

# Asian Resonance

## Urban Informal Sector Workers in Bikaner City of Rajasthan



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### Abstract

The urban economy is predominantly based on non-primary occupations, including manufacturing and tertiary activities. Large-scale, highly productive and formally organised secondary and tertiary sectors of urban economy are more common in the developed world cities. A large portion of the economy of the developing world cities is characterised by small scale, low productive and less formally organised informal sector manufacturing and business. Often the informal workers are in-migrants, less educated and skilled, poor people. The present paper looks into some of these aspects in regard to the informal sector workers in the desert city of Bikaner in Rajasthan State, India. It attempts to outline their personal, economic and employment-related attributes.

**Keywords:** Informal Sector, Workers, Characteristics, Bikaner City.

### Introduction

Informal sector of the urban economy is widespread in the towns and cities of the developing, though also developed, countries of the world. This part of economy provides productive, useful and necessary labour without formal systems of control and remuneration and which operates beyond official recognition (Lee, 1986). The informal work in the urban areas may vary from street-vending, footpath based work like shoe-shining, small business from semi-temporary roadside structures, garbage-picking to production of fashion garments in metropolitan cities. The informal sector, informal economy, or grey economy is low productive, unrecognised economy, as compared to the formal economy. The activities of the informal economy are not included in the gross national product (GNP) and gross domestic product (GDP) of a country. Informal sector includes very small-sized, low-earning, self-owned enterprises which employ individuals, family members and, occasionally, employees too (Mayhew, 2009). In Africa, informal work is estimated to account for almost 80% of non-agricultural employment, around 60% of urban employment and nearly 90% of the new jobs (Charmes, 2002).

The present study is directed towards unravelling the characteristic features of the informal sector workers of the second largest - after Jodhpur - desert city of India, Bikaner. Bikaner (28.01 degree N, 73.22 degree E) commands an upland which is now partially irrigated by Indira Gandhi Canal. It is a Divisional (administrative) headquarter city for four districts of the region, is a big centre of para-military and military troops stationed here to guard this border region, acts as growth pole for various locally produced non-metallic local mineral-based (Gypsum) industries like Plaster of Paris, and boasts of nationally and internationally renowned food-based industries of rasgulla (using dairy product Chhaina, obtained from vast, local cattle resource) and salty refreshments of bhujia (made from locally-grown pulse crop of mothbean) and papad. The city has grown much due to in-migration of people from its periphery as well as other districts of the State. The modest economy of the city is an amalgam of urban functions, thrown in a desert ambience, and constitutes of a comparatively large informal economy.

### Review of Literature

Studies show that informal sector plays important role in economic development by creating employment opportunities for the low-educated labour force. The number of informal sector workers has been increasing rapidly, especially in the developing countries. The nature of informal sector is based on self-employment and labour-intensive working methods. The workers often have temporary employment status. This sector contributes to about 30 to 60% of the GNP in many developing countries (Kumar S. & Shripathi, 2015).

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Some studies indicate that informal sector workers are not always poor and low-productive. In developed as well as some developing countries, some informal sector entrepreneurs are reported to earn more than those in formal sector (Castells & Portes, 1989).

A study in Accra showed that informal sector was related to uneven economic development, in which migration outpaced the generation of formal employment opportunities (Roberts, 1990).

Since 1980s, many formally-organised firms of developed countries have begun to subcontract their production to informal workers of developing countries, where labour is comparatively cheaper (ILO, 2002).

Mukhija & Loukaitou-Sideris (2004) have looked into the growing phenomenon of "informal revolution" in the industrially advanced American life, reflected in street vending, urban agriculture and day labour.

Saha (2016) propounds that low industrial growth, declining agricultural sector and limited expansion of formal sector employment in India have forced the poor to take recourse to informal sources of livelihoods in the urban economy. He enquires into the sustenance and survival strategies of street vendors across 17 cities in India.

Schneider et al. (2017) investigated into the role of informal sector in ruralized environment based, on a study of 8 developing as well as developed countries. They conclude that informal waste management systems in low and middle income countries exist in parallel with formal systems. With increase in economic development, the share of informal sector was found to shrink in step with improvement of formal activities.

Verick (2018) suggests that India has experienced concentrated employment growth, mainly in urban areas and for men, instead of women. This has been accompanied by a decline in female labour force participation rate. The author projects that current situation of informalization in the formal sector will continue in the near future. Workers will continue to leave agriculture and seek employment in urban areas. However, the ability of manufacturing sector to absorb workers will be hindered by constraints of capital and skill intensity of production.

#### Objective of The Study

Objective of this study is to understand the personal, economic and work-related attributes of informal sector workers of Bikaner City.

#### Hypothesis

This study is guided by the hypothesis that informal sector workers of Bikaner City are a marginalised lot in respect to their personal, economic and employment conditions.

#### Methodology & Sources of Information

Since there is little availability of information and data on informal sector of economy, use of

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secondary data in this study was not possible. Hence, this study is based on primary data generated through fieldwork amongst different types of informal sector workers in various parts of Bikaner City. The fieldwork was carried out during January-February 2018 amongst 240 urban informal sector workers. The selection of sample was made on the basis of inclusion of as many types of informal activities as possible. Overall, 12 informal activities were selected and 20 representatives from each activity were surveyed, making a total of 240. The 12 different informal economic activities included in the study were earthen and crockery ware sellers on push-carts; shoeshiners; laundry/ironing; camel-bullock cart owners; potters; vegetable sellers; scrap buyers; pani-puri and chaat sellers; footpath sellers; sanitary workers; cloth dyers, and papad makers.

#### Results & Discussion

The urban areas of developing countries are considered to be the destinations for economically depressed, young, male, in-migrants. Most of these people end-up in informal sector of the economy. An age-wise distribution of the surveyed informal sector workers of Bikaner City shows that two-thirds of these workers belonged to younger age-group of 21 to 40 years. Another one-fifth belonged to the older 41 to 60 age group. Nearly 11% of the workers were up to 20 years of age (Table 1).

**Table 1: Age Distribution of Informal Sector Workers of Bikaner City**

Age Group (Years)	Number of Workers	Percentage
0-20	26	10.8
21-40	158	65.8
41-60	48	20.0
61 and above	08	03.3
Grand Total	240	100.0

Caste-wise, more than half (54%) of workers came from other backward castes, one-fourth workers were of scheduled caste origin, while remaining about 21% workers came from the general castes.

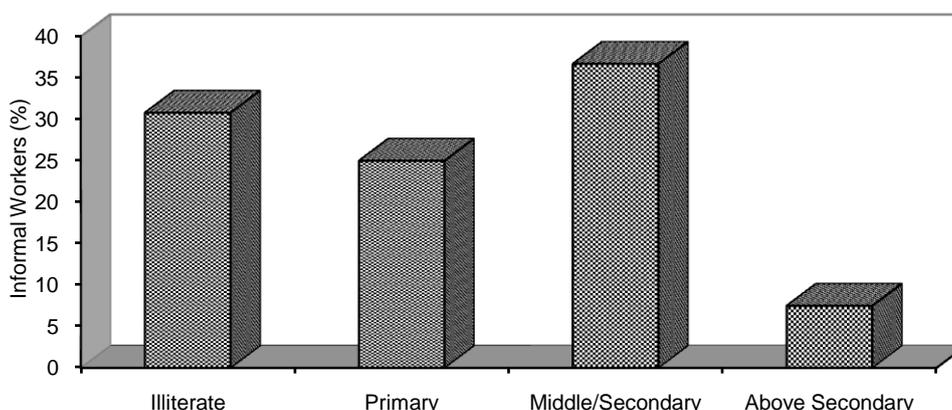
The condition of education amongst informal sector workers of Bikaner has been shown in Table 2. It indicates that sweepers, camel & bullock cart owners were predominantly illiterates; while half of the footpath-sellers were in this category. The shoeshiners were either illiterate or primary educated at the most. The cart-owners and cloth-dyers also followed this pattern. On the other side, most of the launderers/cloth-ironers, potters, vegetable vendors and papad-makers were found to be educated upto secondary, or even higher levels. Papad and bhujia are typical industries of Bikaner. The former is a low-end economic activity, in the sense that papad-shaping is sub-contracted at household level, in which one or two rupees are given for every 100 papads or so.

**Table 2: Levels of Education by Occupational Groups in Informal Sector Workers**

Occupational Groups	Illiterate	Primary	Middle/Secondary	Above Secondary
Crockery sellers (push cart)	4 (20)	8 (40)	8 (40)	0
Shoe shiners	8 (40)	10 (50)	2 (10)	0
Launderer/ Ironing	2 (10)	4 (20)	12 (60)	2 (10)
Camel/Bullock carters	12 (60)	6 (30)	2 (10)	0
Potters	4 (20)	2 (10)	12 (60)	2 (10)
Vegetable sellers	0	8 (40)	10 (50)	2 (10)
Junk buyers	6 (30)	2 (10)	12 (60)	0
Pani Puri/ Chaat sellers	4 (20)	2 (10)	14 (70)	0
Footpath sellers	10 (50)	0	10 (50)	0
Sanitary workers	14 (70)	6 (30)	0	0
Cloth dyers	6 (30)	8 (40)	6 (30)	0
Papad makers	4 (20)	4 (20)	0	12 (60)
Grand total	74 (30.8)	60 (25)	88 (36.7)	18 (7.5)

Note : Figures in parentheses are percentages.

**Fig. 1**  
**Education in Informal Workers of Bikaner City**



According to the nature of economic activity, slightly more than a half of workers reported that their work was hereditary. Included amongst these were caste-bound occupation-groups like cloth- dyers (the Muslim caste-group, *rangrej*); the Hindu scheduled castes like shoeshiners (*mochi*), launderers/clothe-

ironers (*dhobis*); and potters (*kumhars*). Another 44% informed that they had started their own occupation. Such people were constituted by junk buyers (*kabadiwalas*), sweepers, footpath-sellers, papad makers, vegetable vendors etc. (Table 3)

**Table 3: Cross-Tabulation of Nature of Occupation and Economic Activity of Bikaner's Informal Workers**

Occupational Workers	Hereditary	Started by self	Bought
Crockery sellers (mobile)	0	20 (100)	0
Shoe shiners	16 (80)	4 (20)	0
Launderer/ Ironing	16 (80)	4 (20)	0
Camel/Bullock carters	12 (60)	8 (40)	0
Potters	16 (80)	2 (10)	2 (10)
Vegetable sellers	8 (40)	12 (60)	0
Junk buyers	4 (20)	16 (80)	0
Pani Puri/ Chaat sellers	10 (50)	4 (20)	6 (30)
Footpath sellers	8 (40)	12 (60)	0
Sweepers	8 (40)	12 (60)	0
Cloth dyers	20 (100)	0	0
Papad makers	8 (40)	12 (60)	0
Grand total	126 (52.5)	106 (44.2)	8 (3.3)

Note : Figures in parentheses are percentages.

Near about 64% of the informal sector workers said that they worked for 6 to 10 hours everyday for their living. Only 13 percent workers worked for shorter duration, i.e., up to 5 hours everyday. Transporters like camel/bullock cart-

owners, vegetable vendors (a fifth of the total) were amongst those who worked more than 11 hours a day in order to make both ends meet (Table 4).

in about a tenth of the cases, although those in government jobs were a small minority (Table 5).

**Table 4 : Distribution of Informal Workers by Working Hours**

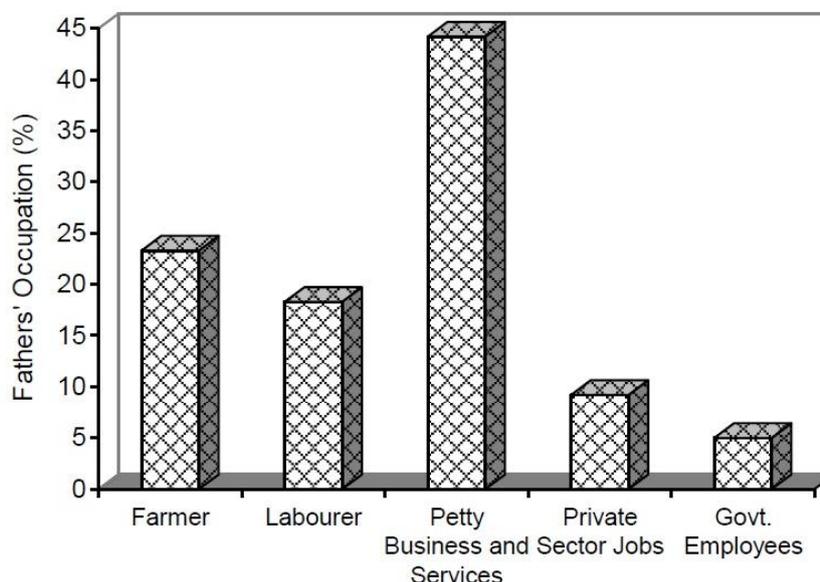
Daily Working Hours	Number of Informal Workers	Percent Share
Upto 5	32	13.3
6-10	154	64.2
11 and more	54	22.5
Grand Total	240	100.0

**Table 5: Urban Informal Workers by Father's Occupation in Bikaner**

Father's Occupation	Number of Informal Workers	Percent Share
Farmer	56	23.3
Labourer	44	18.3
Petty Business and Services	106	44.2
Private Sector Jobs	22	9.2
Govt. Employees	12	5.0
Grand Total	240	100.00

It may be reasoned that economically marginalised people tend to have their parents too with low income levels. In the survey of informal sector workers of Bikaner City, around 44% workers' fathers were in some sort of small business. In nearly 23% of cases, fathers' work as farmers, even as 18% of workers had their fathers in labour-related activities. Small-time private sector jobs were reported

**Fig. 2: Fathers' Occupation in Informal Sector Workers**



In their response to the question on their nature of employment, an overwhelming majority of 92% workers were reportedly able to manage some sort of continuous employment. The remaining minority of informal workers had ephemeral/temporary or seasonal work only. Amongst temporary/intermittent employment-getters, mention may be made of papad-makers. This is an additional activity in which the family members can partake, and utilise their time to earn extra income, howsoever meagre, while staying at their homes.

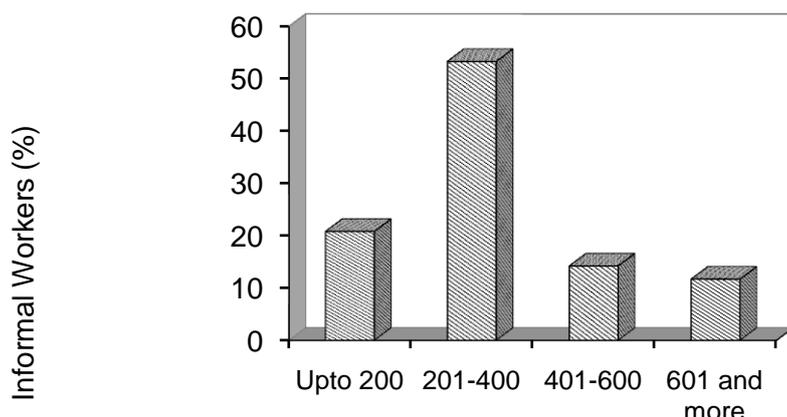
People in the informal sector are in these jobs for fulfilling their daily and other needs. Roundabout 53 per cent of the informal sector workers of Bikaner city had a daily average income of rupees 201 to 400. Slightly more than a quarter of the

workers reportedly earn Rs 400 or greater per day. About one-fifth of the workers could manage an average of upto rupees 200 only, everyday, from all their efforts (Table 6).

**Table 6 : Average Daily Income Distribution Amongst Informal Workers of Bikaner**

Average Daily Income (Rs.)	Number of Informal Workers	Percent Share
Upto 200	50	20.8
201-400	128	53.3
401-600	34	14.2
601 and more	28	11.7
Grand Total	240	100.0

**Fig. 3: Mean Daily Income of Bikaner's Informal Workers**



When asked to compare their goods and services with those in formal sector of economy, a big chunk of the informal workers, about 43 per cent, informed that their goods and services were at par with formal sector, while about 29% felt that it was below par when compared to the formal sector. There were several informal sector activities on which this comparison was not applicable, for e.g., shoe-shining, laundering, junk buying, sweeping, cloth-dyeing and papad making. Such workers were nearly 27 per cent of the total sample (Table 7).

**Table 7 : Comparison of Informal and Formal Goods and Services With Respect to Sale Price**

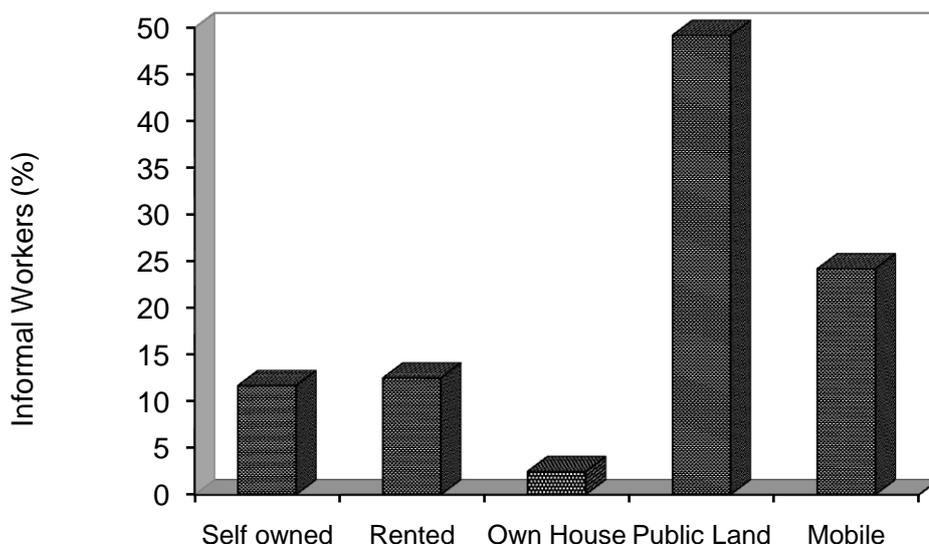
Sale Price of Informal Good and Services	Participant Informal Workers	Percent Share
Greater	04	1.7
Equal	102	42.5
Lower	70	29.2
Not Applicable	64	26.7
Grand Total	240	100.0

When queries were made about the ownership of the place of work to the informal sector workers, nearly half (49.2 percent) of them informed that they carried out their activities from public land. Nearly one-fourth of these workers were always on the move, or itinerant, in order to make their living. About 12.5 per cent workers worked from rented premises, while only 11.7 had their own place for work (Table 8).

**Table 8: Working Place Ownership Pattern amongst Informal Workers in Bikaner**

Ownership of Working Place	Number of Respondents	Percent Share
Self owned	28	11.7
Rented	30	12.5
Own House	06	2.5
Public Land	118	49.2
Mobile	58	24.2
Grand Total	240	100.0

**Fig. 4: Work Place Ownership Pattern**



Similarly, more than three-fourth of the workers had no access to their own housing and were living in rental premises. The study indicated that around 85% of informal workers felt the nature of their

housing is satisfactory. Near about thirteen percent (12.5) workers were reportedly living in squatter-like conditions (Table 9).

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**Table 9 : Quality of Housing in Informal Workers of Bikaner City**

Quality of Housing	Number of Respondents	Percent Share
Good	06	2.5
Average	204	85
Squatters	30	12.5
Grand Total	240	100.0

Distance of home from place of work is a major determinant of the living conditions of the economically weaker sections of the society. Normally, the working population tries to stay put at a distance which is economical from the transport cost point of view. More than a half (55%) of informal workers of Bikaner City were living in houses at a distance of 4 to 6 kms from their places of work. About 29% workers stayed at a distance of 7 or more kilometres from their place of work. Only 15.8 per cent workers resided at a distance of one to three kms from their respective places of work (Table 10).

**Table 10: Distance of Workplace for Informal Workers**

Distance of Work Place from Home (kms.)	Number of Respondents	Percent Share
1-3	38	15.8
4-6	132	55.0
7-9	48	20.0
Above 9	22	9.2
Grand Total	240	100.0

A question about the perspective on the conditions of work of informal workers was also asked. Its analysis reveals that more than 58% workers were either 'satisfied' or 'extremely satisfied' with their working conditions. However, those showing 'unsatisfied' or 'highly unsatisfied' conditions also made a big chunk, of nearly 43 percent, of all the surveyed informal workers of Bikaner City.

### Conclusion

Most of the informal sector workers in Bikaner City belonged to younger age-groups, and to Backward and Scheduled Castes. Informal workers tend to be illiterate or lowly educated. The workers doing an average daily work of 6 to 10 hours constitute the maximum proportion. Several low-income occupational groups in informal sector were found to be hereditary, i.e., caste-based by birth. They have a tendency to continue in the occupations of their forefathers. Fathers of overwhelming number (around 85%) of informal sector workers belonged to occupations like farming, labour and petty business. A vast majority of the informal sector workers were able to find regular employment. Nearly 3/4<sup>th</sup> of the workers were able to earn up to Rs 400/- a day. The place of work in about half cases was public land, even as one-fourth worked as mobile service

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providers. Three quarters of workers lived in rental houses and 12.5 percent in squatters. Majority of workers came to their places of work from a distance of 4 to 6 kms. As a result of all this, slightly more than two-fifth workers were not satisfied with their conditions. The study shows informal workers of Bikaner city to be socio-economically marginalised, which needs to be investigated further.

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