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Gender Budgeting and its Outcome on Women Labour Force Participation in Unorganized sector

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ABSTRACT

Unorganized sector always plays a vital role in terms of providing employment opportunities to a large segment of the workforce in India. Near about 92% of the total employment in the Indian economy during the period 1999-2000 was accounted for by the unorganized/informal sector (NSSO 55th Round 1999-2000). In most states the share of informal workers is approximately the same as the national average. Female work participation has always been low at 26.97% compared to 52% of men (World Bank Report, March 2018). The problem is that women have always been at work; only the definitions of work and work plan have never been defined or realistic to include their contribution to the economy and the society. In order to deal with gender disparity and bring efficacy in women labour force participation, Gender Budgeting was started in India in 2004. However, the outcomes show that their condition has improved in formal sector but in informal sector the working conditions has not much improved. The aim of this paper is to evaluate some of the new initiatives taken by Government of India in Public Economics in reference to Gender budgeting. It relates to government expenditure in welfare measures for the upliftment of women labour force participation in organized sector. The researchers tried to find out the outcomes of gender budgeting by critically evaluating the changing pattern of Indian working women in the unorganized sector and find out the condition of health, safety and well- being of working women in unorganized sector of India.

Key words: Women Labour Force participation, Formal & Informal sector ,Gender Budgeting, Upliftment, Health & Wellness

CONCEPTUAL BACKGROUND OF GENDER DISPARITY IN INFORMAL SECTOR OF INDIA

The International Labour Organization says that women represent: i) 50% of the global population, ii) 30% of the labour force, iii) Perform 60% of all working hours, iv) Receive 10% of the world's income v) Own less than 1% of the world's property.

Indian economy is no exception as it does not recognize the work of female labour force to a great extent. Our economy is sadly characterized by large number of people working in unorganized sectors of which major chunk of workers are Women.

Women's economic participation can be mentioned in the field of production of goods and services accounted in the national income statistics but female work participation has always been low at 26.97% compared to 52% of men (World Bank Report, March 2018). The problem is that women have always been at work; only the definitions of work and work plan have never been defined or realistic to include their contribution to the economy and the society.

However, Work participation rate is found to be higher among rural women (27%) than the urban women (10%). Female main workers constitute 14.65% of the population and men-50.54%. Female marginal workers constitute 6.26% of the population, whereas males being only 0.98%

In India, 95 per cent or around 195 million women are employed in the unorganized sector or in unpaid labour, says a report released by consultancy firm Deloitte in March 2019.

"The share of women in the workforce had a decadal fall from 36.7 per cent in 2005 to 25 per cent and the female labour force participation rate (FLPR) stands at 26 per cent, with 195 million women work in the unorganized sector or do unpaid work," says the report(Deloitte Report,2019). It further adds that involving women in the workforce can help achieve future aspirations that can boost India's GDP by 27 per cent. However, this will only be possible if participation of women increases in workplace to same number as men.

EMPLOYMENT OPPORTUNITIES IN UNORGANIZED SECTOR IN INDIA

In spite of government efforts on gender budgeting, the National Commission for Enterprises in the Unorganized Sector (NCEUS) has noted that employment in India can be categorized into four sections-such as (a) formal employment in the formal or organized sector, (b) informal employment in the formal sector, (c) formal employment in the informal sector, and, (d) informal employment in the informal sector. Amongst these four categories, reports have shown that the Indian economy is characterized largely by the huge number of people employed informally in the informal or the unorganized sector.

To exactly define unorganized sector, we can say it consists of all unincorporated private enterprises owned solely by individuals or households on a proprietary or partnership basis and involving less than ten workers in all.

Unorganized sector always plays a vital role in terms of providing employment opportunities to a large segment of the workforce in India. Near about 92% of the total employment in the Indian economy during the period 1999-2000 was accounted for by the unorganized/informal sector (NSSO 55th Round 1999-2000). In most states the share of informal workers is approximately the same as the national average. In West Bengal, 89% male workers and 94% female workers were unorganized workers. According to Unni & Rani (1999) due to steady decline in the growth of the formal sector a larger section of the growing labour force is being absorbed in informal sector, resulting in a progressive increase in employment in that sector. Generally, major section of the 34 informal workers are either absorbed in the agricultural sector or in traditional crafts, village and cottage industries or they migrate to cities to do different types of informal jobs like rickshaw puller, weight carrier, waiters in different restaurants, vendors etc. The proportion of women in the country's workforce has increased during the last three decades. In order to improve the gross inequality amongst women labour

force participation and especially to provide equal opportunities to women so that they can shift from unorganized to organized sector, the gender budgeting has gained popularity in India in last two decades.

DISCUSSION ON GENDER BUDGETING

Gender Budgeting as an approach has been encouraged internationally since 2001and allows governments to take a fiscal path to address persistent gender inequalities that compromise health and development of nations. This type of gender budgeting, which applies a gender lens to expenditure and prioritizes gender-specific outcomes, has emerged as a popular way for governments across the world to empower women and improve gender equality.

This typically involves one or a combination of the following three budgeting approaches:

1) gender-informed resource allocation to promote gender inclusion
2) gender-assessed budgets where sex-disaggregated data are used to determine whether beneficiaries differ by sex
3) gender-targeted budgeting based on a priori-determined gender needs

India started evaluating its fiscal policies with a gendered lens in 2001 to determine whether she was able to meet the needs of women and girls for improved gender equality. From Finance Minister P. Chidambaram to Mrs Nirmala Sitharaman, for 15 years India's finance ministers have promised to improve women's welfare through higher and more focused government spending.

India began gender budgeting in 2004 and currently 16 states undertake this exercise which is aimed at reducing gender inequalities at scale. State-level gender budgeting followed, led by Odisha in 2004, Tripura and Uttar Pradesh in 2005, followed by Gujarat, Karnataka, Arunachal Pradesh, Chhattisgarh and Jammu and Kashmir in 2006.

Some of the figures released by IMF in 2016 shows that at least 80 countries in the world follow the practice of gender budgeting by increase in expenditure in women related welfare schemes. This list includes India, where gender budgets were launched in Financial Year 2006 with the hope of tackling stark gender inequality and to provide efficacy. This not only includes expenditure policy but also generates revenue through taxation reforms, revising budget classification processes by integrating gender related welfare measures, inter-governmental fiscal transference and fiscal decentralization efforts.

NEW INITIATIVES AND UNCERTAINTIES IN GENDER BUDGETING

One of the initial efforts by the Government of India was laid down in 2002, by commissioning the National Institute of Public Finance and Policy (NIPFP), under the aegis of Ministry of Finance, to undertake a comprehensive study on gender budgeting. This pioneering study by Lahiri et al (2002) analyzed the fiscal data of the entire Demand for Grants documents submitted by all the Ministries and Departments of Central Government and evaluated the actual expenditure covered by all sectors. The fiscal analysis indicated that there was a significant deviation of budgeted from actual expenditure. The NIPFP coordinated with the Comptroller and Auditor General to understand the reasons for the deviation. One of the major findings was that a higher allocation per se had not ensured higher actual expenditure on gender-sensitive human development. These findings led the researchers to subsequently

conduct expenditure tracking analysis and benefit incidence analysis of the largest microfinance-linked poverty program–Swarnajayanti Gram Swarozgar Yojana (SGSY)for the all the six banking zones in India in a project between the NIPFP and the National Institute of Bank Management(a research institute of RBI) in 2003-04.The major findings was the poverty reduction programme of the government was not fully successful to enable women in all the covered districts to become successful entrepreneurs.

The Gender Budget Statement has helped women activists and civil society organizations place their demand for better funding and provisioning for women's rights on a much stronger ground (UN Women, 2012). Though the Lahiri Committee has provided a comprehensive framework for accounting in gender budgeting, it has not yet been completely implemented in India at the national and subnational levels (Government of India, 2015; UN Women, 2012).

States with gender budgeting showed significantly greater reduction in spousal violence between 2005-'06 and 2015-'16 than those without it, according to a recent study using data from National Family Health Survey waves 3 (2005-'06) and 4 (2015-'16). The Pradhan Mantri Matru Vandana Yojana (PMMVY) is a key scheme to ensure the health and nutrition of expecting women. The government claims to have spent an average Rs 2,000 crore every year over the past seven years on the scheme. However, further effort is required to strengthen the implementation of gender budgeting in terms of public expenditure benefit incidence in various ministries.

OUTCOMES OF WOMEN LABOUR FORCE PARTICIPATION IN FORMAL & INFORMAL SECTOR

India as being the second most populous country in the world ,India has Female Labour Force participation rate(LFPR) of 20 percent which is not even half the global average of 47 percent. Women labour force is predominantly engaged in agriculture, services sector and traditional rural industries but today there are ample of opportunities in vast areas. In 2001, the workforce participation rate for women in the urban area was 11.55% but almost 80% of that workforce was working in unorganized sector. The data below shows that an estimated 93.46% of the labour force (at 5% GDP growth) were employed in the informal sector by the end of the 12th Five Year Plan (2012-17).

The skewed percentage participation of women as against men could well be the lack of availability of work throughout the year and their suitability to work, amongst other factors. The rural sector comprises of the major chunk of unorganized labour force. Lack of education, skill and training are at very low levels compared to their urban male counterparts. The labour force and the workforce percentage participation rates also stand skewed**.** A stark contrast can be clearly observed in the levels of male to female participation owing difference in the levels of education.

Table 1: Estimated labour force in the formal & informal sector by the year 2012-17

Year	GDP Growth Rate (%)	Employment (million)			Percentage share	
		Formal	Informal	Total	Formal	Informal
2004-05	Actual	32.79	368.35	401.13	8.17	91.83
2006-07	Actual	33.87	393.06	426.93	7.93	92.07
2011-12	9	34.54	453.13	487.67	7.08	92.92
	7	34.18	442.18	476.36	7.18	92.82
	5	33.83	431.4	465.23	7.27	92.73
2016-17	9	33.93	521.96	555.9	6.1	93.9
	7	33.08	490.46	523.54	6.32	93.68
	5	32.26	461.05	493.31	6.54	93.46

Source: Compiled from different years data of Labour Force Participation

This table 2 highlights some glaring problems plaguing the unorganized sector. It is obvious that the balance is titled heavily against women workers of the unorganized sector. It must be explicitly mentioned that the Labour force participation percentage of Rural Women at 33.3 does not per se indicate higher level of leveraging power. The economic exigencies faced by the rural women make them engage themselves in whatever work that if offered, to earn subsistence wage.

Most of the women are found to be employed in agricultural activities and in the unorganised sector. The employment of women is high in the unorganised sector such as part time helpers in households, construction center, tanneries (setting, parting and drying), match and beedi industries etc. The societal underestimation of women' work and the very structure of the unorganized sector makes it non-conducive work environment for women employed there. Women in the unorganised sector as well as countless other women invariably also do a wide variety of "invisible" work, and often shoulder the dual burden of paid and unpaid labour. The unpaid contribution of many of the activities associated with household maintenance, provisioning and reproduction -- which are typically performed by women or female children -- tends to be ignored in calculations of labour (Joshi 2007).

Table 2: Select Characteristics of Women Workers

Indicator	**Male**	**Female**	**Rural Female**
Total Workers (in millions)	309.4	148.0	124.0
Labour Force Participation Rate	56.0	29.0	33.3
Work Force Participation Rate	54.7	28.3	32.7
Percentage of Casual Labour in Total Workforce	27.5	30.0	32.6
Percentage of Unorganized Sector Workers in Total Workforce	84.0	91.3	94.5
Percentage of Workers in Agriculture and Allied Activities	48.9	72.8	83.34
Percentage of Out of School Children in Relevant Age (5-14 years)	15.5	20.7	23.5
Mean Years of Schooling (Unorganized Non-agricultural Workers)	6.1	3.7	2.9
Wage Rate of Rural Agricultural Labourers (Rs. Per manday)	47.9	NA	33.1
Wage Rate of Rural Non-agricultural Labourers (Rs. Per manday)	67.5	NA	44.0
Percentage of Casual Labourers (Rural) not Getting National Minimum Wage of Rs 66	78.0	NA	95.6
Percentage of Casual Labourers (Rural) not Getting Minimum Wage of Rs 322 in 2012 .	40.9	NA	80.9

Source: Estimate by the World Bank, 2017

The double burden of managing household work as well as going to work to complement family income is what makes the issue of statistically measuring women' work a complex task. This 'invisibility' of the women' productive work in the statistics is of late being felt more keenly. This double burden often influences the type of work and the availability of work itself. 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. Statistics show that vast majority of Indians work in Agriculture where 55% of the population is female agricultural workers and 30% of the men are labourers and not cultivators.

Also, the existing socio-cultural mores do inhibit the already shrunk sphere of 'acceptable' work, thus lowering their participation in the conventional sense and forcing them to engage as casual labourers.

Among women in the prime age group, 15-59 years, 59% of women were engaged in domestic duties by principal status, while in contrast only 0.4 percent of men were engaged in domestic duties. Only by increasing the opportunities for education and skill development, can the balance be redressed.

UNHEALTHY WORKING CONDITIONS DUE TO DISCRIMINATION AT THE WORKPLACE

Liberalization has ensured that when employment becomes sub-contractual or piecemeal, an even greater number of women join the ranks of the unorganized. As women in a vulnerable and impoverished sector, they face the additional inequalities of gender. These translate into many tangibles -- unequal wages, no maternity benefits, sexual harassment, and poor nutrition and ill- health. Acharya(1995), Saradamoni (1995)state that women workers are exposed more to the risk of sexual harassment and exploitation. Beirman (1985) reports women workers often have to work till the last stage of pregnancy and have to resume work soon after child birth exposing themselves and the child to considerable danger. Saradamoni (1995) reports that female labourers mostly from Kerala in the fish processing industries in Gujarat are subject to various forms of hardship and exploitation at the hands of their superiors. Rao and Suryanarayana (2013) consider that with the entry of younger women in the export processing zones, market segmentation is being accentuated; female dominated jobs are being devalued, degraded and least paid.

Thus, discrimination at workplace remains a contentious and yet, an ever-present issue for women. These unregulated conditions facilitate exploitation that manifest in different shades – quite often, sexual too. Migration has changed the demographics beyond conventional estimates. Those who are compelled most are the poor, illiterate and mostly women and children hailing from rural areas, who work as domestic helps/construction workers; the most vulnerable of the lot.

Gender discrimination, job-typing and occupational segregation is not always overt but they exist in many subtler shades. This discrimination happens in the evaluation of the work, fixing of wages and the denial of opportunity to take up rewarding work, to mention a few areas.

GOVERNMENT REGULATIONS AND SOCIAL SECURITY

In all major aspects of employment including the terms and conditions of employment, job security, earnings, perquisites, social security and retirement benefits, the unorganized labour is found to be in a disadvantageous position (S.K.G.Sundaram 2000). Workers India Federation is a CBCI (Catholic Bishop Conference of India) response to unorganized workers of India. It was in the year 1972 that CBCI set up a commission for labour to work for the welfare and rights of workers in the country. As a result of labour movements efforts and follow up, the Government of India has in the past years woken up to the concerns of unorganized sector. Yielding to the sustained campaign by these 31 movements, the government had enacted social security act. WIF (Workers India Federation) also proposed to assist the government by opening facilities centers for dissemination of important information to the working class with social security schemes and programmes. Early steps in this direction had already been taken by WIF to build up a strong nation with secured workers. WIF is now a registered body. The Labour Department of the Union government had approved WIF as an organization for unorganized workers, which may be able to achieve national trade union status for unorganized workers of India in near future (Vattakuzhy 2010). The constitution of the National Commission for Enterprises in the Unorganized Sector in September 20, 2004, was one of the first steps taken by UPA Government, in pursuance of its Common Minimum Programme that committed itself "to ensure the welfare and well-being of all workers, particularly those in the unorgansied sector who constitute 93% of our workforce". Although the Indian economy experienced a reasonably high growth rate till then, this was not seen as inclusive enough by the majority of the population. The policies pursued by the new Government made "inclusive growth" as its central plank (Sengupta 2007). The non-institutionalized unorganized sector comprises workers doing casual work like domestic workers, sweepers, scavengers etc. A key factor in the growth of informal activity in most developing regions has been the plummeting value of wage. The National Council of Applied Economics Research (NCAER) calculated that the informal economy generates about 62 percent of GDP, 50 percent of gross national savings and 40 percent of national exports. Numerous legislations abound to regulate the conditions of work and to create social security for the workers of the organized sector, but very few of them extend their scope to the vastly unregulated unorganized sector. The Equal Remuneration Act, 1976 (Amended in 1987) stipulates – in Section 4 read with Sec 5 that It provides for the payment of equal remuneration to men and women workers for same work or work of a similar nature. It also prohibits discrimination while recruiting men and women workers.

But the **table 2** highlights the disparity in wage rates (per manday), between men and rural women exists in almost all unorganized sector contrary to what the legislation stipulates.

However the Lok Sabha on July 30 2019 had cleared 'The Code on Wages Bill' which has subsumed four labour laws -- Minimum Wages Act, Payment of Wages Act, Payment of Bonus Act and Equal Remuneration Act. After the enactment of the Code, all the four Acts stand repealed. The New Act enables the government to introduce the minimum wages for workers besides addressing issues such as delay in payment of wages to employees.

There were 12 definitions of wages in various labour laws, leading to litigation besides difficulty in its implementation. Under the Code, the definition has been simplified and is expected to reduce litigation and also reduce compliance cost for employers. But again this Act is applicable only in Organized Sector.

The knowledge paper, titled 'Empowering Women & Girls in India for the Fourth Industrial Revolution', was released during the Gender Equality Summit 2019 by UN Global Compact Network India. It highlights a range of challenges for women and girls prevailing across Asia, especially in India. Some of these are listed as: Limited access to education, information technology, social and political participation.

CONCLUSION

The main reason for these gender disparities is that in the education sector, 39.4 per cent girls aged between 15–18 dropped out of schools and colleges. In terms of digital literacy, only 34 per cent women in India have access to mobile technology, according to the Annual Status of Education Report (ASER). Further, 76 per cent females had never used the Internet.

Women workers face serious problems and constraints related to work such as lack of continuity, insecurity, wage discrimination, unhealthy job relationship, absence of medical and accident care etc. The exploitation of female labourers in rural regions happens both horizontally and vertically.

Various studies included survey from industries, non-profits, government, skill development agencies and beneficiaries suggests reviving the education ecosystem through a set of new initiatives, introduction of digital and stem education in schools, building strong foundational skills, and better career opportunities and choices through vocational training and apprenticeship is must for transformation.

Hence, it is important for the world leaders to commit to the United Nations' Sustainable Development Goals (SDG) agenda for 2030, as increasing women participation in the workforce will be key in achieving future growth aspirations. It is time to address the issues and discuss the kind of policy reforms and institutional changes required for the emancipation and empowerment of rural female labour force. Empowerment should aim at changing the nature and direction of the power structures which marginalize the women labourers.

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