CHAPTER - II
CHAPTER - II
Informal Sector as Visualised

2.1. Concept of informal sector
2.2. a) Distinction between formal and informal sectors.
   b) Linkage between formal and informal sectors.
2.3. Gender sensitiveness and size of urban informal sector.
INTRODUCTION:

Everything in this world whether living, non-living or abstract has its own characteristics. Once distinction is made clear it becomes easy to understand its role in respective sphere and suggest for modification in changing context. Unless features are known, it is difficult to know about problems and for this it is necessary to describe concept first specially with background if possible. In this case also same procedure is followed so that one can understand speciality of informal sector which is a emerging concept, having its root at the time of industrial revolution. Informal sector or unorganised sector as it is commonly addressed by ILO/NSS is more gender sensitive in nature. This happens because of restriction imposed by organised sector in case of qualification and age where poor women prove themselves to be under qualified. Women of lower income bracket in large number are more economically active agents than the urban educated women because of necessity. Since level of literacy is dissatisfactory among poor women and they also make late entry to economic sphere for them this sector is the best alternative. But it has on the contrary created problems in many ways drawing the attention of social thinkers for improvement of this sector and to bring ultimate improvement in the status of fair-sex. The distinction between formal and informal sectors unless is made clear at the beginning discussion on chosen topic will fail to give lucid picture of situation and realisation of end objective of study in term of quality of human capital will be a difficult one. During the discussion it will be found that over the period there is change in its size of operation and how it has become popular in developing countries is being discussed hereunder.
2.1. **Background**:  

Very commonly one tries to magnify concept of informal sector with the period when ILO/UNDP employment mission to Kenya was carried out in 1972. But historical development of economic process establishes the fact that informal sector in "latent" condition existed during the period of industrial revolution where migrant workers were engaged in lowest economic activities like cart-pulling, begging, manure collection etc. (Samal, C. Kishore 1990) which ultimately drew attention of Marx and Lenin\(^1\) in later stages.

During subsequent period also "surplus-labour" a special characteristic of developing countries became matter of discussion among different economists. Accordingly, Arthur Lewis' (1950) "Theory of Development"\(^2\) later developed by John Fei and Gustav Ranis\(^3\) is considered as stepping stone toward achieving sustainable development for the developing countries. It is the structural adjustment through which UDCs can solve their chronic problems, and during this transitional period rural-urban migration puts heavy pressure on urban unemployment pool, where "urban informal sector harbours the bulk of this labour in transition from the rural sector into industrial development".\(^4\) Whatever growth model is applied in case of developing nations "Rostow's pre-conditions of "Take off" are essential

---

2. M. P. : *op. cit.*, pp. 75-76.
4. *ibid*, p. 168/II.
conditions for countries trying to have structural adjustment and probably because of this informal sector in recent time is topic of discussion among policy makers. Moreover, "The theory of balanced growth" of Prof. Nurkse, is added dose of incentive to inspire economists and academicians to think that "economic planning cannot give the lead without success of family planning" and in Indian context it is more applicable, where female-literacy rate is still unsatisfactory and women are pushed back in low-paid economic activities.

The feature of "Dualism" of Prof. Singer is most commonly found in developing nations and Kenya not being exception in this regard urged upon ILO/UNDP employment mission "to promote specific policies for employment and income generation in the informal sector. The distinction between formal and informal sectors thus became physically visible.

From above discussion it is clear, that surplus labour are always nourished by the informal sector, but the sector did not come to limelight till Keith Hart conducted study in southern Ghana where unskilled and illiterate majority of Farrar migrants worked in "low income section of the labour force in Accra".

5. ibid, p. 56/II.
6. ibid, p. 110/II.
7. ibid, p. 145/II.
2.1.1. Concept of the Term:

Inspite of large many literature on informal sector concept of the term is still obscure and creates confusion specially in the minds of young social thinkers regarding which one is to be universally accepted. The problem deepens when marginally two different terms "unorganized" and "informal" are used interchangeably by different scholars. Ordinarily the units not registered under Factories Act 1948 belong to unorganized sector, as such they are also called unprotected/unregulated sector. To draw better picture of situation all these terms are clubbed together under the banner of "informal sector"; while former is unidimensional the later is holistic in approach. However the "Central statistical Organization (CSO)\(^{10}\) prefers using terms unorganized sector" while "International Labour Organization" (ILO) is responsible for popularizing the term "informal sector" among developing nations specially after successful launching of ILO/UNDP mission to some selective countries like Kenya, Columbia, Sri Lanka, Philippines and other cities.\(^{11}\)

Though "dualism" is universally accepted view for developing countries, but its nature varies from one another depending on level of economic development that helps determine production pattern of the country and impact is realized in terms of employment, income equality and development.

---

10. NSS- 51st round.

So under "dualism" one finds "capitalistic" and "peasant forms of production"; "firm centred" and "bazaar economics", "upper and lower circuits", "traditional and modern sectors", "enumerated and unremunerated sectors". The former comprises organized units; the later consists of unorganized/small-scale/self-employed economic activities. The production system is further divided into "capitalist" and "subsistence"; "factory and non-factory", "large" and "small", "industrial and non-industrial".

Accepting views of different scholars working on urban informal sector it will be appropriate to address this sector as "peasant forms of production/bazaar economics/lower circuit/traditional/unorganized/enumerated/subsistence/non-factory/small and non-industrial" segment of economy.

Thus variegated nature of informal sector is responsible for failure to evolve qualitative definition, which can become operationally acceptable to all. However in the "International Workshop on Mobilization of Informal sector savings" conclusion was drawn that "informal sector is that part of the economy which is not fully, adequately, properly or organically integrated in the modern organized sector of the economy".

In the same workshop, the international experts felt that quantitative definition in terms of size of employment or capital investment would be suitable to define informal sector rather than a qualitative definition,\textsuperscript{16} which indirectly supported parameter evolved by ILO/UNDP mission to different developing nations. The "employment income parameters" ultimately became basis of discussion while among policy makers formulating policy for informal sector that absorbs surplus population of under developed economy.

How far it is crucial to define, conclusion can be drawn to the tune of Sethuraman (1976)\textsuperscript{17} who distinguished five different employment sectors—industrial production, construction, transportation, retail trade and services—in proposing criteria for membership in the informal sector. According to this criteria a production unit in construction industry will belong to informal sector, if it fulfills any of the following conditions:

i. It employs no more than ten people (including part time and occasional workers).

ii. It avoids social regulations.

iii. It does not work at fixed hours.

iv. It employs workers from the household of the head of the enterprise.

v. It has an itinerant nature or occupies provisional premises.

vi. It does not use electrical or mechanical energy.

vii. It does not use credit from formal institutions.

viii. It employs workers with fewer than six years of schooling.

\textsuperscript{16} ibid, p. 7.

\textsuperscript{17} www/sdsi.org/book. html/.
Thus ultimate aim to work in this sector is to bring new hope to urban poor as done by Soto in Peru.\textsuperscript{18}

\subsection*{2.2. Distinction Between Formal and Informal Sectors}

On the basis of ILO observation with reference to employment scenario of Kenya, the following distinction is made between formal and informal sectors\textsuperscript{19}:

\begin{center}
\begin{tabular}{|l|l|}
\hline
\textbf{Formal Sector} & \textbf{Informal Sector} \\ \hline
a) Difficult entry. & a) Ease of entry. \\ b) Frequent reliance on overseas resources. & b) Reliance on indigenous resources. \\ c) Corporate ownership. & c) Family ownership of enterprises. \\ d) Large-scale of operation. & d) Small-scale operation. \\ e) Capital intensive and often imported technology. & e) Labour intensive and adopted technology. \\ f) Formally acquired (expatriate) skills, often expatriate. & f) Skills acquired outside the formal school system. \\ g) Protected markets (through tariffs, quotas and trade licenses). & g) Unregulated and competitive markets. \\ \hline
\end{tabular}
\end{center}

In one of the most popular attempts Heather and Vijay Joshi distinguished the two sectors by laying down following characteristics\textsuperscript{20}:

1. Firstly, the organized sector contains large manufacturing firms operating in oligopolistic markets sheltered from foreign competition by high tariffs and quantitative restrictions selling their products mainly to middle

\begin{flushleft}
\textsuperscript{18} \textit{Ibid.}, p. 11.
\textsuperscript{20} Vishwa: \textit{op. cit.}, p. 16.
\end{flushleft}
and upper income groups, whereas unorganized sector contains a very large number of small producers operating on narrow margins in highly competitive product market, selling a variety of goods and services. Its products are sold mainly to low-income groups (though there are obvious and significant exceptions such as domestic services).

2. Secondly, in the organized sector firms use capital intensive, imported technology in contrast to labour intensive indigenous technology used by unorganized sector producers; labour productivity in the former is therefore, much higher than the later. Technology of the organized sector firms requires routinised and formalized work conditions while work situation in the unorganized sector is quite informal.

3. Thirdly, the firms in the organized sector have access to and influence over the machinery of the government and therefore, to official protection and benefit, which are not available to the unorganized sector producers. Similar is the case with finance and credit from the organized banking system.

Papola (1986)\(^2\) is of opinion that "the two way classification of urban economic organizations" is neither analytically clear nor acceptable for all occasions. The distinction is arbitrary. According to some, since informal or unorganized sector is in the process of transition, in due course of time with upgradation of the sector, discontinuities will disappear. Joshi observes that while workers in organized sector are protected, Dipak Mazumder further explains source of protection is due to "unionized character

of the workforce" of the sector, followed by certain legislative measures, and formalized recruitment method, which regulate working condition and wages.

The characteristic distinction between formal and informal sectors springs up from existing imbalance in employment situation. Employment problem is the reflection of imbalance "between the size and growth of labour force on the one hand and the opportunities for the productive absorption of labour offered by the existing economic structure on the other". Now how far the distinction is empirically accepted is shown in following manner.

**ILO proposed criteria for defining the informal sector and their level of acceptance**

<table>
<thead>
<tr>
<th>ILO Proposed</th>
<th>Level of Acceptance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ease of entry.</td>
<td>Invalid and misleading; recruitment to most labour categories, depends on well defined characteristics; entry if easy, only into vulnerable jobs of unskilled work in construction, domestic services, steel vending etc.</td>
</tr>
</tbody>
</table>

22. *ibid*, p. 5.


Contd..............
4. Small-scale Ownership patterns were not systematically explored, presumably because it defies rigorous definition where little fixed capital is used, direct or indirect use of family labour could be common in many units.

5. Labour intensive and adoptive technologies. Valid by definition or measurement procedures.


7. Unregulated and competitive market. Partially valid, there are many cases of ex-formal sector workers setting up units and such background makes a difference to the nature and extent of technical innovations. Product market structure is rarely investigated, this is obviously not valid with subcontracting between large and small firms, may be valid with mass consume goods and services sold to households.24

After an elaborate discussion on concept and distinction one may raise question whether informal sector can be discussed in isolation with formal sector? Searching of related literature establishes the fact that there is good linkage between formal and informal sectors and they are discussed in later on.

24. ibid, p. 34.
2.2.1. Linkage Between Formal and Informal Sectors:

To start with words of Papola "can informal units grow independent of formal sector"? The answer is paid back in same language - "the informal sector which can be used as an instrument on the growth of the formal sector ......" 25

The relationship between formal and informal sectors is two way traffic, so it would be futile to attach more importance to one at the cost of another. "The theory of balanced growth", "The big push theory" and "The theory of unbalanced growth" specially can be brought into reference while discussing the present sub-theme. Prof. Hirschman categorically believes that every investment has both "forward linkage" and "backward linkage effect" supporting observation of Papola who made case study in the city of Ahmedabad, the opinion can be gathered in support of it.

The linkage between two sectors is both direct and indirect. The direct linkage is in terms of input (from formal to informal sectors) technology and market whereas indirect linkage refers to "demand for goods and services generated in the informal sector by a clientele whose income is dependent on the formal sector". 27

Samal (1990) in his study on manufacturing sector in steel city of Rourkela 28 observes relationship is benign rather than exploitative a similar

27. P.M. : op. cit., p. 43.
observation as made by Brienfield in reference to Tanzania. Samal is of opinion that degree of relationship varies with stages of economic development; while in the initial stage, the relationship is unidimensional; at certain stage it is mutual and in long run it is more or less integrated, thus what is opined by some that informal sector is transitory remains valid.

In underdeveloped economics marketing is a big problem and under such situation informal trading is of great importance in the whole distribution system, which is carried out by vendors and hawkers to meet requirements of urban lower/middle/poor class people.

Again in case of indirect linkage income of clientele living in informal sector depends on growth of formal. For example goods and services produced by repairing houses, fruits and vegetables sellers, domestic helpers and etc. can increase their income only when there is expansion in formal sector. Over the period clientele is likely to become victims of demonstration effect.

Apart from such relationship there is also "social-dependency relationship" which is outcome of economic insecurity. Absence of public welfare or unemployment compensation, coupled with irregular/insecure nature of income forces these people to establish dependency relations with social superiors, which help them get contractual, and semi contractual commitment.

Lastly it can be said that linkage between two sectors is invariable otherwise economic development of country like India will be lopsided. To conclude in the words of Harjit S. Anand "it is only on the basis of a symbolic partnership between the role players of the formal and informal sectors that Indian products and services can compete effectively in the global economy.\(^\text{35}\)

2.3. Gender Sensitiveness and Size of Urban Informal Sector:

In the introductory chapter outline about "economic activities of women in informal sector" (1.3) is given and on this basis the present topic is discussed in extended form. To start with a question mark: "Female employment at the cost of male employment?" probably will picturise the situation in better way.

> An increase in the relative number of female workers is unlikely to influence male unemployment adversely. There is no evidence that greater female participation has in the past has been at the expense of male employment; employment trends for both the sexes have tended to move in the same direction. In the coming years when the informal sector is expected to increase in importance women are likely to be hired in jobs that men donot want, based on current preference, because working hours are limited or job offers a less secure link to the employing enterprise.\(^\text{36}\)

---

\(^{35}\) Kurukshetra, Jan. 2000, p. 4.

Employment of any person depends on his/her level of education, skill, mobility, sense of self-sufficiency, necessity, that all help to flourish in desired direction. Taking all of them, into consideration if quality of female population is judged then picture may not be so colourful to the viewers.

Apparently discussion on female literacy may seem to be irrelevent here but it is universally accepted that education is the prime consideration while determining quality of human capital. It is through education one attains skill and knowledge. The whole education system is divided into three phases: a) Primary (I-V), b) Upper-Primary/Middle (VI-VIII) and c) High School/Pre-Degree/Hr. Sec. Primary education emphasises on removal of illiteracy; secondary education is meant for generating skilled manpower and in between these two lies upper-primary which produces semi-skilled or middle cadre workers. On the other hand Higher education/University produces technocrats or highly skilled workers according to market demand. So brief discussion is made here about rural-urban literacy to know about literacy level among women and migrants in general.

2.3.1. Level of Literacy Among Rural Women:

In order to eradicate illiteracy National Policy on Education (1986) suggests that primary education upto the standard V should be made compulsory at free of cost. Accordingly to assess improvement in rural urban literacy rate following table is provided followed by number of drop-outs to get clear picture of situation, as it is the quality of women migrants who influence urban informal sector tremendously.

### Table - 2.1

**Rural-Urban Literacy Rate (1951-2001)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>19.02</td>
<td>4.87</td>
<td>12.10</td>
</tr>
<tr>
<td>Rural</td>
<td>19.02</td>
<td>4.87</td>
<td>12.10</td>
</tr>
<tr>
<td>Urban</td>
<td>45.60</td>
<td>22.30</td>
<td>34.54</td>
</tr>
<tr>
<td>Total</td>
<td>27.16</td>
<td>8.86</td>
<td>18.33</td>
</tr>
<tr>
<td>1961</td>
<td>34.30</td>
<td>10.10</td>
<td>22.50</td>
</tr>
<tr>
<td>Rural</td>
<td>34.30</td>
<td>10.10</td>
<td>22.50</td>
</tr>
<tr>
<td>Urban</td>
<td>66.00</td>
<td>40.50</td>
<td>54.40</td>
</tr>
<tr>
<td>Total</td>
<td>40.40</td>
<td>15.35</td>
<td>28.30</td>
</tr>
<tr>
<td>1971</td>
<td>48.60</td>
<td>15.50</td>
<td>27.90</td>
</tr>
<tr>
<td>Rural</td>
<td>48.60</td>
<td>15.50</td>
<td>27.90</td>
</tr>
<tr>
<td>Urban</td>
<td>69.80</td>
<td>48.80</td>
<td>60.20</td>
</tr>
<tr>
<td>Total</td>
<td>45.96</td>
<td>21.97</td>
<td>34.45</td>
</tr>
<tr>
<td>1981</td>
<td>49.60</td>
<td>21.70</td>
<td>36.00</td>
</tr>
<tr>
<td>Rural</td>
<td>49.60</td>
<td>21.70</td>
<td>36.00</td>
</tr>
<tr>
<td>Urban</td>
<td>76.70</td>
<td>56.30</td>
<td>67.20</td>
</tr>
<tr>
<td>Total</td>
<td>56.38</td>
<td>29.76</td>
<td>43.57</td>
</tr>
<tr>
<td>1999</td>
<td>57.90</td>
<td>30.60</td>
<td>44.70</td>
</tr>
<tr>
<td>Rural</td>
<td>57.90</td>
<td>30.60</td>
<td>44.70</td>
</tr>
<tr>
<td>Urban</td>
<td>81.10</td>
<td>64.00</td>
<td>73.10</td>
</tr>
<tr>
<td>Total</td>
<td>64.13</td>
<td>39.29</td>
<td>52.21</td>
</tr>
<tr>
<td>2001</td>
<td>71.40</td>
<td>46.70</td>
<td>59.40</td>
</tr>
<tr>
<td>Rural</td>
<td>71.40</td>
<td>46.70</td>
<td>59.40</td>
</tr>
<tr>
<td>Urban</td>
<td>86.70</td>
<td>73.20</td>
<td>80.30</td>
</tr>
<tr>
<td>Total</td>
<td>75.85</td>
<td>54.16</td>
<td>65.38</td>
</tr>
</tbody>
</table>

From the above table it can be seen that over the period there is improvement in female literacy both in case of rural and urban women, but in comparison to male, they lag behind. To find out cause of slow pace of improvement probably dropout will be suitable reason, as such information about dropout at different level of education is given below:

**Table - 2.2**

**Percentage Drop-Out at Different Stages of School Education**

<table>
<thead>
<tr>
<th>Years</th>
<th>Boys</th>
<th>Girls</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Primary</td>
<td>Middle</td>
</tr>
<tr>
<td>1960-61</td>
<td>61.7</td>
<td>18.8</td>
</tr>
<tr>
<td>1970-71</td>
<td>64.5</td>
<td>22.8</td>
</tr>
<tr>
<td>1980-81</td>
<td>54.5</td>
<td>16.3</td>
</tr>
<tr>
<td>1990-91</td>
<td>40.10</td>
<td>59.12</td>
</tr>
<tr>
<td>1993-94</td>
<td>36.07</td>
<td>49.95</td>
</tr>
<tr>
<td>1994-95</td>
<td>55.18</td>
<td>50.02</td>
</tr>
</tbody>
</table>


The table shows that girls dropout rate at all levels of education except during 1994-95 at primary level was far behind the boys. Referring to the same prevailing condition in Assam, it can be suggested that excluding Kerala and Mizoram, female literacy is to be boosted up throughout the country by controlling girls dropout rate. During the period 1997-98 rate of dropout in Assam from I to X for boys and girls was 67.65 percent and 72.67 percent respectively.38

38. Assam Beyond, 2000, p. 92.
Citing to the average performance of the state in the field of education it is to be said whatever achievement in literacy is seen, it is due to urban influence. In rural areas female literacy suffers or girl dropout is more because of political turmoil and insurgency problem as felt by different observers. In addition they add following reasons in support of girls dropout:

1. The loss of the earning of one family member (the girl child to be sent to school) is an important insurmountable problem for poor families.
2. Social factors such as early marriage and a wide spread belief in female seclusion.
3. Seasonal factors like monsoon and harvesting.
4. Discriminatory processes at work within the school system.39

From rural-urban literacy rate among the major states it is found that in case of Assam rural literacy rate is only 49.3 percent against urban rate of 79.3 percent (1996).40 So achievement in literacy rate to 52.9 percent is due to urban influence. In this regard Assam is followed by Orissa, Madhya Pradesh, Andhra Pradesh, Uttar Pradesh, Rajasthan, Bihar whereas Kerala tops first (89.9 and 92.2 percent) followed by Maharastra, Gujarat, Punjab, West Bengal and etc. against all India rural-urban literacy level of 43.7 and 73.0 percent respectively. Among the districts of Assam literacy is highest in Jorhat district (72.54 percent) followed by Kamrup (67.31 percent).41

39. ibid, p. 108.
Now taking literacy as criterion to determine women's capacity in field of economic activity it would be seen that women could not make much headway in female literacy even after 55 years of independence. Even if there is slight improvement in enrolment figure, it is found that more than one third of children drop out before completion of primary level of education and more than half of them quit before reaching class-VIII. Among the dropouts again girls top of the list belonging to the vulnerable sections of the society suffering from acute poverty, economic inequalities and indifferent attitude towards female-literacy.

Accepting the criticism on female literacy rate if overall situation is analysed then it leads to conclusion that significantly there is fall in boys/girls differential rates from 35.8 percent points in 1950-51 to 18.90 percent points in 1999-2000 i.e. there is improvement in gross enrolment ratio (GER) for girls from 4.6 percent to 49.66 percent for the referred period. Though GER for girls has improved for both primary and upper primary levels, still in comparison to boys their position is lower.

As regards dropouts also there is significant improvement as the figure has come down to 40.25 percent in 1999-2000 from 64.9 percent in 1960-61, but in term of girls it is still to be worried as figure is as high as 42 percent and 58 percent for primary (I-V) and upper primary (VI-VIII) stages respectively.

42. Kurukshetra, January 2000, p. 4.
44. Idem.
With such literacy background when women migrants either as single women or with family move towards urban areas mainly due to "push" factor they join lowest rungs of employment ladder, aggravate urban poverty rather than accelerating economic growth rate. Since they form cheap labour force they are less paid. In one of the studies it is observed that the proportion of female migrants is higher among marginal workers than among main workers. In another study Patrick with reference to Kerala has shown that "saleswoman" constituted mainly by migrant labour with medium level of education and poor family background face discrimination in labour market.

To know about bulkiness of urban informal sector in term of women workers it is also essential to know about position of female migrants indifferent categories of migration. So here again outline is given in brief about causes of women migration.

2.3.2. Women in Migration Process:

To study the causes of women migration it is also necessary to know about types of migration on the basis of distance as it counts a lot in case of women. From 1881 onwards Census made an attempt to define migration and in 1961 census reports it was defined in following manner of migration:

i) Short distance - persons born outside the place of enumeration but within the district of enumeration.


ii) Medium distance - persons born outside the place of enumeration but within the state.

iii) Long distance - persons born outside the state of enumeration.\textsuperscript{47}

In 1971 73.8 percent women migration was short distance in nature. 1981 census further provides that out 204.2 million migrants 142.2 million were women and more than 2.7 million women gave employment as reason of migration to places outside their place of birth.

The most female migration is associational or marriage related, as per 1981 census report, which records 80 percent of such cases. Of course throughout the world cause of female migration is not same; specially in West Africa, "women migrate to escape oppression of patriarchal familial norms".

Women migration is the growing dimension of discussion as women too substantially contribute towards family exchequer, and in some cases take decision in family matters, including financial. Thadani - Todaro model is the first model to look into causes of women migration. It is found that the Third World countries depend largely on female workers; even Great Britain engaged over more than half women and girls employees in textile industries in 1851. In India also women migration is on increasing trend because of economic and seasonal survival reason, though its intensity is less in comparison to South America and some parts of South-East Asia. In following table magnitude of female migration is shown to get first hand information about them.

Table - 2.3
Share of Different Migration in Total Female Migration (1991)

<table>
<thead>
<tr>
<th>Types of Migration</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural to urban</td>
<td>14%</td>
<td>32%</td>
</tr>
<tr>
<td>Urban to urban</td>
<td>9%</td>
<td>18%</td>
</tr>
<tr>
<td>Urban to rural</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Rural to rural</td>
<td>71%</td>
<td>43%</td>
</tr>
</tbody>
</table>


The general impression is that only the poorest migrate, but it is not always true due to cost-factor, so it is normally "non-land owing household" whose propensity to migrate is higher than the rest. Apart from these general factors, "indebtedness", "desertion" (deserted by husbands), "caste atrocities", "distress-migration" caused by major developmental projects, deforestation etc are also equally responsible for female migration.

So long discussion is made only about women migration in relation to their literacy level and causes of migration the impression should not be gathered that they are the major share holders of urban informal sector. There are other categories of women workers who also join this sector depending on their physical, mental and financial capacities, due to rising trend of consciousness generated by different women movements and break-down of joint family system on economic reason. As such feminization of informal sector is very common sight both in rural and urban areas whether they are engaged in gainful activities or not. Irrespective of level of literacy they

48. Ibid, pp. 24-75.
find entry to be suitable as there is no age-bar; even at late age also an educated women if she wishes can easily become a self-employed person which rarely happens in case of a male of same age-group as by common practice he has to bear family responsibilities from an early age. Before switching over to next discussion causes of female migration reproduced from Shramshakti is shown in the following table for easy grasping of situation.

Table - 2.4
Migrants Classified by "Sex and Reasons" (figures in million)

<table>
<thead>
<tr>
<th>Reasons for Migration</th>
<th>Total</th>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
</tr>
<tr>
<td>Employment</td>
<td>19.1</td>
<td>2.7</td>
<td>13.2</td>
</tr>
<tr>
<td></td>
<td>(31.9)</td>
<td>(1.9)</td>
<td>(29.9)</td>
</tr>
<tr>
<td>Education</td>
<td>3.2</td>
<td>1.3</td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td>(5.3)</td>
<td>(0.9)</td>
<td>(5.7)</td>
</tr>
<tr>
<td>Shifting of Family</td>
<td>18.3</td>
<td>20.2</td>
<td>13.2</td>
</tr>
<tr>
<td></td>
<td>(30.4)</td>
<td>(14.3)</td>
<td>(29.9)</td>
</tr>
<tr>
<td>Marriage</td>
<td>1.9</td>
<td>104.0</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td>(3.2)</td>
<td>(73.3)</td>
<td>(3.9)</td>
</tr>
<tr>
<td>Others</td>
<td>17.5</td>
<td>13.6</td>
<td>13.5</td>
</tr>
<tr>
<td></td>
<td>(29.2)</td>
<td>(9.6)</td>
<td>(30.6)</td>
</tr>
<tr>
<td>Total</td>
<td>59.9</td>
<td>141.8</td>
<td>44.1</td>
</tr>
<tr>
<td></td>
<td>(100.0)</td>
<td>(100.0)</td>
<td>(100.0)</td>
</tr>
</tbody>
</table>

Source: Shramashakti, (Demographic and Economic Profile).

Table shows that women migration is more than male migration only in case of marriage i.e. they prefer to be associationists to single women reflecting ideology of traditional Indian society.
In case of urban informal sector of greater Guwahati in addition to above general factors of migration flood-havoc, fragmentation of land holding are also responsible for female migration, as could be known from different sources.

2.3.3. Female Work Force Participation Rate (FWFPR) with Reference to Informal Sector:

It is increasingly being realized that women if given chance they can become equal shareholder in economic prosperity of the country thereby raising standard of living of the family.

From the dawn of civilization women are engaged in economic activities and it is believed that it is the women who domesticated crop plants leading to improvement of art and science of farming. Tragically inspite of that woman are underestimated and by passed by economic benefits.

Yadav in his writing "The Working Women of India" righty points out that women's work participation both quantitatively and qualitatively are governed by social, religious and traditional factors, as a result of which they are constrained to take up either invisible/uncounted, low-skill and low paying jobs. On the basis of different statistical information including ILO, FWFPR is discussed hereunder.

Like any other statistical assignment National Sample Service Organization collects periodic information about unorganized (informal) sector and provides information about own-account enterprises (OAE),

Directory manufacturing and repairing establishments (DMEs) and non-directory establishment (NDEs) in different back-ups to enable the policy makers to chalk out strategy accordingly.

Employment by sex reveals that there is not much change in the percentage of female workers between 45th (1989-90) and 51st (1994-95) rounds of NSS except in the OAMEs located in the urban areas, where percentage went down from 37 to 30. According to 51st round (1994-94) estimate about 31 percent were females in unorganized manufacturing sector and rest were males. Female participation in unorganized manufacturing and repair enterprises was much more in rural areas than in urban areas. There were 378 females per thousand of total employed in rural areas as against only 175 females in urban areas.\(^50\)

ILO in its study found that 33 percent of the world's labour force comprised of women; 27 out of every 100 were economically active women, FWFPR is about 40 percent in Eastern Europe whereas 15 percent in Latin America and South Asia.\(^51\)

It is very much well known that like any other country of the world in India also women play significant role in development of country. According to different reports available only 5 percent are in organised sector and rest are in unorganised informal sector. Though there may be marginal variation in the figure but as a whole percentagewise involvement of women in informal sector is more than 90 percent. As per NSSO finding work participation rates

\(^{50}\) NSS- 51st round, July 1994, June 95.

across gender in rural and urban areas has registered a fall in between 1983 and 1999.\textsuperscript{52} The sectoral profile of female work force indicates that more than 80 percent are in agricultural sector. In urban areas diversian of FWPR from primary to tertiary sector is visible indicating that urban women are able to take advantage of employment opportunities. Here women participation in the tertiary sector has increased from 37.6 percent in 1983 to 52.9 percent in 1999. Such improvement in other way can be interpreted that since there is increase in urban female literacy rate, it has acted as boon by way of better avenues to the urban females, which is not found in case of rural women because of very slow progress in rural female literacy rate. As a whole there is 0.8 percent increase in FWPR in 1999 over the previous year i.e. 1998. Here it can be mentioned that while FEAR (Female Examine Activity Rate) for Australia, Indonesia and Mozambique are 55.6 percent, 55 percent and 82.9 percent respectively for India it is only 42 percent which is marginal improvement over the previous period (41 percent) as recorded in 2000-2001 Economic Survey. Strikingly except in China female to male ratio in all the countries of the world is below 100 whereas in India female/male ratio is 50. Moreover from revelation of NSSO 55th round report on employment and unemployment it is known that work participation rate for male is higher than female in the age group of 15-29. But in case of both urban and rural women the entry age is high as they are to bear and rear their families from an early age-depressing FWFR in the 15-29 age group.\textsuperscript{53}

\textsuperscript{52} Economic Survey, 2001-2002, p. 245.

\textsuperscript{53} ibid, p. 246.
In India women constitute a significant portion of labour force. About 29% of the work force is women (90 million out of 314 million according to 1991 census). Out of 90 million only 23 million (5%) women are in organized sector and rest 85 million (95% of total) are in unorganized sector. How the women in increasing number are taking part in economic activities both in urban and rural areas are shown in Table-2.5.

Table - 2.5
Growth of Employment (1977-78 to 1993-94)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment (million)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Rural</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>136.2</td>
<td>147.9</td>
<td>157.7</td>
<td>180.2</td>
</tr>
<tr>
<td>Female</td>
<td>59.8</td>
<td>65.9</td>
<td>70.5</td>
<td>74.3</td>
</tr>
<tr>
<td>Total</td>
<td>196.0</td>
<td>213.8</td>
<td>228.2</td>
<td>254.5</td>
</tr>
<tr>
<td>(ii) Urban</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>36.1</td>
<td>45.4</td>
<td>51.7</td>
<td>63.9</td>
</tr>
<tr>
<td>Female</td>
<td>7.7</td>
<td>9.6</td>
<td>11.0</td>
<td>13.5</td>
</tr>
<tr>
<td>Total</td>
<td>43.8</td>
<td>55.0</td>
<td>62.7</td>
<td>77.4</td>
</tr>
<tr>
<td>(iii) Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>172.3</td>
<td>193.3</td>
<td>209.4</td>
<td>244.1</td>
</tr>
<tr>
<td>Female</td>
<td>67.5</td>
<td>75.5</td>
<td>81.5</td>
<td>87.9</td>
</tr>
<tr>
<td>Total</td>
<td>239.8</td>
<td>268.8</td>
<td>290.9</td>
<td>332.0</td>
</tr>
</tbody>
</table>

Annual Rates of Growth (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Rural</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>1.51</td>
<td>1.43</td>
<td>1.48</td>
<td>2.25</td>
<td>1.90</td>
</tr>
<tr>
<td>Female</td>
<td>1.77</td>
<td>1.52</td>
<td>1.66</td>
<td>0.87</td>
<td>1.15</td>
</tr>
<tr>
<td>Total</td>
<td>1.59</td>
<td>1.66</td>
<td>1.53</td>
<td>1.84</td>
<td>1.67</td>
</tr>
<tr>
<td>(ii) Urban</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>4.23</td>
<td>2.97</td>
<td>3.66</td>
<td>3.57</td>
<td>3.31</td>
</tr>
<tr>
<td>Female</td>
<td>4.18</td>
<td>2.95</td>
<td>3.62</td>
<td>3.64</td>
<td>3.35</td>
</tr>
<tr>
<td>Total</td>
<td>4.22</td>
<td>2.96</td>
<td>3.66</td>
<td>3.59</td>
<td>3.32</td>
</tr>
<tr>
<td>(iii) Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>2.11</td>
<td>1.80</td>
<td>1.97</td>
<td>2.59</td>
<td>2.25</td>
</tr>
<tr>
<td>Female</td>
<td>2.06</td>
<td>1.71</td>
<td>1.90</td>
<td>1.27</td>
<td>1.45</td>
</tr>
<tr>
<td>Total</td>
<td>2.10</td>
<td>1.77</td>
<td>1.95</td>
<td>2.23</td>
<td>2.03</td>
</tr>
</tbody>
</table>

Source : Agrawal, A.N. and Varma, Hari Om.
Here mention may be made that there exists difference in the information collected through NSSO survey and 1981 census; as such female workforce participation rate recorded in 1981 census is 3.25 times less than the males. In urban areas male workforce participation rate (main workers) is about seven times higher than the female workers. On the other hand NSSO surveys considered to be superior and more or less are comparable over the last three-quanguennial surveys. The Women Force Participation Rate according to 1983 NSSO surveys are higher than those shown in Census 1981 and disparities between males and females are also less. In the following table FWFPR collected from these two sources is shown in term of main workers.\(^{54}\)

**Table - 2.6**

<table>
<thead>
<tr>
<th></th>
<th>1981 Census</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>52.6</td>
<td>16.0</td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>48.5</td>
<td>7.3</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>51.6</td>
<td>14.0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Thirty Eighth Round of NSS (1983)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>52.8</td>
</tr>
<tr>
<td>Urban</td>
<td>50.0</td>
</tr>
<tr>
<td>Total</td>
<td>52.1</td>
</tr>
</tbody>
</table>

Source: Quoted from Shramshakti (1988).

---

54. Shramshakti (Demographic and Economic Profile), p. 31.
2.3.4. WFPR Scenario in Assam:

Discussion remains incomplete if information about WFPR in the state is not furnished with statistical support. As such female workers classified by industrial category and marital status is given hereunder.

The marital status of women workers helps knowing their background of joining labour market in many cases. It is considered to be vital tool, while analysing socio-economic condition of women workers, specially of those working as wage earners.

With the availability of literature the real picture about range of women's participation in economic activities becomes clear. All over the world, it is the general trend to adopt gender biases in employment scenario indicating comparatively a very low rate of women participation in work. Here, while discussing about economic activities of women, belonging to both rural and urban areas of Assam, it is strikingly observed that 84 percent of rural female and 90 percent of urban female are without any gainful activity even in the subsidiary capacity.

According to provisional results of the fourth Economic Census (EC) of Assam 1998 there are altogether 5,82,873 enterprises in the state of which 31.50 percent are in the urban areas, a rise from 29 percent in 1990.

The total number of workers working in all enterprises is 21.99 lakh, which constitute 3.38 per cent of total workers of all India level. The annual growth rate of workers of the state over the period 1990-98 is found to be 3.35 percent, which is comparatively higher than the all India level (1.30 percent).
### Table - 2.7
Female Workers Classified by Industrial Category and Marital Status
Assam - Urban
Main - Workers

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Total Female Population</th>
<th>Total Main/ Marginal Workers</th>
<th>Industrial Category of Main/Marginal Workers</th>
<th>Others Whereas</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>76,117</td>
<td>Cultivators (I)</td>
<td>Agricultural Laboratories (II)</td>
</tr>
<tr>
<td>Total (Main)</td>
<td>11,33,967</td>
<td>76,117</td>
<td>3,545</td>
<td>1,736</td>
</tr>
<tr>
<td>Never Married</td>
<td>5,80,812</td>
<td>24,824</td>
<td>495</td>
<td>330</td>
</tr>
<tr>
<td>Married</td>
<td>4,87,832</td>
<td>43,729</td>
<td>2,787</td>
<td>1,048</td>
</tr>
<tr>
<td>Widowed</td>
<td>62,594</td>
<td>6,795</td>
<td>233</td>
<td>338</td>
</tr>
<tr>
<td>Divorced/Separated</td>
<td>2,589</td>
<td>759</td>
<td>30</td>
<td>20</td>
</tr>
<tr>
<td>Unspecified</td>
<td>140</td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total (Marginal)</td>
<td>11,33,967</td>
<td>9,146</td>
<td>2,929</td>
<td>2,300</td>
</tr>
<tr>
<td>Never Married</td>
<td>5,80,812</td>
<td>1,474</td>
<td>257</td>
<td>473</td>
</tr>
<tr>
<td>Married</td>
<td>4,87,832</td>
<td>7,007</td>
<td>2,582</td>
<td>1,660</td>
</tr>
<tr>
<td>Widowed</td>
<td>62,594</td>
<td>575</td>
<td>90</td>
<td>147</td>
</tr>
<tr>
<td>Divorced/Separated</td>
<td>2,589</td>
<td>90</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Unspecified</td>
<td>140</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

The number of workers usually working in urban area is 6.14 lakh, which constitute 27.91 percent of total workers. The growth rate of workers in urban areas over the period 1990-98 is only 0.93 percent, which is lower than all India level (1.16 percent). The number of male workers usually working in all enterprises is 18.48 lakh, which constitute 84.04 percent of total workers of the state. Out of total male workers engaged in all activities, 71.40 percent is found to be in rural areas, while 28.60 percent in urban areas. The percentage of female workers, engaged in all enterprises is found to be 15.96 percent only in both the sectors.

Again out of the total male workers usually working in all enterprises 11.95 lakh (64.69 percent) male workers are engaged in establishments while 31.31 percent are in own account enterprises. Out of the total female workers (2.99 lakh) usually working in all enterprises, 1.80 lakh (60.31 percent) are engaged in establishments while 39.69 percent are in own account enterprises. 55

Thus it can be inferred that EC which for the first time included unorganized sector in its study gives indication that government is also interested to know about its positive role in economic sphere which so far remained unrecognised.

Finally, it can be said that informal sector irrespective of residence is very much gender sensitive because of the fact that poor females lack skill and knowledge which are essential criteria for formal sector. Moreover, their entry to labour market is late which is also another important factor which has put them in disadvantageous position to compete with counterparts.

55. Provisional Results of Fourth Economic Census of Assam (Press note), DES.
All the factors may provide clue to ractify situation if found adversely during field study. To conclude in the words of Gertrude Mongella:

"The challenge is essentially one of finding practical levers to bring about change in years immediately ahead. And I think there can be little doubt that the most powerful of those levers is education".  