OVERVIEW OF INFORMAL SECTOR IN INDIA

The informal/unorganised sector employs 450 million workers of India’s workforce (86.8%).

Informal employment constituted 79 percent of total jobs in urban India; where female informal employment was 82 percent compared to 78 percent among urban male workers.

88% of women’s employment is informal in India. Women are more likely to be engaged in the informal sector in both rural and urban areas. They are also significantly more likely than men to be working as informal workers in the formal sector.

Informal workers in India are pushed deeper into poverty as the lockdown affects earnings.

66% of wage/salaried workers and 93% of casual workers have reported to be working without a written job contract (Employment Unemployment Survey, 2013-14).

Wage workers are mostly concentrated in a small number of activities: construction, manufacturing, services, trading and transport.
Total number of vulnerable migrant workers range

92.1 million self-employed workers

13% of the urban workforce that’s 300 million persons

Casual workers constitute about one fifth of the workers in the unorganised non-agricultural sector

There are estimated 36 million street vendors in urban India

Nearly 200,000 women and 21,500 children are engaged in street vending

The total workers in the services sector in urban areas are estimated to be around 35 million

The share of the gig economy in the services sector in the urban labour force.
Informal workers in urban India are largely concentrated in construction, manufacturing and services.

62-85% of them have no access to social benefit schemes.

The informal sector accounts for over 80% and 99% of Indian manufacturing employment and establishments respectively.

Within the manufacturing sector, the textile industry was the largest employer of casual workers for both men and women.

51.2% of total net value added (NVA) in the manufacturing sector is from rural India.
The construction industry is the single biggest non-agricultural industry with the informal sector in construction contributing 74.5 percent to the Gross Value Added in India.

An estimated 10.7 million construction workers were employed through contractors and did not receive minimum employment protection and benefits from their jamadars.

Child care facilities are not available on construction worksites.
There are 5 million domestic workers in India.

The vast majority of live-in domestic workers work a minimum of 15 hours a day, seven days a week.

There are 37.4 million home-based workers in India.

Part-time domestic workers often work in 3-4 different houses for nearly 8-10 hours every day.

31.7% women home-based workers were accounted for 31.7 percent of all women employed in non-agricultural work.

Home-based workers concentration:
- 54.7% Manufacturing
- 26.1% Trade
The handloom industry is the second-largest employment provider for the rural population in India. Over 4.3 million people directly and indirectly involved with the handloom industry in India.

Formal employment is only 2.9 percent and informal employment comprises of 97.1 percent in rural India.

82% employed persons in agriculture sectors and non-agricultural sector have reported to be working without any written job contract followed by 3 percent of the workers with the job contract for the period between 1-3 years.

Informal workers in rural India:
- 96%
- 98%

Poverty estimate for agricultural labourers:
- 28.4%

Poverty ratio of all farmers:
- 15%
In the sugar value chains women farmers bear the most severe brunt. Despite higher incidence of women in agriculture, they get lower wages and do not get recognised as farmers. A higher incidence of female employment in agriculture doesn't necessarily mean better social and economic conditions for women.

**INFORMAL WORKERS IN RURAL INDIA**

85% rural women are engaged in agriculture.

**ONLY ABOUT 13 PERCENT OWN LAND**

a higher incidence of female employment in agriculture doesn’t necessarily mean better social and economic conditions for women.

**Despite higher incidence of women in agriculture, they get lower wages.**

**AGRICULTURE SECTOR**

Highest level of informal employment in India and AGEGC* accounted for 95 percent of total employment.

*agriculture sectors (excluding growing of crops, plant propagation and combined production of crops and animals)

The agricultural sector has undergone a certain level of feminization due to the migration of men to urban areas.

Over 90% care & management of livestock is carried out by women.

**DAIRY INDUSTRY**

8.47 million people employed on yearly basis.

**LESS THAN HALF OF THE MILK SOLD**

is handled by the organized sector comprising of dairy cooperatives and private dairy companies and the rest by the unorganized sector.

Millions of small and marginal farmers in dairying who own two to three animals and produce an average of 5 litres comprise a critical portion of India’s dairy industry.

71%
Many of the migrant workers are unable to access the benefits provided by the government because their ration card is not valid in the Destination State.

The ration cards made in the Source State of the migrants cannot be used in the Destination State which makes the PDS inaccessible to the migrant.

Studies in the leather tanning industry have found that workers without footwear worked for long hours with their bare feet soaked in chemicals, animal wastes and decomposing offal.

In the beedi industry, where a large part of the work is done in home-based settings, only 40 per cent of the workers undertook beedi rolling activity under sufficient lighting.

Respiratory diseases and other health hazards have been linked to inadequate ventilation at workplace and long exposure to dust and fumes.

Match manufacturing and fireworks industry often have insufficient ventilation where workers are exposed to fumes and chemicals.

Most of the informal sector workers find it next to impossible to get any loan from banks, which pushes them towards informal lending channels and moneylenders.