

Challenges and Prospects of Domestic Workers in Informal Sector- A Case Study in Delhi (NCR)

B. SRINIVASU¹ AND MANVI AGGARWAL^{*2}

¹Assistant Professor and ²Research Scholar

Department of Economics, Jamia Millia Islamia, New Delhi (India)

ABSTRACT

International Labour Organisation estimates that 92 per cent of India's workforce is engaged in informal sector. Domestic work contributes to a larger extent in this informal economy. But, still it remains undervalued, underpaid, unorganised and unregulated. The present paper makes an attempt to bring forth some of the issues of domestic workers in Delhi (NCR) in the Maharajpur region. It captures socio-economic profile and financial inclusiveness of 50 female domestic workers in this area. The major findings of the study reveal that majority of the domestic workers are illiterate (68 %) and associational rural migrants. Another finding is that almost all of them are living in rented houses. Nearly half of these domestic workers do not have bank accounts and banking habits in this financial inclusion epoch. In the light of the above conclusion, there is a need to regulate domestic work to meet increasing demand due to urbanisation and frame effective policies for betterment of the domestic workers.

Key Words : Informal Sector, Domestic Work, Unorganised Sector, Women Employment

JEL Codes : E26, H75, J61, 017, R23

INTRODUCTION

It is a well recognised fact that all the emerging economies are dominated by prevalence of informal sector as there is an abundant supply of unskilled and semi-skilled labour force. Though there is always an urge for growth and development, interestingly, the developing economies are pre-occupied and dominated by informal sector. However the sector has not been recognised or re-oriented in the growth model on development perspective. Indian economy is not an exception while addressing the issues of informal sector despite of its importance. India's informal economy is very large and as per ILO (2016) estimates, about 92 per cent of India's workforce is engaged in informal sector. According to India Labour Market Update, 2016, even the jobs in formal sector are informal in nature as the workers do not enjoy social security and employment benefits. With such a major contribution in the economy, there is an urgent need to study the sector in detail. The need for an in-depth analysis also arises because India's GDP statistics take into account only the formal sector whereas it is estimated that informal sector contributes to about 50 per cent of the GDP. Therefore, the policy makers need to emphasise more on this sector.

Informal Sector and its Composition :

There are various domains of informal sector in which workers are engaged. The sector witnesses unskilled and semi-skilled persons working as construction workers, engaged in manufacturing work, employed as domestic servants or working on their own as street vendors, peddlers and hawkers etc. As per the India Development Report (2015), India has one of the highest number and proportion of informal workers in the world. Among the sub-categories of informal sector occupations, the share of domestic work cannot be ignored. In the present environment, paid domestic work not only comprises a significant part of the workforce in the informal employment but has also started emerging in different ways. With the increasing affordability, increased living standards and great degree of urbanisation, the demand for domestic workers has seen a sharp increase. Earlier, paid domestic work broadly meant hiring workers for cleaning purposes, but now, this ranges all the way from cleaning houses, cleaning utensils to washing and ironing clothes, cooking, pet care, baby care, elderly care, maintenance of lawns or gardens, cleaning of cars etc. As per ILO estimates, there are around 67 million domestic workers across the world, of which nearly 83 per cent are women. As per NDWM (National Domestic Workers Movement), nearly 90 per cent of domestic workers in India are women or children. Also, the total number of urban domestic workers has increased from 9,46,497 in 1999-2000 to 16,27,311 in 2009-10, that is a total of 72 per cent¹.

The Domestic Workers (Regulation of Employment, Conditions of Work, Social Security and Welfare) Bill, 2008, defines domestic worker as a person between the age of 15 and 60 years working in any domestic employments, directly or through any agency or contractor whether exclusively for one employer or in a group or otherwise one or more employers whether simultaneously or otherwise and includes a casual or temporary domestic worker; migrant worker; but does not include any member of the family of an employer. There are mainly two categories of domestic workers; Live-in and Part Time/ Live-out Domestic Workers. Live-in Domestic Workers refers to those residing at the place of their employers. The basic requirements of food and shelter are fulfilled by their employers and they cannot work at multiple places. Whereas, Part Time/ Live-out Domestic Workers refers to the workers who work for multiple employers and reside on their own, mostly in slums. They are called part time because they work at multiple places.

In the current scenario, at least one worker is found to be employed in the urban households. The emergence of nuclear families and increasing participation of women in outside works has resulted in demand for women-centred services such as domestic help, child care, full time home-based caretakers etc. (Banerjee and Raju, 2009). Despite of its role and contribution in the economy, domestic work still remains undervalued, underpaid, unorganised and poorly regulated. It is one of the major domains of informal sector employing women. The sector is actually visible in urban India but statistics on the number of workers, age are surprisingly scarce (Hamid, 2006). Most of the domestic workers do not have any formal contracts with their employers and are not guaranteed job security and other social benefits. There exists no regularity in wages, working hours or conditions of employment. Their earning is the lowest and they face physical, psychological and social problems (Daraei and Mohajery, 2013).

METHODOLOGY

In light of the above discussion, the present paper makes an attempt to bring forth some of the

1. Calculated from NSSO Report, Employment and Unemployment Survey 2009-10.

issues and concerns of domestic workers in the region Maharajpur, Sahibabad which falls under the jurisdiction of Ghaziabad District of Uttar Pradesh (Delhi NCR). It also tries to capture the socio-economic profile of domestic workers in the study area. For this purpose, a survey was conducted with the help of a structured questionnaire on 50 women live-out domestic worker and data was collected with the help of variables such as place of origin, literacy level, income level, housing conditions, marital status, asset classification etc. For analysis, SPSS V.21 has been used to construct frequencies, percentages and correlation.

Profile of the Study Area and Domestic Workers :

Maharajpur falls under Delhi-NCR which is well connected to areas such as Anand Vihar, Yojana Vihar, Surya Nagar, Chander Nagar, Kaushambi, Vaishali etc. Maharajpur is a semi-urban area where majority of the families belong to low income earning groups, who are engaged in informal sector and have migrated from backward regions such as Bihar, Uttar Pradesh and Madhya Pradesh to city areas for their livelihood opportunities. The people are engaged in a host of activities such as construction, sweeping, rickshaw pulling, auto driving, *domestic work*, garbage picking etc. Domestic work is predominantly occupied by female workers who are employed in households, offices, shops, parlours in the nearby regions listed above. Engagement of females in domestic work is a result of a host of push factors such as low income, marriage etc. and pull factors such as easy entry, no special requirement of education, skills etc. Being migrants, they have limited number of livelihood opportunities and domestic work is the only job enabling them to manage and devote time to household chores too. The female migration rate has seen a continuous increase in various NSSO rounds as reflected in Table 1.

Table 1 : Migration Rates (per 1000 persons) All India

NSSO Round	Female Rural Migrants
64 (July 07- June 08)	477
55 (July 99- June 00)	426
49 (Jan-June 1993)	401
43 (July 1987- June 88)	398
38 (Jan-Dec 1983)	351

Source- Compiled from NSS 64th Round, Ministry of Statistics & Programme Implementation Government of India, June 2010

It is clearly evident that more and more women are migrating from rural areas. One of the primary and important reasons for migration of these workers is marriage. They accompany their migrating spouses to urban areas in search of livelihoods and engage themselves as domestic workers. The same has been endorsed by Banerjee and Raju (2009) that women are classified as associational migrants who migrate because of marriage or along with some earning member of the family. It is true in the case of our primary study, where 96 per cent of domestic workers are associational migrants, that is, migrated along with the head of family, originating Bihar, remote areas of Uttar Pradesh and Madhya Pradesh. As highlighted by Neetha (2008), interstate migrant women account for a majority of the domestic workers.

RESULTS AND DISCUSSION

It is an interesting fact that there is a link between marital status, education and work pattern.

It has also been reflected in the study by Banerjee and Raju (2009) that the nature of work done by migrant women is determined by a host of factors such as education, marital status etc. This has been proved in the present study, about 78 per cent of the domestic workers are married and of the age group of 25-65 years and rest (22 %) are unmarried belonging to the age group 15-25 years. A negative relationship between age and education level is witnessed; higher the age, lower the education level and lower the age, higher the education level. Majority of them are illiterate (60 %) and married; and a lesser proportion (34 %) are literate or attained secondary education and unmarried. One interesting finding is that the latter group is into domestic work to earn part time and is primarily engaged in other activities such as tailoring. They showcased their interest in taking up tailoring as their full time work and were doing domestic work to pay the fees for tailoring training. The above analysis clearly evidences that among the informal workers, migrant married women with low education levels are more likely to take up domestic work. To meet the expenses in cities, these associational migrants engage themselves in domestic work as the entry is very easy in this domain and there is no mandate for high education and skills.

While examining size of the family from the sample, it is evident that majority of them are comprised of 5-6 members followed by 3-4 members and 7-8 members (Table 2).

Table 2 : Size of Family	
Size of Family	Percentage
3-4	32
5-6	52
7-8	16

Source: Primary Data

This reflects an alarming but an usual trend of lack of knowledge about benefits of a small family and lack of awareness on the methods to adopt the same among the low income groups in India. There is a negative correlation between family size and development of an economy. But they still believe in the notion of 'one mouth to feed and two hands to earn'. This is because of the lack of literacy and education among this segment of society which needs to be addressed.

Ownership and Housing Facilities :

Possessing own house and a decent lifestyle is a challenge in this globalisation era. Though there are various schemes for housing for poor such as Indira Awas Yojana etc., still poor people do not own houses. While examining the housing pattern of ownership among the domestic workers, it is found that 86 per cent of them live in rented houses and the amount of monthly rent ranges between Rs. 1,000 to Rs. 2,500 wherein 58 per cent were paying Rs. 2,000 followed by 33 per cent paying Rs. 2,200. The families originally from Delhi had their own inherited houses (10 %). Only 4 per cent owned houses taken on loan. This clearly reflects their inability to afford own houses. The major portion of their income is spent on paying rent and managing household chores, thus, they are not able to save for future needs. The other families who had their own houses (whether inherited or on loans) had their male counterparts in better earning informal jobs which enabled them a better living standard as compared to others. While examining the facilities in their houses almost all of them, that is, 90 per cent used a mobile phone, making it a necessity commodity rather than a luxury commodity. Some families also had television (68 %) and a fan (76 %). Only 12 per cent had a fridge which was taken from their employers at reduced prices. Interestingly, 8 per cent of the respondents had washing machines (second hand) which originally was unexpected. Only 10 per

cent of them possessed a two wheeler (scooter/scooty) and these were the domestic workers earning between Rs. 5000- Rs. 10000. A shocking result was that only 36 per cent had a bed. This is primarily because they didn't have enough space in their homes and thus slept either on floor or outside their homes. All these results provide us the nature and the thinking of these domestic workers towards development (Table 3).

Table 3 : Assets Distribution

Facilities	Mobile	Fan	TV	Bed	Cycle	Scooter	Fridge	Cooler	Washing Machine
Percentage	90	76	68	36	34	10	12	8	8

Source: Primary Data

Nature of Work :

Paid domestic work is commonly associated with three "C"s, that stands for caring, cooking and cleaning (Vasanthi, 2011). Domestic workers are engaged in different types of work like cleaning houses, cleaning utensils, taking care of kids, cooking, washing clothes etc. In this study, majority of the workers are engaged in house cleaning and utensil cleaning. A miniscule proportion is engaged in washing clothes, cooking and child care. These workers carry different types of activities simultaneously. The same worker is engaged in house cleaning, utensils cleaning, cooking, either in the same house or in different houses or any other combination of the activities working for 8-10 hours a day on an average. On a closer look, it can be inferred that the amount of earnings of these workers is low when compared with the amount of efforts, physical labour and working hours they devote in this job. The leave rules for the sample is uniform which is four paid leaves a month. They left from their houses latest by 8'O clock in the morning and returned around lunch hours. After a short break, they return back to work and finally reach back their homes in evenings. After such a busy day, they also have to manage their household chores such as cleaning, cooking food, washing clothes etc. They hardly are left with any leisure time. This is among one of the reasons of women's engagement in the informal sector. Household responsibilities such as childcare and care for the elderly keep women away from formal employment (Banerjee and Raju 2009). All of the respondents revealed that they did not want to shift from their present job as it was the only work that enables them to earn and manage home simultaneously. Proximity of workplace from their homes was also the encouraging factor as it reduced travel cost and time considerably.

Financial Inclusiveness :

With the growing efforts of Government to formalise the informalities of our economy, it becomes necessary to analyse the extent to which informal sector workers are included in formal sector of the economy. To capture inclusiveness, data was collected to find how many people possessed bank account and Aadhaar card. The data revealed that sixty eight per cent of the workers had an account in nearby banks. The respondents who did not have an account revealed that they found the procedure of opening an account to be burdensome and also, they did not have enough documents required in the bank. Some also revealed that their accounts were closed as they were unable to maintain minimum monthly balance due to lack of savings and low income where 74 per cent earned Rs. 5,000 - Rs. 10,000 monthly and the remaining 26 per cent earned Rs. 2,000 - Rs. 5,000. Of the respondents who had an account, some of them stated that they do not use their accounts regularly. The reason for this behaviour is the lack of willingness to go to banks and operate banking transactions. This clearly evidences that these group of workers do not have

banking literacy which leads to keep their money in form of cash. There is a need to educate this segment on financial literacy and the benefits of banking habits. The present government is now focusing on inclusive banking strategies, where schemes such as Jan Dhan Yojana are introduced for poor, where they can open an account without maintaining minimum monthly balance, are provided insurance against accidents, social security, easy transfer of money etc. On this, they need to be educated and made aware of the benefits of banking and thereby eliminating the opportunity cost of cash.

Further, the study found that 96 per cent of the workers possessed Aadhaar card. This clearly indicates that informal sector workers are becoming inclusive in the database of government. They also wanted to get themselves registered for ration cards and Voter ID cards, but revealed that they did not have knowledge about the procedures. Therefore, a need arises on part of the Government and local Municipality and Resident Welfare Associations that the process of issuing ID cards is made easy in order to include more and more of workers from the informal sector.

Other questions of the survey tried to analyse job satisfaction of the workers. As highlighted by Vasanthi (2011), economic insecurity and lack of employment act as push factors for the domestic workers. Also, easy entry, easy availability and ability to balance work and home act as the pull factors. Also, ninety six per cent of the sample said that they were satisfied with their current profile. All of them revealed that by working in this sector, their living standards had improved and they did not want to move back to their home towns as there were no livelihood opportunities in their respective villages. Even if sometimes they felt the urge to quit their job, they did not have any other means of income to support their families and it is the best job that allows them to earn as well as look after their families. Working as domestic workers instilled a sense of financial independence among these workers. They were now able to take their own financial decisions. They revealed that they were involved in all the decision making at their homes such as monthly budget, education of their kids, shopping, festival celebration etc. which helped them to be more empowered, independent and more involved in their respective families.

Conclusions and Policy Suggestion :

The above study clearly evidences that domestic workers are majorly the associational rural migrants. As these workers have low level of education, which is obviously driving them to unskilled work in the informal sector. The young force in this sector (in the age group of 15-25 years), however, depicts a different trend. They are educated up to secondary level and thus, are more inclined towards enhancing their skills and learning different works such as tailoring, for better earnings to lead a better lifestyle. Major percentage of the domestic workers stay in rented houses as their affordability is low. However, the domestic work has somehow empowered these workers and has helped in improving their livelihood opportunities. They feel that they are now financially independent and also are able to make financial decisions on their own.

Domestic workers are an inevitable part of urban lifestyle and the growing demand for these workers can also be associated to the *indirect pull factors* such as increased affordability of urban households, higher living standards, participation of women in formal jobs and urbanisation. Despite such a major role, neither they are provided a legal status in the economy nor is their share included in the economy. While examining macro level aggregates, there has been an increase of around 120 per cent in the number of domestic workers, reflecting their rising contribution in the economy. Despite of numerous legislations being passed since Independence, hardly these have been in favour of the workers engaged in unorganised sector, particularly domestic workers. While

there are Acts and Laws explicitly including domestic workers such as Minimum Wages Act, The Unorganised Workers Social Security Act, National Health Insurance Scheme etc., in practice there is no proper mechanism to delegate the information about minimum wages and rights, thus making domestic workers more vulnerable. National Commission for Women in 2010 proposed a bill on 'Domestic Workers Welfare and Social Security Act 2010' however it did not achieve its targets. In 2015, a National Policy for Domestic Workers was drafted laying guidelines on minimum wage, hours of work, annual leave with salary, medical and maternity leave, insurance, social security etc., but still need to go a long way to achieve all in practice. With relevant findings from the sample, the paper reflects that the workers are engaged for long hours under gruesome conditions, save penny by penny to be able to incur monthly expenditures and hardly enjoy any leisure time. Though they enjoy little benefits of bargaining power but that is not sufficient for a decent living in urban areas. The unskilled nature of work of these domestic workers makes situations more vulnerable for them. There will definitely be an increasing demand for domestic workers in the near future, Government needs to recognise them as part of urban cities and include them as part of the service enterprises. A National Policy needs to be framed to address the issues and challenges of the domestic workers. It further needs to address the insecurity issue, laws related to wages, work nature etc. in the policy framework. For its effective implementation, a decentralised policy needs to be adopted in which Local Municipal Bodies should represent domestic workers. They should conduct Outreach Programmes in their Municipalities to increase awareness among the domestic workers. For this, Resident Welfare Associations should also be involved and they should also maintain the records of those working in their societies/colonies and help in addressing their issues and concerns, which will definitely encourage these workers and help them instil a sense of security and empowerment. This domain of informal sector is not to be eliminated but identified and regulated.

REFERENCES

- Banerjee, A. and Raju, S. (2009). Gendered Mobility: Women Migrants and Work in Urban India. *Economic & Political Weekly*, **44** (28) : 115-123.
- Behar, U. (2018). Domestic workers, Gender Equality, and Women Empowerment. *Business Standard*, Retrieved from <https://www.business-standard.com>
- Daraci, M. and Mohajery, A. (2013). The Impact of Socioeconomic Status on Life Satisfaction. *Social Indicators Res.*, **112** (1) : 69-81.
- Hamid, A. (2006). Harsh, Everyday Realities. *Economic & Political Weekly*, **41** (13) : 1235-1237.
- Neetha, N. (2008). Regulating Domestic Work. *Economic & Political Weekly*, **43** (37) : 26-28.
- 64th Round, NSSO. (2010). Ministry of Statistics and Programme Implementation, Government of India.
- Pradhan Mantri Jan Dhan Yojana. (2018, June 08). Retrieved from <https://www.pmjdy.gov.in/scheme>
- Tewari, M. (2018). Why is the condition of domestic workers seldom discussed in India? *Business Standard*, Retrieved from <https://www.business-standard.com>
- Vasanthi, N. (2011). Addressing Paid Domestic Work: A Public Policy Concern. *Economic and Political Weekly*, **46** (43), 85-93.
