

Employment, wages and social security: a study of Informal Labour in India with special reference to Punjab

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Abstract

Objective: In this study, we try to study the pattern of employment, earnings, social security benefits of self-employed, contract workers and casual labour.

Methods/Statistical analysis: This study is a comparative analysis of India and Punjab. The study is based on secondary time series data and collected data was calculated by simple percentages, Annual Average Growth Rate (AAGR). The data has been taken from the report published on Employment- Unemployment survey, 2016 by Labour Bureau of India.

Findings: The level of informality has been more in the rural areas for both India and Punjab in case of casual labour. The situation of casual female workers seemed to be more vulnerable than another activity status. The condition of informal labour poses a great challenge for the government to formulate a decent policy for them. Self-employed are more in rural India than in urban India whereas the situation is opposite for Punjab. The urban areas of Punjab have more self-employed than rural parts of Punjab. Females and casual labour both again were the worst sufferer as more than half of the total casual labour and females earned less than Rs. 5,000 p.m. only. Informal workers have the least access to social security benefits.

Application/Improvements: The study also tries to explain the current situation employment, wages and social security of informal labour at both gender level and rural-urban level.

Keywords: Informal labour, Social security benefits, Rural-urban, Wages, Casual labour

1. Introduction

Punjab economy has always been known for its hardworking people, agriculture, economic and social prosperity. Right from the formation of Punjab as a separate state in the year 1966, it maintained the tag of a progressive state whether as spearhead state in Green Revolution or electrification of rural areas households or implementation of any public scheme. After economic reforms in 1991, the state witnessed a low growth rate compared to other states of India and the country as a whole. This resulted in a serious problem of high rate of unemployment in the state. The World Bank report on Punjab clearly depicted the low growth of state and termed it as a state having a high income- low growth [1]. This high unemployment among the workforce forced them to move into the informal sector which less productive and offers poor working conditions. International Labour Organization defines employed as those persons who worked for any amount of time, even only for one hour, in the course of the reference week. Employment is further distinguished into formal sector employment and informal sector employment. Formal sector employment consists of workers receiving regular salaries, emoluments and other benefits including leaves and social security. National Commission for Enterprises in the Unorganized Sector (NCEUS, India) defines the informal sector employment as "informal workers consist of those working in the unorganized sector or households, excluding regular workers with social security benefits provided by the employers and the workers in the formal sector without any employment and social security benefits provided by the employers". Further, the Informal sector is defined by NCEUS as, "The unorganized 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 and with less than ten total workers".

At present Punjab is suffering from a high level of unemployment and informalization of employment. The report published by Labour bureau also validates the seriousness of the problem which shows 54.4% of households in Punjab have only one earning member. This number is 51.1% in rural areas and 60.6% in urban areas [2]. This shows the high dependency of families on a single person and unemployment within a household. In the search of a decent job, the workers have to settle with a low-income informal sector job. According to National Sample Survey Office (NSSO) report [3] published in 2014, 82.3% workers (87.4% in rural and 75.2% in urban areas) in the non-agriculture sector of Punjab are working in informal sector whereas at all India level this figure is 72.4%. This shows the high extent of informality among the existing employed population of Punjab. This also gives way to another problem of migration of rural workers into urban areas. The unemployed and informal workers of rural areas move to urban areas for better job opportunities and high earnings. This creates pressure on the urban infrastructure too which is already over capacitated with rising migratory labour annually. Most of the rural migratory workers like others join the urban informal sector. This also led to the problem of low wages and poor working conditions for the workers in this sector. In India, the growth of real wages in the non-agriculture sector is very slow (0.76%) for the casual labourers from 1999-00 to 2004-05 [4]. Informal workers are paralyzed by stagnant and low wages for their work.

Social security is essentially conceived of as a related concept to the high ideals of human dignity and social justice. The working class who plays a major role in the development of the country and contributes directly or indirectly to the country's prosperity should be provided adequate protection against certain risks and hazards to which his/her life is exposed either during the working period or as a consequence thereof. It also becomes a duty of the administration to provide social security to the labour. Overall, the state is suffering from problems like; unemployment, informal employment, low wages, and poor working conditions. These major problems are the stumbling blocks for the economy of Punjab. More and more informalization of the working population puts questions on the growth pattern of the state. In the long run, this persistent situation of unemployment along with informal employment can be really harmful to the health of the state's economy.

1.1. Theoretical background

The situation of informal employment in the informal sector is a reason of concern for the states because of this sector's poor working conditions and low level of earning. Keynes in his theory of employment stated that in the short run there will be involuntary employment in the economy. This section of involuntary workers will be forced to join the informal sector at lower wages. Karl Marx in his 'immiseration' thesis pointed out the situation of workers under the capitalist structure. He argued that economic development under capitalism, the real wages stabilize; wage growth reduces and worsens the labour situation. Marx also predicts that during the progressive stage, the capitalist will replace the labour with machinery to raise productivity. Marx asserted that during production, in a capitalist structure, the organic composition of capital raises overtime. This situation leads to less demand for labour intensive technique. Further, he claims that the wages will fall below the minimum acceptable wages even then the workers have to accept those wages. R. Harris and Michael Todaro published their migration model in 1970 known as the Harris-Todaro model. It assumed that there are two sectors i.e. the urban industrial sector which is capital intensive and the rural agriculture sector which is labor intensive. The urban minimum wage is set to be higher than the wage rate paid to rural labor that is valued at its marginal product resulting in wage differential between the two sectors.

Rural workers have an incentive to migrate to the urban areas despite urban unemployment, because of the potential of higher earnings in the urban sector. Such migration will continue as long as there is a possibility for migrants to increase their income by moving to a city. This explains why there is a continuous flow of migrants observed in developing countries despite the high urban unemployment rates. In this model, they summarized that there is a fixed minimum wage rate in the urban sector and rural labour migrates to the urban areas to get work, which leads to a further rise in urban unemployment. Apart from that, the dualist viewed the informal sector as a separate entity which is independent of the formal sector which provides employment and income opportunity to the poor section of the labour force. The Structuralisms' saw the informal economy as subordinated economic units and workers that serve to reduce input and labour costs and, thereby, increase the competitiveness of large capitalist firms.

Then Legalist described the informal sector as those micro-entrepreneurs or self-employed which choose to work informally to avoid the time, cost and rules and regulation imposed by the government, whereas the Voluntarism School argued that informal entrepreneurs are those who intentionally choose to work in this sector to avoid the taxation and regulations. Under the modernization and globalization effect, the firms are sticking to cost reduction by replacing workers with machines. Workers are losing their jobs in a capitalist driven formal sector with no other option but to join already less productive, the large informal sector at lower wages and poor working conditions.

2. Literature survey

Employment is the major driver as well as a strong indicator of any nation or state's development. In the literature related to the informal sector has shown the migratory nature of informal labour, high informality in the labour force with lower wages and lesser social protection. In [5] conducted a sample survey during 1975-1976 to test whether informal sector employment is a temporary staying post for the new migrants. Evidence showed that fifty percent of the migrants to Delhi had been attracted by the opportunities in this sector itself and they had moved to Delhi after pre-arranging their jobs. There are other studies, especially Despande [6] in 1992 and Mundle [7] in 1993 that had argued that increased competition in the world would force the firm to cut their workforce and shift towards more capital intensive advanced technology, thereby restricting employment and lead to informalization of the workforce. In [8] discussed that the informal sector in urban areas has grown at a faster rate as compared to the organized industries or the rural unorganized industries.

In [9] has emphasized the importance of protective type programmes (old age pension, maternity leave etc.) for the unorganized workers. Most of the new employment in the future will take place in unorganised sector which is characterised by a poor condition of work, low earning and lack of any social security. In [10] has pointed towards the need to provide essential social security to the workforce in the unorganised sector as it has become urgent in the context of the consequences of economic reforms. In [11] presented a broad definition of social protection to include basic securities, such as income, food, health, shelter and economic securities including income-generating productive work. In [12] analysed the unemployment situation in the era of globalisation which is still a huge challenge for the government. The author examined the NSS rounds on employment and unemployment to understand the trend of unemployment in India at different period of time. The study found a very low rise in employment in the organized sector in India after economic reforms under the reign of capitalism. In [13] examined the challenge of decent work among the poor working class in the informal economy. The study took the approach of the segmented market between formal and informal market structure along with this it analysed the earning level and poverty risk in different segments. The study argues that 93 percent of the population is in the informal sector in India if we include the agriculture sector in estimation. Authors also observed that casual workers had lower average earnings and more poverty risk compared to formal sector workers, this requires a more inclusive development policy with all forms of informal labour are integrated into economic models.

In [14] argued that globalisation would increase the size of the informal sector. There is a rise in informal wages but the growth rate of wages is slow. In [15] observed the trend of wages and earnings of Indian labour. The study showed that there is a fall in the growth rates of casual and regular workers' income. The increased labour productivity did not lead to a rise in real wages of casual workers. In [16] investigated the explicit and non-explicit trends of female work participation in between 1993-94 to 2009-10. The study was conducted on the basis of the National Sample Survey Office (NSSO) data of employment and unemployment. They argued that there is steep fall in the female labour participation after the advent of liberalization in the country and apart from the employment share the problem of a large number of females doing unpaid work is also high in India. The study concludes that females in India still have the subordinate status in employment and financial dependence of female is the major factor for this situation.

3. Objectives of the study

1. To study the current situation of informal employment in the industrial sector in Punjab and India.
2. To examine the current wage structure of informal employment in the industrial sector of Punjab and India.
3. To assess the social security of informal sector labour in the industrial sector among different activity status.

4. Informal Employment in Punjab and India

In India, informal employment is majorly considered as those who are working as self-employed, contract workers and casual labour. These constitute a major share of the total workforce of the country. Besides that, they also have an important share in the growth of the economy. In the report published by Labour Bureau of India in 2016, it is clearly shown that self-employed workers constitute the major share in the total workforce from both Usual Principal Status (UPS) and Usual Principal Subsidiary Status (UPSS) approaches. In Table 1, the ratio of self-employed at India level can be seen at 44.1% and 44.9% from both the approaches respectively. After the self-employed, casual workers have the largest share of the labourforce in India with 31.4% according to UPS approach and almost the same with the alternate approach. This shows the high contribution of self-employed and casual workers in the total workforce of India. Contract workers also have nearly 5% of labour share in the economy. All this also show the high level of informality in the economy. Interestingly, males have a higher share in the self-employed with 48.6 percent compared to females who have 42.9% share in the total workforce according to UPSS approach.

Table 1. Distribution of informally employed persons in India and Punjab among different categories of employment based on UPS & UPSS approach

Activity Status	UPS Approach			UPSS Approach		
	Male	Female	Total	Male	Female	Total
Self Employed	48.4	39.9	44.1	48.6	42.9	44.9
Contract Workers	3.8	3.1	4.9	3.8	2.7	4.7
Casual Labour	30.2	42.1	31.4	30.2	41.9	31.5
Activity Status	UPS Approach			UPSS Approach		
	Male	Female	Total	Male	Female	Total
Self Employed	49.2	27.7	46.9	49.2	26.3	46.6
Contract Workers	7.2	15	8	7.2	14.6	8
Casual Labour	28.6	21.6	27.8	28.7	25.6	28.3

Source: Employment - Unemployment Survey (2016), Labour Bureau of India (Figures in %)

On the contrary, among the casual labour, females dominated males with 41.9% compared to 30.2% respectively. This shows a high level of informality among the females who are working as casual labour in the market. They are more prone to exploitation and have less access to social securities. This ratio can also high due to the perception of the female as a supplementary contributor to the family's income. In the case of Punjab, the situation is more or less similar when compared to the national average. In Punjab, there 46.6% of the workforce is working as self-employed which is higher than the national average, but the ratio of females as self-employed is less (26.3%) which is too less than males and also lesser than the national average of females self-employed (42.9%). Surprisingly, the contract workers are more in Punjab compared to the overall data of the country. In Punjab, 7.2% males and 14.6% females are working as contract workers. This figure is higher than the overall number of contract workers in India. The ratio of the casual labour of males is 28.7% compared to 25.6% female casual labour. Thus, the amount of informality is lesser in Punjab in comparison to India as only 28.3% of workers are casual labour compared to 31.5% at the national level.

5. Rural-urban employment scenario

In the case of the spread of informality in rural and urban areas of India as well as Punjab, there was a difference in different activity status. Among the self-employed, the share of self-employment as an occupation is more prevalent in rural India compared to urban India.

Both rural male and female ratio for self-employment was higher than urban India as shown in Table 2. But the situation in Punjab is different as urban Punjab emerged as the larger self-employed workforce than the rural parts of Punjab. The difference can be seen at the gender level also between rural and urban areas of Punjab. This shows the tendency of more self-employment among the workforce of Punjab rather than working under an employer. As casual labour, the picture is similar both at India and Punjab level. In rural India, females (45.1%) are more indulged in casual labour than males (34.6%) and same is the case in urban India. Rural Punjab has a higher share of males than females in casual labour with 36.8% men compared to 31.8% women. Overall, urban Punjab has a lower share of casual labour for both males and females.

Table 2. Distribution of informally employed persons among different categories of employment based on Rural-Urban sector

Activity Status	Rural India		Urban India		Rural Punjab		Urban Punjab	
	Male	Female	Male	Female	Male	Female	Male	Female
Self Employed	50.4	45.1	43.3	31.5	47.6	24.3	52.7	30.9
Contract Workers	3.1	2.1	5.7	5.9	5.8	14.5	10.3	15
Casual Labour	34.6	45.1	19.5	25.1	36.8	31.8	10.6	11.1

Source: Employment - Unemployment Survey (2016), Labour Bureau of India (Figures in %)

The table also shows a different picture of more level of informality in rural parts of India and Punjab. The higher level of informality with low social security forces them to move to urban areas. This movement from rural to urban areas creates pressure on the urban infrastructure. Every year, many workers move from villages to cities in search of better job opportunities.

6. Wage level and informal employment

The other main issue for informal employees is to get a substantial amount of income to maintain their living standard. The other characteristic of informal employment is low wage rate. All the activity status whether self-employed, contract workers or casual labour earn alower level of income for their work. As shown in Table 3, at India level, 41.3% of self-employed only earn less than ₹5000 p.m. which is very less for running family expenses. Almost 84.9% worker earns up to ₹10, 000 p.m. while 96% of the population earns not more than ₹20,000p.m. This shows a pitiful situation of the self-employed workers. Only 0.5% of the total self-employed earns more than ₹50, 000 p.m. A similar pattern can be found among contract workers and casual labour. Contract workers, who earn less than ₹5000 p.m., are 38.5% of the total contract workers. Moreover, 27.9% and 20.3% of total contract workers earn between ₹5,001- ₹7, 500 p.m. and ₹7, 501-₹10,000 p.m. respectively. Majority of contract worker earns less than ₹10, 000 p.m. as shown in Table 3.

Table 3. Self employed/regular wage salaried/Contract/Casual Workers according to average monthly earnings

Wage (Monthly)	Activity Status - India			Activity Status - Punjab		
	Self Employed	Contract Workers	Casual Labour	Self Employed	Contract Workers	Casual Labour
Up to Rs. 5000	41.3	38.5	59.3	21.2	41.4	56.5
Rs. 5,001- Rs.7,500	26.2	27.9	25	16.8	25.4	17.4
Rs.7,501-Rs. 10,000	17.4	20.3	12	22.9	20.6	23.1
Rs.10,001-Rs. 20,000	11.1	11	3.5	27.4	9.1	2.7
Rs. 20,001-Rs. 50,000	3.5	2.1	0.3	11.3	3.3	0.1
Rs. 50,001-Rs. 1,00,000	0.4	0.1	0	0.3	---	---
Above Rs. 1,00,000	0.1	0	0	0	0.2	---

Source: Employment - Unemployment Survey (2016), Labour Bureau of India (Figures in %)

On the other hand, casual labour is the worst sufferer as 59.3% of the total casual workers earn upto ₹5, 000 p.m. only. The current scenario in India is that 96.3% of the workers doing casual chores earn only less than ₹10,000 p.m. The distribution of income is skewed towards lower income level of ₹5,000 p.m. which is not a satisfactory situation. Overall, at India level the situation totally pathetic in terms of their earnings. At Punjab level, the situation is somewhat better for the self-employed workers as 21.2% of workers earn up to ₹5,000 p.m. and 16.8% earn ₹5,001- ₹7,500 p.m.

The condition seems satisfactory as 61.6% of self-employed earn between ₹7,501 p.m. to ₹50,000 p.m. which is better than the national average. The contract workers in Punjab show a similar pattern compared to India. 41.4% of contract workers in Punjab earn up to ₹5,000 p.m. and 46% of the workers earn between ₹5,001 to 10,000 p.m. which is again not a promising situation for the workers. Nearly, 87% of the workers are under ₹10,000 p.m. bracket of income. This is the reason for the poverty of the contract workers as well as their low level of living in Punjab. The casual workers are also showing even worse conditions for them when we compared it to the national average. The situation and earning level is very low in Punjab. 56.5% of workers earn up to 5,000 p.m. and 40.5% of workers in casual chores earn between ₹5,001 p.m. to ₹10,000 p.m. only. The earning level is poorer compared to an average of India for casual workers. All these figures show the pitiful condition of the labour in Punjab. This situation is more vulnerable as most of the households have only single earning member in India.

7. Rural-urban and gender wage rate disparity in Punjab

As shown in Table 3, the earning level of contract and casual workers in Punjab is not satisfactory. Further, when we analyse Punjab at rural-urban and gender level, the income disparity is much wider. In Table 4, the current scenario of rural and urban Punjab can be seen at the gender level also. The disparity is there between the two genders in terms of income level.

In the case of self-employment, the earning bracket up to ₹5,000 p.m. shows a huge wage disparity between male and female. 17.9% of male earn up to ₹5,000 p.m. whereas 60.7% of females earn up to ₹5,000 p.m. which shows the pitiful earning level of women in Punjab. At the rural level, the condition of male self-employed is better than the female self-employed. More male self-employed (62.7%) earn within the range of ₹7,501 p.m. - 50,000 p.m. than females (23.1%). On the other hand, the situation is much better for both male and female in urban Punjab as less number of self-employed (16.8% males and 21.1% females) earns less than ₹7,500 p.m. only. Majority of the self-employed (55.8% males and 64.5% females) fall under the bracket of ₹10,001 to ₹50,000 p.m. this shows better income distribution in urban Punjab among the self-employed at gender level.

Table 4. Self employed/regular wage salaried/contract/casual workers according to average monthly earnings

Wage (Monthly)	Activity Status –Rural Punjab						Activity Status –Urban Punjab					
	Self Employed		Contract Workers		Casual Labour		Self Employed		Contract Workers		Casual Labour	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Up to ₹5000	17.9	60.7	54.8	78.7	60.7	84.3	7.2	10.2	13.5	24.3	31.3	64.2
₹5,001-7,500	19.5	15.7	28.5	17	14	1.2	9.6	10.9	25	23.4	33.5	34.5
₹7,501-₹10,000	23.7	7.9	14.1	2	23.1	8.7	25.4	14	35.5	22.2	30.3	1.4
₹10,001-20,000	13.7	7.4	2.3	2.3	2	5.8	24.1	28.8	17.4	24.7	5	---
₹20,001-50,000	25.3	7.8	0.2	---	0.2	---	31.7	35.7	8	5.4	---	---
₹50,001-1,00,000	---	0.6	---	---	---	---	2	0.4	---	---	---	---
Above ₹1,00,000	---	---	---	---	---	---	---	---	0.6	---	---	---

Source: Employment - Unemployment Survey (2016), Labour Bureau of India (Figures in %)

In the case of Contract workers, the situation is again pathetic for rural contract workers both male and female workers. Nearly, 54.8% of male and 78.7% of female earns up to ₹5,000 p.m. only. Female workers are the worst sufferer again in this segment as 95.7% of female contract workers earn up to ₹10,000 p.m. only compared to 83.3% of males in Table 4. Overall the condition of both male and female contract worker is not good at rural level in Punjab. In urban Punjab, the situation is evenly balanced for contract workers although it is better than rural Punjab. In males, 38.5% of contract workers earn up to ₹7,500 p.m. whereas 47.7% of females earn the same income.

The situation is better at higher level income as 60.9% of males earn between ₹7,501 p.m. to 50,000 p.m. compared to 52.3% for female contract workers as shown in Table 4. The total situation is again less favourable for women in both rural and urban Punjab. The casual labour in Punjab is also not depicting a bright picture for both males and females. As high as 60.7% and 84.3% of males and females respectively earn up to ₹5,000 p.m. only. This can clearly portray the highly poor condition of casual labour in rural Punjab. More than 90% of the total rural casual labour in Punjab only earn up to the level of ₹10,000 p.m. only. The situation is pitiful for both males and females in casual labour. On the other hand, urban Punjab, the situation gets much better for males compared to females as 31.3% of males earn up to ₹5,000 p.m. but 64.2% females are at same income level. This is better than rural Punjab but still not a good indicator of the financial position of casual labour in urban Punjab. According to Table 4, all the male casual labour earn not more than ₹20,000 p.m. in urban Punjab and all females casual labour do not earn more than ₹10,000 p.m. This can depict the real picture of tragedy with casual labour in Punjab at both rural and urban level. The conditions are not promising for both male and female casual labour in Punjab. The reason for the poor condition of casual labour can be the migratory nature and lack of skill. The casual labour is exploited on the basis of lack of skill and in the absence of any contract they suffer the most compared to self-employed and contract workers.

8. Social security scenario

The other major curse of working as informal sector labour is that they lack social security services which are essential for the decent level of living for any worker. Apart from that, it also gives a sense of security to the family members of the informal labour. In India, the ill effects of informality are too severe as there is no or very less Social Security Benefits (SSB) to the informal employees. In the case of India, the situation of contract workers and casual labour is deplorable in the absence of social security. The situation of contract workers in rural India is worse than urban India as there is 79% of contract workers in rural areas compared to urban areas (74.2%). Only 11.1% of contract workers availed the SSB in rural areas as against 13.4% in urban areas as shown in Table 5.

Table 5. Distribution of contract and casual workers who availed social security benefits

Social Security Status	India				Punjab			
	Contract Workers		Casual Labour		Contract Workers		Casual Labour	
	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban
Availed	11.1	13.4	1.5	3.9	7.8	10.2	---	0.3
Not Eligible	79	74.2	91.3	88.9	70.6	77.1	77.5	76.2
Not Known	9.9	12.5	7.2	7.1	21.6	12.7	22.5	23.5

Source: Employment - Unemployment Survey (2016), Labour Bureau of India (Figures in %)

The situation in Punjab is almost similar to the national scene for contract workers. Rural areas have 70.6% of contract workers and 77.1% of urban contract workers, which show a better reach of SSB compared to urban areas in Punjab. Moreover, the situation of urban contract workers in Punjab is worse than the national average of contract workers in India.

In the case of casual workers in India, 91.3% of casual workers in rural areas do not have social security as against 88.9% in urban India. This shows the high level of social security vulnerability among casual labour both in rural and urban India. Only 1.5% of rural casual labour and 3.9% of urban casual labour have access to social security benefits. On the other hand, in Punjab, the position of casual labour is better compared to the national average of social security benefit. 77.5% and 76.2% of casual labour in rural and urban Punjab have access to social security benefits, which is better than the national SSB holders. Surprisingly, there are high numbers of casual labour both in rural and urban areas do not know about the facilities about the social securities available for them. 22.5% of casual labourers do not know about the SSB about them in rural areas compared to 23.5% in urban areas. This might be due to less literacy rate among the casual labour, which caused the unawareness among the casual labour in Punjab.

9. Conclusion

After the analysis of the condition, of informal labour in India and Punjab, various conclusions can be drawn. The level of informality has been more in the rural areas for both India and Punjab in case of casual labour. Casual labour is more in rural areas as most of the labour is less literate and less skilled, with no other option but to work as casual labour. In urban areas, the situation was somewhat better. Self-employed are more in rural India than in urban India whereas the situation is opposite for Punjab. The urban areas of Punjab have more self-employed than rural parts of Punjab.

Apart from that, the position of a female was found totally vulnerable in all three activity status ie; self-employed, contract workers and casual labour. A large number of women were indulged in casual labour compared to men. This shows the marginalized situation of a female in earning as well as informality of labour. On the basis of earning, there is again the wide level of lopsidedness was seen as most of the workers earned less than ₹10,000 p.m. only. In all three activity status, the major chunk of workers was earning under ₹10,000 p.m. only. Punjab has a slightly better condition than the rest of the country in terms of earning but the overall situation is not so bright for the state. Females and casual labour both again were the worst sufferer as more than half of the total casual labour and females earned less than ₹5,000 p.m. only. In rural Punjab, 84.3% of female casual labour earns only ₹5,000 p.m.

Social security benefit to the informal labour also did not show the bright picture for the informal labour. Casual labour has the least access to SSB compared to contract workers. Overall, all the activity status has higher non-eligibility for social security benefits in both rural and urban sectors of India as well as Punjab. After the analysis, we can conclude that informal labour India and Punjab lacks income as well as social protection. Though they constitute the larger part of the working population yet they are marginalized in terms of income distribution. Hence, the government has to take some prudent and workable solutions for the informal labour in India, only then there can be a rise in the level of working and living conditions of self-employed, casual and contract workers. Lot has been done and still, a lot more has to be done for the improvement of the downtrodden section of our labour force.

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