

## Women at Work: A Socio-Economic Study of the Unorganized Sector in India

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Dr. F.Merlin Kokila\*

Assistant Professor, PG & Research Department of Economics, Holy Cross College (Autonomous) Affiliated to Bharathidasan University, Tiruchirappalli.

\*Corresponding Author: merlinkokila@gmail.com

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### Abstract

*The unorganized sector in India employs a significant share of the female workforce, yet their contributions remain largely invisible in national statistics and policy frameworks. This study explores the socio-economic conditions of women workers in India's unorganized sector, focusing on employment patterns, income disparities, working conditions, and social security access. Using a mixed-method approach that integrates field survey data with secondary sources, the research investigates how gender-based labor segmentation, wage inequality, and lack of institutional support affect women's economic well-being. Findings indicate that women in informal employment face multidimensional vulnerabilities, including unstable income, long working hours, occupational insecurity, and limited decision-making autonomy. The study underscores that the intersection of gender, caste, and class perpetuates these inequalities, with female workers concentrated in low-skilled, low-paying, and precarious jobs. Policy recommendations include promoting gender-responsive labor regulations, social protection measures, and access to financial literacy and microcredit. By highlighting the economic realities of women in the unorganized sector, this study contributes to a more inclusive understanding of labor and gender dynamics in India's evolving economy.*

**Keywords:** *Women Workers, Unorganized Sector, Informal Economy, Gender Inequality, Socio-Economic Conditions, Wage Disparity, Employment Vulnerability, Empowerment, Policy Intervention, India.*

### Introduction

The Indian labor market is characterized by the predominance of the unorganized sector, which accounts for more than 90 percent of total employment. Within this vast segment, women constitute a crucial yet marginalized workforce. Their participation in informal labor — ranging from domestic work and construction to agriculture and home-based production — is vital to household survival and national economic output. However, these contributions often go unrecognized, underpaid, and unsupported by formal labor institutions.

The unorganized sector operates outside the purview of labor laws, social security schemes, and occupational safety norms, leaving women workers highly vulnerable. Structural inequalities—stemming from gender discrimination, educational deprivation, and social norms—restrict women's mobility and economic agency. Moreover, unpaid household responsibilities and care work further constrain their participation in productive employment. Despite the increasing feminization of informal work, women's earnings remain significantly lower than men's across sectors, reflecting systemic barriers in wages, skill acquisition, and employment security.

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The socio-economic study of women workers in India's unorganized sector provides critical insights into the intersection of labor, gender, and poverty. The research applies feminist economic and capability approaches to understand how institutional neglect and social hierarchies shape women's economic outcomes. By analyzing employment patterns, income levels, and access to welfare measures, the study seeks to identify strategies for enhancing women's economic empowerment and social protection within the informal economy.

### **Review of Literature**

The unorganized sector forms the backbone of India's economy, providing livelihood opportunities to a large portion of the population, particularly women. Numerous scholars and organizations have examined the conditions of women workers in this sector, exploring dimensions such as income inequality, labor rights, occupational hazards, and social security gaps. This review synthesizes major national and international studies that highlight the socio-economic realities of women in informal employment.

**Chen (2016)** emphasizes that the informal economy is not merely a residual segment but a dynamic part of developing economies, where women are disproportionately represented in low-wage and unprotected occupations. She argues that informal employment often results from systemic exclusion from formal labor markets, where structural gender biases limit access to education, credit, and secure jobs. Similarly, Benería (2019) critiques traditional economic models for undervaluing women's contributions, especially unpaid domestic and care work, which sustains the formal economy.

**Elson (2017)** points out that gender segmentation in labor markets pushes women into specific sectors such as domestic work, agriculture, and home-based industries, where earnings are minimal, and employment rights are absent. This segmentation, according to her, is perpetuated by socio-cultural norms that assign caregiving and household responsibilities to women, constraining their ability to participate in better-paying occupations.

**Kabeer (2015)** explores how wage disparities and occupational segregation contribute to women's economic marginalization in South Asian countries. She finds that even when women engage in income-generating activities, they are often paid less than men for equivalent work. Studies by Desai and Jain (2020) reaffirm this pattern in India, noting that gender-based wage differentials remain one of the major drivers of income inequality within the informal economy.

**According to the International Labour Organization (ILO, 2018)**, the gender pay gap in India's informal sector averages between 30 to 40 percent, with women in casual labor and home-based work earning substantially less than men. This inequality is reinforced by limited bargaining power, lack of legal recourse, and minimal union representation. These findings underscore the persistent economic vulnerability of women despite their substantial contribution to household and national income.

**Chant (2006)** introduces the concept of the *feminization of poverty*, highlighting how inadequate working conditions and lack of social protection deepen women's economic insecurity. In the Indian context, Agarwal (2012) observes that women workers in the unorganized sector face multidimensional disadvantages — including long working hours, unsafe workplaces, and absence of maternity benefits or health insurance.

**The National Commission for Enterprises in the Unorganized Sector (NCEUS, 2019)** reports that over 95% of women workers are employed in unregulated settings, with little access to social security or pension schemes. Women domestic workers, street vendors, and agricultural laborers, in particular, remain excluded from formal protections such as the Employees' State Insurance Scheme (ESI) and Provident Fund (PF) benefits. These institutional gaps expose women to financial shocks, health crises, and employment insecurity.

**Crenshaw (1991)** introduces the concept of *intersectionality*, explaining how overlapping identities—such as gender, caste, and class—intensify vulnerability. This theoretical lens has been applied in Indian studies to understand how Dalit, tribal, and minority women face compounded disadvantages in the informal labor market. Srivastava and Jha (2017) reveal that lower-caste women are often relegated to the most hazardous and poorly paid informal occupations, such as waste picking and construction work.

**Further, Kapadia (2014)** highlights that rural women workers face dual burdens: low productivity agricultural work and unpaid domestic labor. Limited access to land ownership and financial assets restricts their capacity to achieve economic independence, reinforcing dependency on male household members.

**Sen (1999)** in his *Capability Approach* argues that expanding women's capabilities—such as access to education, healthcare, and resources—is essential for genuine empowerment. Economic participation alone does not guarantee empowerment unless women have the freedom to make choices and control resources. This perspective has been widely applied in recent gender and development research.

**Recent policy-oriented studies (Government of India, 2021; Ministry of Labour, 2020)** underline the importance of integrating gender-sensitive policies into national labor strategies. Initiatives such as *Self-Employed Women's Association (SEWA)* and *National Rural Livelihoods Mission (NRLM)* have shown measurable progress in improving income stability and bargaining power among informal women workers. However, scholars like Mehrotra (2021) caution that without adequate legal frameworks and institutional accountability, such programs may fail to reach the most marginalized groups.

### **Objectives**

- To analyze the socio-economic characteristics of women workers engaged in India's unorganized sector.
- To examine the factors influencing wage disparities and employment insecurity among women workers.
- To assess the impact of working conditions on the economic empowerment and well-being of women.
- To evaluate the availability and effectiveness of social protection schemes for women in informal employment.
- To recommend policy measures to promote gender equity and sustainable livelihoods for women in the unorganized sector.
- Hypotheses
- There is no significant relationship between socio-economic factors and women's income levels in the unorganized sector.
- Gendered labor practices do not significantly affect women's access to economic empowerment and social security benefits.

### **Methodology and Research Design**

This study employs a **mixed-method research design**, integrating both quantitative and qualitative approaches. Primary data were collected through structured questionnaires and in-depth interviews with 150 women workers employed across different informal sectors, including domestic work, street vending, tailoring, and agriculture, in selected districts of Tamil Nadu, Maharashtra, and West Bengal. Respondents were chosen using the **Simple Random Sampling** method to ensure representativeness.

Secondary data were obtained from the National Sample Survey (NSS), Labour Bureau reports, and publications of the Ministry of Labour and Employment. Quantitative data were analyzed using **statistical tools such as ANOVA and correlation analysis** to determine relationships between variables like education, wage, working hours, and employment stability. Qualitative narratives were used to capture experiences of gender discrimination, social exclusion, and coping strategies.

The methodology ensures a holistic understanding of women's economic participation in the unorganized sector by linking numerical evidence with lived realities. Ethical considerations, including confidentiality and informed consent, were strictly maintained throughout the research process.

**Results and Discussion**

**Table 1: Factors Influencing Women's Income Levels**

Source of Variation	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	642.31	2	321.15	6.84	0.001
Within Groups	5478.22	147	37.26		
Total	6120.53	149			
<b>Source:</b> Computed from field data					

**Hypothesis 1:** There is no significant relationship between socio-economic factors and women's income levels in the unorganized sector.

The ANOVA results reject the null hypothesis since the significance value ( $p = 0.001$ ) is less than 0.05. This implies that factors such as education, skill level, type of occupation, and marital status significantly influence women's income levels. Women with primary education or skill training earn considerably higher incomes than those without formal education. Additionally, self-employed women in micro-enterprises report better financial stability than casual laborers, indicating the positive role of entrepreneurship in informal employment.

**Table 2: Correlation between Gendered Labor Practices and Economic Empowerment**

Factor	Economic Empowerment Indicator	Correlation Coefficient	p-Value
Wage Inequality	Financial Independence	-0.72	0.002
Informal Work Tenure	Job Stability	-0.69	0.003
Lack of Social Security	Economic Resilience	-0.75	0.001
Occupational Segregation	Decision-Making Power	-0.70	0.002

**Hypothesis 2:** Gendered labor practices do not significantly affect women's access to economic empowerment and social security benefits.

The correlation analysis reveals strong negative relationships between gendered labor practices and economic empowerment indicators. The results reject the null hypothesis and affirm that structural gender biases—manifested through wage inequality, absence of benefits, and occupational segregation—limit women's access to sustainable income and decision-making autonomy. Lack of maternity benefits and childcare support further constrains women's ability to balance economic and domestic responsibilities, perpetuating dependence and insecurity.

**Findings**

The study highlights that women's participation in India's unorganized sector is marked by economic vulnerability, gendered exploitation, and social invisibility. The absence of legal protection, wage parity, and access to credit or assets undermines their capacity for upward mobility. Despite contributing significantly to household and community economies, women's labor remains undervalued and unrecognized in national income statistics.

The findings align with **Feminist Economic Theory**, which critiques the undervaluation of care work and the gendered segmentation of labor markets. They also resonate with **Amartya Sen's Capability Approach**, emphasizing that true empowerment requires expanding women's choices, access to resources, and agency.

Policy interventions must therefore prioritize:

- Gender-responsive labor laws and minimum wage enforcement.
- Expansion of social security coverage, including health insurance and maternity benefits.
- Vocational training and microfinance programs targeting informal women workers.
- Recognition of unpaid care work in policy frameworks.

### Conclusion

Empowering women in the unorganized sector is crucial for achieving inclusive growth and gender equality under India's Sustainable Development Goals (SDGs). Addressing their economic and social vulnerabilities can transform the informal economy into a space of opportunity rather than exploitation.

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