Women in Unincorporated Sectors

Why in news?

The share of women owners and workers in unincorporated enterprises was relatively high in the southern States, according to the recent Annual Survey of Unincorporated Sector 2022-23.

What is unincorporated sector?

- **Unincorporated sector** – It includes a range of jobs that require *little to no capital and skills* and that involves *considerable investment and expertise*.
  - Little or no capital – street Vending
  - Higher investment & expertise – Tailoring and car repair
- **Operation** – The shop may be operated by *an individual or a self-employed entrepreneur.*
- **Employees** – The operator may enlist *unpaid family members or employ paid workers*.
- **Work location** – They may work from a *fixed location or in homes*, small shops, and workshops.
- **Surveying in India** - National Statistics Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI) publishes Annual Survey of Unincorporated Sector Enterprises (ASUSE).
- ASUSE aims to provide d*ata on all aspects of unincorporated non-agricultural enterprises* to supplement the corporate sector data.
- **Classification** - ASUSE divides such workers into *4 Broad Activity Categories (BAC)* which includes
  - Manufacturing
  - non-captive electricity generation
  - Trade
  - Other services
- **Exclusion** – The sector excludes establishments registered under the Companies Act and covered under the Annual Survey of Industries, and public sector/government companies.

Different Types of Establishments

• **Hired Worker Establishment (HWE)** – It is an establishment which is employing a*t least one hired worker on a fairly regular basis.*
• **Perennial establishment** – These are establishments that run *more or less regularly throughout the year*.
• **Seasonal establishment** – Those establishments which are usually run in a *particular season or fixed months* of a year.
• **Casual establishment** – These are establishments that run occasionally, for a *total of at least 30 days in the last 365 days*.

To know about Annual Survey of Unincorporated Sector, click here

What is the status of women in unincorporated sector?

- **Female participation** – *Only 25.63% of the total workers* were female during ASUSE 2022-23.
- **In Broad Activity Categories –** Among 4 categories, it is participation of female workers is the *highest in manufacturing*.
- In manufacturing sector *43%* of the total workers are females.
- **Own Account Establishments (OAE)** – There is significant presence of female workers to the tune of 31% of the total workforce of the OAEs.

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BAC	Share of estimated number of female workers to total workers (%)								
	Rural			Urban			Rural+Urban		
	OAE	HWE	All	OAE	HWE	All	OAE	HWE	All
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Manufacturing	61.67	17.57	49.78	56.96	12.80	34.92	59.95	14.67	43.00
Trade	23.50	8.05	21.21	19.17	9.45	14.80	21.63	9.14	17.76
Other services	13.32	22.06	16.25	19.48	25.90	22.99	16.17	24.64	20.00
All*	**32.27**	**17.67**	**28.62**	**28.50**	**17.26**	**22.89**	**30.68**	**17.39**	**25.63**

- **Unpaid Family Workers** - The share of women among unpaid family workers was much higher than other job-types in every State.
- Even in States where women did not play a major role in unincorporated enterprises in hired/ownership roles, their share among unpaid family workers was higher.
- **Regional disparities in participation**
  - **Highest** – In Southern states
  - **High** – In some Eastern states
  - **Low** – In the western, northern, and central States
- **Ownership** – M*ore than 30%* of the proprietary establishments have been run by women entrepreneur in 3 major states like Telangana, West Bengal and Karnataka.
- **Concerns** - In many cases, they *take no payment* and have *little say in how the enterprise is run*.

What are the significance of women in unincorporated Sectors?

- **Empowers women** - Engaging in business activities empowers women by enhancing their decision-making abilities, confidence, and social status.
- **Brings diversity** - Women bring *diverse perspectives and innovative solutions* to business challenges, fostering creativity and growth.
- **Alleviates poverty** - Women's participation in these sectors *helps lift families out of poverty* by providing additional income sources.
- **Promotes community development** - Women-led enterprises often invest in their communities, promoting social cohesion and community well-being.
- **Boosts economic growth** - They contribute substantially to the economy by generating income, creating jobs, and driving local economic growth.
- **Builds economic resilience** – Especially in rural areas and in marginalized communities, by diversifying income sources and reducing vulnerability to economic shocks.
- **Promote sustainable practices** – As they engage in sustainable practices, contributing to environmental preservation and resource management.

Reference

[The Hindu| Women in Unincorporated Sector]

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