

# Issues and Challenges of Women Working in the Unorganized Sector in India

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DOI:10.37648/ijrssh.v16i01.015

<sup>1</sup> Received: 17 January 2026; Accepted: 21 February 2026 ; Published: 09 March 2026

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## Introduction:

The concept of an informal or unorganised sector began to receive world-wide attention in the early 1970s, when the International Labour Organisation initiated series efforts to identify and study the area through its World Employment Programme Missions in Kenya, Columbia, Sri Lanka and Philippines primarily underlined the development strategy based on economic growth in which employment was considered as the prime objective for development.<sup>2</sup> The British Economist Keith Hart in 1971 coined the term informal sector.<sup>3</sup> He made a detailed study of urban Ghana in which the study reported the new entrants, particularly rural migrants, to the labour market in the urban areas were forced to work in the informal sector partly owing to their lack of skill and experience needed for the jobs in the urban formal sector.<sup>4</sup> Since then, the informal sector has been the subject of several studies and seminars covering various aspects like its size, employment potential, its relationship with the formal sector, technological levels etc.<sup>5</sup>

## Definition by 15th International Conference of Labour Statisticians

According to International Conference of Labour Statisticians the terms unorganised and informal sectors are often used interchangeably. The informal sector may be broadly characterised as consisting of units engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned.<sup>6</sup>

National Commission for Enterprises in the Unorganised Sector provides definition of unorganised sector as follows:

**Unorganised Sector:** “The unorganised sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis with less than ten total workers”.

**Unorganised workers:** “Unorganised workers consists of those working in the unorganised enterprises or households, excluding regular workers with social security benefits, and the workers in the formal sector without any employment/social security benefits provided by the employers”.

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<sup>1</sup> How to cite the article: Shirin S.N.; (March, 2026); Issues and Challenges of Women Working in the Unorganized Sector in India; *International Journal of Research in Social Sciences and Humanities*; Vol 16, Issue 1; 184-191, DOI: <http://doi.org/10.37648/ijrssh.v16i01.015>

<sup>2</sup> R.S.Tiwari, *Informal Sector Workers: Problems and Prospects*, (New Delhi: Anmol Publishers) 2005 Edition, p.5.

<sup>3</sup> Kanak Kanthi Bagchi and Nirupam Gobi, *Social Security for Unorganised Workers in India* (Gurgaon: Madhav Books) 2012 Edition p.22.

<sup>4</sup> Kishore.C. Samal, *Growth of Informal Sector in India*, (New Delhi: S.K.Book Agency) 2013 Edition p.160.

<sup>5</sup> Report of Second National Commission on Labour, (2002), pp. 596-597.

<sup>6</sup> International Conference of Labour Statisticians, Resolution Concerning Statistics of Employment in the Informal Sector, 15 (Geneva: ILO), 1993.

The International Labour Organisation says that women in India represent:

- i) 50% of the population
- ii) 30% of the labour force
- iii) Perform 60% of all working hours
- iv) Receive only 10% of the country's income
- v) Own less than 1% of the Country's property

However, despite concerted efforts of the State, the economic status of women in the unorganised sector is lagging far behind their male counterparts, as their contribution to the economy is still largely unrecognised.

The difficulties faced by the women workers in the unorganised sector are numerous, with their vulnerability further, accentuated by their gender. Their work is characterised by irregular employment, uncertain terms and Condition, lack of clear cut rights and obligations and inaccessibility to social security benefits. Though they constitute a majority of the workforce in this unorganised sector, they are subjected to different kinds of discrimination, inequitable pay and harassment, owing to their lack of education and technical skills. They are exploited, paid meagrely and forced to work for long hours, i.e. 10-12 hours in case of migrants, and 8-10 hours in case of local workers. Further, more, rebuking, cheating, threatening, beating and sexual abuse were common treatment reported by women working in this sector. An attempt has been made to identify the problems faced by women working in the unorganised sector resulting in vulnerability are as follows:

#### **INSECURE EMPLOYMENT**

Women in the unorganised sector do not have a stable and secure employment, thus rendering them devoid of a stable income. The unorganised sector is fast expanding, while the organised sector is shrinking, contract, casual, temporary, part-time, piece-rated jobs and home based work etc are increasingly replacing permanent jobs.

The workers in the unorganised sector, a large number of who are women, have no job security. Work is often unskilled or low skilled and low paid. Availability of work is irregular; when work is available, they have to work for long hours. Especially in the agricultural sector, which sees more women employed over men, their work is highly irregular and uncertain. Most of them are employed only for about three months, and remain without work the remaining nine months, due to lack of paid work.

Employment in agriculture is available for fewer days per year. In India Mahatma Gandhi National Rural Workers Employment Guarantee Act, 2005 aims to provide employment security by guaranteeing at least 100 days of work in the most backward districts of the country who can perform manually. But, unorganised women workers continue to face the risk of loss of employment as they are varied by nature and location. They are never employed on a permanent basis. The basic nature of their work requires strenuous physical labour in heat and dust.

#### **IRREGULAR & LOW WAGES**

Women in the unorganised sector are employed both on daily wages as well as on piece rate. In a daily wage system a woman in urban areas gets a minimum of Rs. 200 and a maximum of Rs. 250 per day, with working hours starting at 8:00 am in the morning and ending during the sunset. There is no concept of paid maternity or medical leave.

Women in the unorganised sector are discriminated against by their employers in matters of remuneration. Despite the fact that they work for the same duration as the men and carried out equally strenuous tasks, they get paid lesser amount than their male counterparts. For 10-12 hours of work per day, women in the construction industry get paid a meagre Rs. 200 to Rs250.

Data on Condition of women working in the unorganised sector have examined the wage levels and earnings of women workers are identified that the daily wages are below the minimum rate of wages. In the unorganised sector casual women workers tend to be the least protected and have the lowest level of earnings. There is no uniformity in wage structure across the various States or Union Territories.

## **LONG WORKING HOURS**

Long hours work in the unorganised sector beyond the labour and regulatory norms are common in India. In agricultural sector there are no fixed hours of work as there are no laws to act as guidelines for the working Condition of agricultural labourers. In case of non- agricultural sectors such as fireworks, match making, power looms and so on, workers started their work very early in the morning at 6.00 a.m. and continue till late evening. In hand loom sector the work is organised in such a way (mostly on piece rate) that women work for 12 hours per day to get at least Rs180. Though, the Factories Act, 1948, the Minimum Wages Act, 1948 and the Shops and Establishments Act stipulates that no adult worker shall be required to work more than 48 hours in a week, these provisions relating to working hours have been violated frequently.

The working hours in the unorganised sector are not fixed, thus affecting the family life as well as health of the women working in this unorganised sector. They work anywhere between 8-10 hours a day, with little or no time for child care. Women labourers with new-borns are forced to leave them unattended in the construction sites, and feed them without being noticed by their employers, for fear of cut in their pay.

## **OCCUPATIONAL HAZARDS AND HEALTH ISSUES**

In the unorganised sector, the workers in general and women in particular are forced to work in hazardous and unhygienic working Condition. The working Condition in the unorganised sector are the main causes to have an adverse effect on the health Condition of the women workers. Low nutritional intake due to low income, constant physical labour increases health problems for the women workers in the unorganised sector resulting in risks of their life. Lack of resources to pay for the health care often forces the poor workers either to forego it or become indebted. Unavailability of leaves often forces these women to neglect their health Condition and continue working.

With regard to women home workers it was reported that health problems like frequent headaches, body ache and back pains, which are caused by their posture and duration of work and which may be signs of more severe internal ailments. In some of the sectors like fish processing units and tobacco and salt pan industry, the working Condition can be called as horrible for workers in general and women workers in particular. In tobacco- processing units the women workers have to do their entire job such as plucking, winnowing, grading and packaging, while they are surrounded by heaps of tobacco, which is considered to be unhygienic for their health. The mist of tiny particles of tobacco is found to such an extent that the workers can't even see the faces of each other.

The factory owners do not take proper care of the women workers. They do not provide them facilities like apron, spectacles, mouth closer, socks etc. In beedi-rolling factories, mining industries and several manufacturing units, they are exposed to harmful chemicals without being provided any protective device, such as gloves, face mask etc. Similarly, salt pan workers are also found to be suffering from skin diseases as they have to work constantly in salty water. They develop severe eye problems due to the reflection of light from the heap of salt. In agricultural sector due to extensive use of fertilizers, insecticides and pesticides and mechanisation, women workers suffer from certain specific health hazards. Women working in the construction sites have no access to clean toilet facilities or drinking water. The unhealthy working Condition not just affect their health, but also their children's health and well-being, as they too are brought along to the workplace. Occupational illness and diseases have also been reported among workers in many industries of unorganised sector. Thus, the unorganised women workers are prone to occupational hazards. While certain European countries have social security entitlements in place for the unorganised workers, developing economies such as India are yet to come up with such a system.

## **LACK OF PROPER PHYSICAL ENVIRONMENT AT PLACE OF WORK**

Lack of sanitation facilities has an impact on health of the women workers. In most of the industries in the unorganised sector the facilities such as washing, urinal and toilet facilities at work are found to be low standard. Apart from that, physical Condition such as space, lighting, ventilation etc., are very poor in some places of work.

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along to the workplace. Occupational illness and diseases have also been reported among workers in many industries of unorganised sector.

#### **LOSS OF INCOME ARISING OUT OF ACCIDENT**

An accident either during the course of work or otherwise is a major crisis for unorganised women workers. It Further, implies loss of income, additional expenditure of medicines, hospitalisation etc. If the accident leads to partial or permanent disability the loss is much greater. In the case of death of a breadwinner, it is a permanent loss of income and the family has to borrow money, spend savings or sell assets.

#### **LACK OF OLD AGE SECURITY**

Most of the provisions relating to provident fund and ESI did not reach the construction workers and contract labourers. The old age is a major concern for the women workers working in the unorganised sector. Women working in the agricultural and construction sector are feared of not being able to work during old age. For the large proportion of old age persons expected in the future, the insecurities will arise due to various reasons such as inability of adult workers to support the needs of old age person in the family, inadequate public health care facilities and increasing cost of private health care facilities of the aged etc.

#### **LACK OF BARGAINING POWER**

Illiteracy and lack of knowledge are factors that force women in the unorganised sector to reluctantly abide by their employer's terms and Condition. Their lack of awareness is also a reason why it is difficult to organise these workers. Since they are seen as the weaker gender, women in this sector are not heard out, nor do they voice their opinion for fear of losing their job. Lack of organisation or least unionisation among the unorganised women workers is a big problem for themselves. In spite of their contribution to employment and gross domestic product among others the lack of their rights and legal status has tended to adversely affect their future prospects. This is due to lack of organisation or least organised in the sense that they are not able to voice their feelings or dissent against the attitude of employers in order to protect their interests.

#### **NON-APPLICABILITY OF SOCIAL SECURITY MEASURES**

There are many times when a worker cannot economically active. Due to biological circumstances such as modernity, sickness or old age; on account of personal calamities such as widowhood, or an accident; social or natural calamities such as unemployment, flood, fire drought or high unemployment or closure of an industry. During these spells of risk the worker especially women worker needs support, in the form of some social insurance to survive the crisis and resume work after it. Social security measures are indispensable for unorganised workers to protect them from contingencies and deprivation.

But unfortunately, the existing social security legislations are not applicable to most of the unorganised sectors. There are no social security measures to provide risks coverage and ensure maintenance of basic living standards at times of crises such as unemployment or health issues.

The Factories Act, The Mines Act, The Dock Workers' Act etc. are some of the laws, which contain provisions for regulating the health of the workers in an establishment. The Employees' State Insurance Act and the Workmen's Compensation Act provide health benefits and compensation to the workers in cases of ill-health and injuries etc. But in the unorganised sector where the majority of women workers are concentrated, no occupational safety and health safeguards are in place. Even in the organised sector, where these are applicable, safeguards are rarely provided for the workers, either male or female. Usually the safety devices are designed keeping the male workers in view and become unsuitable for women workers. Besides, the social aspects of work are not considered risk factors. Thus, more emphasis is given to the social security of the women working in the unorganised sector.

## EXPLOITATION & DISCRIMINATION OF WOMEN

Suppression and exploitation have become a day to-day affair in the life of many of the women workers working in the unorganised sector in India. It is a pity that not only the employers but also the fellow workers exploit women where they work. Women do not get equal and fair treatment in their working place.

The privileges enjoyed by men workers are not granted to the women. Hence, exploitation of women workers has become a common phenomenon in India. In the unorganised sector, women are discriminated from men in many ways. Two kinds of discriminatory practices are commonly prevalent in the labour market. They are: (i) For identical tasks women are paid less (ii) Women are confined to a limited number of relatively inferior tasks.<sup>7</sup>

Obviously, the first form of discrimination is more blatant, and it implies a higher degree of subordination of women. In India, in agricultural operations, the first kind of discrimination is still being practised. In other words, for identical agricultural tasks women's earnings are 30 per cent less than those of men.

### Suggestions & Recommendations:

A number of recommendations are suggested to improve the general welfare and quality of life of the women workers in the unorganized sector. Important among them are:

Dignity of Work for the Women working in the unorganized sector:

Dignity of an individual is defined as the quality or state of being worthy of honour or esteem or respect. The importance of "assuring dignity" is expressed in the Indian Constitution as well. According to The Directive Principles of State policy, Article 39 (e), the state shall in particular direct its policy towards securing that the health and strength of its workers, men and women and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age and strength'. Thus, steps need to be taken to maintain the dignity of work for the women working in the unorganized sector.

Decent Working Condition for the Women working in the unorganized sector:

The characteristics of workers in the informal sector can be summed up in one phrase 'presence of decent work deficit'. Poor infrastructure and lack of basic services result in poor working Condition. Improvements in working Condition are very much required. It can be achieved through better infrastructure and better basic services to all the unorganised workers especially women.

### Social Security:

Social security is the basic right of every worker in the country because each one contributes to its national income. Formal sector workers have the rights to adequate social security coverage. However, the informal sector workers who contribute more than 60 per cent of the country's GDP do not have sufficient access to social security. The nature of social security needs of the unorganized women workers varies according to the type of their work and according to various risks they face in their work and personal lives. There are about seven forms of 'work-related security' measures required meeting the needs of the unorganized women workers.

The important security measures needed are; 1. Food security 2. Nutritional security 3. Health security 4. Employment security 5. Income security 6. Life and Accident security and 7. Old age security

The Central and State government must provide more support to the women worker working in the unorganized sector.

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<sup>7</sup> Draft Report of Study of working condition & Privileges of Women in the Unorganised Sector in India,(2016),pp.86-94.

**Food security:**

The unorganized have no regular employment and income. So during rainy seasons or natural calamity, they suffer without work and income. In such circumstances, they must be provided with food and other basic support. Food security measures are also more appropriate in flood, drought, famine and civil unrest situations.

**Nutritional security:**

The success of any programme on nutrition consists of creating awareness in the community of food habits and their interrelationship with health. Information on balanced diet, additional food requirements during pregnancy, lactation and for growing children, cooking methods to preserve nutrients, family budgeting etc. are to be provided to these women.

The nutrition education programmes can be more effective if young mothers, adolescent girls and school children who are more receptive to new ideas and changes are educated. Besides awareness, nutritional support to women and children must be provided properly through ICDS programs. Anganwadis and creches have an important role to play in these programmes.

**Health security:**

Maternal health care forms a very important component of the unorganized sector women worker's health services. Antenatal care, prenatal care, post-natal care, breast-feeding, weaning and nutrition of the mother and child are the various components of maternal and child health care which are required to be implemented properly for the women working in the unorganized sector. For the welfare of both working women and small children(0-5 years) crèche needs to be established.

**Employment security for employed:**

For providing employment security for the women working in the unorganized sector; skill up-gradation training should be given to each type of unorganized sector women workers. It is found from the study that unorganised sector has vast employment potentiality. It is evident that both skilled and unskilled workers are absorbed by the unorganised sector. So, recognizing the mass employability of the unorganised sector comprehensive policy should be adopted by the government for the development of the sector.

**Income Security for the self-employed and unemployed:**

In order to provide income security to the government should provide credit facilities from the banks to the needy unemployed/self-employed workers working in the non-agricultural unorganized sector, at least a minimum of Rs. 50,000/- per member. That will help them to start a new business or grow their small business. Bandhan Bank can play vital role in this regard.

**Life and Accident security:**

Though there are many insurance schemes introduced by the present NDA government, yet the unorganized women workers are unaware of that. So, government should make some provisions so that the unorganized women workers can get benefit out of that by ensuring their life.

**Old age security:**

Social assistance is a high priority for old age people, orphans and widows, who cannot be reached with employment and labour market policies.

**Unionization for the Unorganized Women Workers for Collective bargaining:**

The formation of association for unorganized women workers to cater to their interests needs to be encouraged. Less than one per cent of the women working in the unorganized sector are unionized, which means that social dialogue

among this section is not effective. They perceive union activities to be mere wastage of time. Unionization is also avoided because they want to avoid paying the membership fees. But, trade unions are seen to work effectively in securing their right to public space utilization. For instance in organizing joint protests or struggle people forming a majority will naturally have a greater say.

Creation of Statistical database on the unorganized women workers:

An estimate by the World Bank shows that 90% of the women working in the informal sector are not included in the official statistics and their work is undocumented and considered as disguised wage work, unskilled, low paying and do not provide benefits to the workers.

Therefore, there is a need to develop database on the women organized workers. In 1998-99, CSO conducted Time Use Survey (TUS) on unorganized Women workers. However, that has not been conducted again. So an upgraded version of that kind of study should be conducted at regular intervals which will help the policy makers in taking informed decisions for the welfare of the unorganized women workers.

Proper Implementation of the Existing laws related to women working in the unorganized sector:

The unorganised women workers remain, more or less, legally unrecognized as workers. The existing labour laws relating to minimum wages or social security are not helping them in any way. Therefore, proper implementation of the existing laws and measures is of utmost importance for the development of the unorganised women workers.

#### **Welfare Audit:**

To evaluate the performance of different health and welfare related programs of the unorganized women workers, arrangements must be made. The government must conduct such Welfare Audits to assess the present situations objectively, to plan future strategies and priorities.

Regular Reviews and Necessary Follow ups:

Like welfare audits, monitoring and evaluation research needs to be undertaken to assess the effectiveness of different schemes/programs being run for the welfare of the unorganized women workers.

There should be regular conferences convened by the Government and the concerned departments to review the policies and programmes implemented for the uplift and development of the unorganized women workers. In the review meetings and the necessary follow ups, the involvement of the women workers at least in the representative capacity should be ensured.

#### **Conclusion:**

Working and living Condition are inseparable for the women working in the unorganised sector. Poor infrastructure and lack of basic services result in poor working Condition. Improvements in working Condition are very much required for the women workers of the unorganized sector. This can be achieved through better infrastructure and better basic services to all the unorganised workers especially women.

Legislations enacted during the last three decades are out of reach for most women workers because they are not beneficiaries of these legislations. Therefore, there is a need for an integrated approach of all the agencies, joint functionaries consisting of government, concerned departments, management, labour unions, local bodies, voluntary organisations and women's organisations for proper implementation of those policies for all round development of the women working in the unorganised sector.

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