explain 90 percent of the variation in the informal sector and the coefficient of determination is significant at 1% (one percent) level.
The coefficient of the Household earnings variable is negative but statistically significant. This implies an increase of 1 percent in per capita monthly household earnings will lead to a decrease in the participation rate by 0.01 percent. The coefficient associated with the square of the household earnings variable is positive though very small, however, it is statistically significant. From the magnitude of the coefficient, it can be seen that changes in variable will have high negative effect on the participation rate. The coefficient of the Sex Ratio variable is negative, though not statistically significant. This is in accordance with expected relationship, the presence of greater number of females in the reference age group would have a negative impact on the participation rates. The coefficient of the CHSF variable is positive though very small and not statistically significant. Increase in the number of children below 5 years in the family does not lead to a decline in participation rates - a conclusion that emerges from the low positive value of the coefficient.

The coefficients of the social background dummies reveal that all the coefficients are positive. The social background influences the participation rate positively.

The coefficients of the D_2 and D_3 are statistically significant. From the magnitude of the coefficients of the dummy variables it can be seen that the participation rate of the forward communities is the lowest of the different social groups. The participation rate by the backward castes is the highest and that of the scheduled caste and scheduled tribe comes next.

From the results it can be concluded that the participation rates are greatly influenced by the social background of the household and the number of children and women in a household. The earnings variable appears to influence the participation rate very little.
### Table 5.5

**INFORMAL SECTOR**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Standard Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.08904259</td>
<td></td>
</tr>
<tr>
<td>HHER</td>
<td>-0.0001328**</td>
<td>(16 82272)</td>
</tr>
<tr>
<td>HHERSQ</td>
<td>+0.0000006812**</td>
<td>(12 15183)</td>
</tr>
<tr>
<td>SEXR</td>
<td>-0.1821147</td>
<td>(0.664016)</td>
</tr>
<tr>
<td>CHSF</td>
<td>0.0004881</td>
<td>(0.2289)</td>
</tr>
<tr>
<td>D1</td>
<td>0.001017</td>
<td>(1.1385)</td>
</tr>
<tr>
<td>D2</td>
<td>0.0024717**</td>
<td>(2.033)</td>
</tr>
<tr>
<td>D3</td>
<td>0.00192856*</td>
<td>(2.013)</td>
</tr>
<tr>
<td>D4</td>
<td>0.0014786</td>
<td>(1.402654)</td>
</tr>
<tr>
<td>$\bar{R}^2$</td>
<td>0.9062</td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>114.7178</td>
<td></td>
</tr>
<tr>
<td>D W</td>
<td>1.35</td>
<td></td>
</tr>
</tbody>
</table>

*Figures in the Parentheses are "E" values*

* Significant at 5% level
** Significant at 1% level
DETERMINANTS OF SECTOR-WISE PARTICIPATION RATES

The equation considered for examining the determinants of the participation rates for the informal sector as a whole is estimated for the different sub-sectors within the informal sector and the results are presented in Table 56. Broadly the same pattern is observed in the case of sub-sectors also. However, there are some differences in respect of certain variables as well as magnitudes of their influences.

SELF-EMPLOYED

In respect of self-employed only a small percentage of the variation in the participation rates is experienced by the explanatory variables considered. Only 6 percent of the variation in the participation rates is explained by the explanatory variables. Household earnings variable has the positive sign, though not statistically significant. The coefficient of $[HHER]^2$ is negative. None of the coefficients is statistically significant. Sex ratio variable has a negative sign as in the case of the informal sector as a whole. The coefficient of the number of children is positive. Numerically, the coefficients of the two variables are larger than those of the other variables, indicating that participation rates are more responsive to these variables. The coefficients of the social background dummies are negative in the case of Scheduled Castes and Scheduled Tribes category. This suggests that participation rate among the scheduled caste and tribes category is more, while with the other the participation rate increases.

CASUAL SECTOR:

The results are better in this sub-sector than in the case of other sub-sectors. The variables considered together explain about 99 percent
Table 5.6

SECTOR-WISE DETERMINANTS OF HOUSEHOLD PARTICIPATION RATES

<table>
<thead>
<tr>
<th>Variable</th>
<th>Self Employed</th>
<th>Casual &amp; Domestic</th>
<th>Informal Establishments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.011293</td>
<td>0.07888</td>
<td>-0.053056</td>
</tr>
<tr>
<td>2</td>
<td>0.00002993</td>
<td>-0.000136</td>
<td>0.0001805</td>
</tr>
<tr>
<td></td>
<td>[0.5992]</td>
<td>[0.7431]</td>
<td>[1.3485]</td>
</tr>
<tr>
<td>3</td>
<td>-0.0000000162</td>
<td>0.00000011</td>
<td>-0.00000010</td>
</tr>
<tr>
<td></td>
<td>[0.6114]</td>
<td>[0.5336]</td>
<td>[1.3611]</td>
</tr>
<tr>
<td>4</td>
<td>-0.30276</td>
<td>-0.22918</td>
<td>-0.21305</td>
</tr>
<tr>
<td></td>
<td>[1.2291]</td>
<td>[0.0956]</td>
<td>[0.1021]</td>
</tr>
<tr>
<td>5</td>
<td>0.0015631</td>
<td>0.02616</td>
<td>0.004914</td>
</tr>
<tr>
<td></td>
<td>[0.8034]</td>
<td>[0.5824]</td>
<td>[0.2540]</td>
</tr>
<tr>
<td>6</td>
<td>0.0015799</td>
<td>0.002200</td>
<td>0.00002835</td>
</tr>
<tr>
<td></td>
<td>[1.0738]</td>
<td>[0.5975]</td>
<td>[0.0196]</td>
</tr>
<tr>
<td>7</td>
<td>-0.000343</td>
<td>0.0013625</td>
<td>0.001648</td>
</tr>
<tr>
<td></td>
<td>[0.1937]</td>
<td>[0.2986]</td>
<td>[0.7421]</td>
</tr>
<tr>
<td>8</td>
<td>0.000482</td>
<td>0.002031</td>
<td>0.001144</td>
</tr>
<tr>
<td></td>
<td>[0.3716]</td>
<td>[0.5631]</td>
<td>[0.6343]</td>
</tr>
<tr>
<td>9</td>
<td>-0.000535</td>
<td>0.00167</td>
<td>0.002843</td>
</tr>
<tr>
<td></td>
<td>[0.4939]</td>
<td>[0.2402]</td>
<td>[0.8745]</td>
</tr>
<tr>
<td>R²</td>
<td>0.6234</td>
<td>0.9941</td>
<td>0.1312</td>
</tr>
<tr>
<td>F</td>
<td>0.39060</td>
<td>84.6038</td>
<td>0.491</td>
</tr>
<tr>
<td>D.W</td>
<td>1.24</td>
<td>2.56</td>
<td>2.00</td>
</tr>
<tr>
<td>Sample Size</td>
<td>56</td>
<td>13</td>
<td>35</td>
</tr>
</tbody>
</table>

 NOTE: Figures in the brackets are t' values
of the variation in the participation rates. The coefficient of multiple
determination is statistically significant at 1 percent level. The
household earnings variable and the square of the household earnings
variable have negative and positive coefficients respectively, though
their magnitudes are smaller. The Sex Ratio and the number of children
variables have negative and positive coefficients as observed in the total
informal sector. This implies that more and more number of children
affect the participation rates in opposite directions. The coefficients of
the social background variable are all positive, though smaller
numerically. These results suggest that participation rates among the
backward castes are lower than those among the other social
communities. However, none of the coefficients is statistically
significant.

INFORMAL ESTABLISHMENTS

The results in the case of this sub-sector are better than those
observed in the case of self-employed. The explanatory variables
considered together explain about 13 percent of the variation in the
participation rates. This is higher in the case of self-employed (62
percent). Though $R^2$ it is still smaller the earning variable has a
positive coefficient indicating that participation rates increase with the
increase in earnings. A one percent increase in the proportion of females
causes a decline of about 21 percent in the participation rate. A one
percent increase in the number of children causes an increase in the
participation rate by 4 percent. The coefficients of social background
dummies are all positive. It can be seen with the participation rates
among the forward communities are the lowest. The participation rates
among the linguistic minorities are more and that by the backward
castes comes next. While some of the coefficients have the expected
signs, they are not statistically significant.
5.8. CONCLUSIONS

In this chapter an attempt is made to examine the process of labour participation and mobility patterns on the one hand and to identifying the factors determining the participation rates on the other hand. The major findings are

1. A greater proportion of the workers on both the formal and informal sectors have been absorbed in the last two decades. Also among the different sub-sectors of informal sector the rate of addition of new workers is high. Also among the different sub-sectors of the informal sector the rate of addition of new workers is high in the casual sectors.

2. Excepting domestic workers in all the sub-sectors of the informal sectors, there appears to be a greater mobility of labour from one activity to the other and this mobility is both inter-sectoral as well as intra-sectoral.

3. It is also observed that the female participation rate is higher in the lower average earning group and lower in the higher average income group.

4. An inverse relationship is found between the proportion of female to male population in a household and its participation rate. This is found to be higher in the sub-sectors than for the informal sector as a whole. Among the sub-sectors, the negative influence of the proportion of females in a household is found to be the greatest in the case of self-employed casual and domestic sectors and informal establishments come next in the order. As against this, the number of children of less than 5 years influences the participation rate positively. The influence of this variable on the participation rate is more in the case of sub-sectors than for the informal sector as a whole. Among the sub-sectors, its influence is more in the casual and domestic.
sector than in the other sub-sectors. This means that the greater
the number of dependents in a household the higher will be its
participation rate.

The participation rate among the forward castes is very low
relative to that of the other communities in the case of the
informal sector as a whole. Regarding the participation rates by
the various social communities differences are observed among
the different sub-sectors in the case of self-employed
participation rate among Scheduled Castes and Tribes category
is more. In the casual sector the participation rates among the
forward communities is higher the scheduled castes and tribes
coming next. In the case of the informal establishments, the
participation rates among the minorities are higher than other
social groups. The impact of earnings seems to be ambiguous a
negative relationship is observed in the case of informal sector as
a whole, i.e. a lower earnings to increased participation rate.

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