

Women in Informal Labour: Legal Safeguards and Gaps

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Abstract

India's informal labour market consists of the majority of employment, with women disproportionately involved in low-paid, unorganized, and insecure work. Despite the existence of constitutional provisions and legal safeguards, women in informal employment face institutionalized exploitation, wage disparities, inferior working conditions, and limited access to social security. This article examines socio-economic realities of women in the informal labour, examines constitutional and legislative provisions, and examines how judicial intervention has interpreted and extended protection to such workers. There is sectoral analysis, international viewpoints, and policy reviews as well to identify structural gaps. The report indicates actionable suggestions to formalize the informal workforce, expand social security, and bring in gender-sensitive reforms with a view to ensure dignity, equality, and economic empowerment for women in the informal sector.

Introduction

India's informal economy sector provides nearly 90% of all jobs, and women make up a significant portion of the labor force. Informal work, broadly defined as work that occurs outside formal regulatory systems, is characterized by the absence of employment contracts, social security, and occupational protections. Informal industries such as home production, street vending, agricultural work, and the gig economy are dominated by women. Despite tremendous contributions to family budgets and the national economy, these women are invisible, underpaid, and denied protection of the law. Traditionally, social, economic, and cultural factors have framed women's dominance in informal work. For women, limited access to education, mobility-constraining gender norms, domestic duties according to patriarchal conventions, and economic necessity have outlined engagement in informal work. The majority of women, particularly women from minority groups and lower castes, are relegated to insecure, low-paying, and hazardous forms of employment. Their intersectionality of caste, class, migration status, and gender further renders them vulnerable and have very little bargaining power or access to social security. Judicial interventions, such as in *People's Union for Democratic Rights v. Union of India*, have advanced the argument that failure to pay minimum wages constitutes a violation of the fundamental rights and has addressed the informality of women workers indirectly.

The objective of this paper is to undertake a comprehensive analysis of women in informal labor in India, taking into account the socio-economic realities, constitutional and legal protection, judicial interpretations, sectoral concerns, and comparative international models. By combination of legal and socio-economic perspectives, this study aims to fulfill gaps in protections and make recommendations to extend dignity, equality, and economic empowerment to women workers.

Informal Labour in India: Definition and Evolution

Informal employment has been defined by the International Labour Organization as "all remunerative work ... which is not recognized, regulated or protected by existing legal or regulatory frameworks." Informal employment in India is huge and widespread, including self-employed workers, domestic workers, home-based artisans, farm workers, street vendors, construction workers, and gig economy workers. Women are overrepresented in the sector, often with low-paying, unskilled, and unregulated employment.

The historical background of irregular work in India is analyzed from colonial economic attitudes that cast some groups into subordinate work, to post-independence industrialization leading to casual labor. Liberalization post-1990s expanded the space for irregular work while enhancing uncertainty. Rural women end up as unpaid or underpaid agricultural labor, while city women excel in domestic work, home-based labor, and street vending. Most recently, the gig economy has produced new opportunities for informal labor but introduced new vulnerabilities such as algorithmic control, irregular payment, and lack of statutory entitlements.

Structural barriers and socio-cultural norms are to blame for women's prevalence in informal employment. Gender segregation guarantees that women engage in repetitive, low-status, and low-paid tasks, whereas men undertake somewhat better-compensated informal occupations. Dalit and Adivasi women, in particular, are disproportionately engaged in the most hazardous occupations, including manual scavenging, waste picking, and domestic work, highlighting the intersectional disadvantage they experience. National Sample Survey Office (NSSO) statistics indicate that over 80% of Indian women workers engage in unorganized employment, highlighting the importance of examining their socio-economic status and legal coverages.

Socio-Economic Realities of Women in Informal Labour

Wage Disparities and Poverty

Women in informal employment receive 40–60% of what male equivalents are paid for similar work. Domestic workers, homeworkers and craftspeople, and farm workers are particularly at risk. They are frequently paid on a piece-rate or daily wage basis, which results in fluctuating earnings. Economic precariousness limits entry to fundamental goods such as nutrition, health care, and education, perpetuating poverty cycles. The Supreme Court in *People's Union for Democratic Rights v. Union of India* highlighted the relationship between underpayment and forced labor, noting that institutional wage inequalities violate constitutional rights of equality and dignity.

Occupational Hazards and Unsafe Working Conditions

Informal sector women workers face high occupational risks. Domestic workers face rude employers, excessive work, and toxic cleaning chemicals. Home work often involves handling hazardous materials without protective gear, leading to long-term health issues. Farm workers work under unfavourable weather, exposed to pesticides with no safety measures. Street vendors in cities face harassment, eviction, and unhygienic public spaces. Gig workers, including delivery workers and platform-based service workers, face algorithmic control, overtime, and no social security.

Intersectional Vulnerabilities

Caste, class, and migratory status are significant factors in the vulnerability of women engaged in informal occupations. Dalit and Adivasi women are pushed towards the most vulnerable types of work with lower wages and limited access to benefits. Women migrants also face other disadvantageous factors, such as a lack of documents, non-eligibility for state-specific welfare schemes, and complicating registration for social security. These compounding vulnerabilities reveal a need for targeted legal protection and policy interventions.

Psychological and Social Impact

Social marginalization and economic vulnerability have more profound psychological consequences. Stress, anxiety, and social isolation afflict the working women, coupled with the double burden of domestic and informal work. The courts, in such decisions as *Olga Tellis v. Bombay Municipal Corporation*, have advanced the right to livelihood as part of the right to life, upholding the necessity of secure work as a pre-requisite for enhanced human dignity.

Legal and Constitutional Framework

The Indian Constitution provides the base for safeguarding women in informal labor, even where statutory recognition is minimal. Articles 14, 15, and 16 ensure equality before law, forbid discrimination based on sex, and make special provisions for women in order to overcome historical disadvantages. Articles 39(d), 42, and 43, all of which are part of the Directive Principles of State Policy, instruct the State to provide equal remuneration for equal work, humane conditions of work, maternity benefits, and social welfare to all workers. Article 23 bans forced labour, and this is especially significant for women involved in bonded, casual, or home-based informal employment.

The judiciary has always interpreted these constitutional provisions widely. For example, in *Bandhua Mukti Morcha v. Union of India*, the Supreme Court noted that women who work in informal hazardous employment cannot be placed under exploitative conditions without infringing Article 21's protection for the right to life and dignity. Equally, *Municipal Corporation of Delhi v.*

Female Workers (Muster Roll) reaffirmed that casual, unrecognized female workers are covered under maternity benefits, establishing a significant precedent for the enforcement of statutory safeguards in informal contexts.

Statutory Protections

While constitutional assurances deliver a wide canvas, statutory provisions translate protections for women workers into reality. The Maternity Benefit Act, 1961 (amended 2017) gives 26 weeks of paid maternity leave and requires establishments above a certain size to have crèche facilities. Its application, however, to informal work is restricted, with domestic workers and home-based artisans often being left out of formal registration. The Supreme Court, drawing on principles from *Olga Tellis v. Bombay Municipal Corporation*, has held that the State is duty-bound to interpret statutory safeguards in a way that upholds women's livelihoods even in informal situations.

The Equal Remuneration Act, 1976 requires equal remuneration for men and women engaged in equal work. On the ground, enforcement is weak for informal sectors since wage rates are frequently unregulated and casual employment conditions obfuscate remuneration norms. In the same way, while the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 applies mainly to formal workplaces, the courts have interpreted it to include informal workplaces too, as seen in sector-specific instances such as SNEHA's campaign for home-based healthcare workers.

The Unorganised Workers' Social Security Act, 2008, and the Code on Social Security, 2020 seek to extend health, maternity, and pension benefits to informal workers, including gig and platform-based workers. However, issues of registration have restricted coverage due to low awareness and bureaucratic barriers. Courts have emphasized active State intervention to include informal women workers within the purview of these schemes, in line with principles enunciated in *People's Union for Democratic Rights v. Union of India* concerning state responsibility for preventing exploitation.

The Code on Wages, 2019, aggregating minimum wage requirements and equal remuneration obligations, lends legal force to equitable wages. Gaps in enforcement are still vast, particularly in home-based production, domestic work, and farm work, where employers frequently avoid formal agreements and regulatory attention. Sectoral welfare boards, like Domestic Workers Welfare Boards and Beedi Workers Welfare Boards, try to bridge these gaps, although underfunding and limited administrative capacity limit their effectiveness.

Sectoral Analysis of Informal Women Workers

Women's lives in informal work are strongly sector-specific, with differences in risk, pay, and social respect. Analyzing these sectors yields an understanding of the structural weaknesses that exist beyond constitutional and statutory protections.

Domestic Work

Domestic work is a source of employment for most women in urban informal economies. Despite being essential for household functioning, this work is largely unregulated, and women domestic workers face low wages, long hours, and vulnerability to abuse. Courts have repeatedly recognized that domestic workers, though outside formal labour structures, deserve protection under principles of equality and dignity. In *Vishaka v. State of Rajasthan*, even though the case originally dealt with sexual harassment in the formal workplace, its norms have been read by later decisions to be applicable to home settings, highlighting the judiciary's role in providing protection to vulnerable women.

Home-Based Production

Home-based workers and women artisans work in homes producing both local and international market goods. Though the work is flexible, it is repetitive, hazardous, and poorly compensated. Judicial remarks, citing *Bandhua Mukti Morcha* and *Olga Tellis*, emphasize that the State has to safeguard such workers against exploitative situations by treating informal labour as a part of the right to livelihood. Non-enrolment under welfare schemes and denial of minimum wage protection are ongoing concerns.

Street Vending

Street vendors, especially women, face harassment, eviction, and inimical urban situations. The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 sought to provide tenure and formal status. Enforced irregularly, though. Courts have insisted that eviction without rehabilitation is a contravention of fundamental rights and that women vendors should be covered under municipal planning and social security schemes, upholding principles enunciated in *Olga Tellis* on the right to livelihood.

Agricultural Labour

Rural women constitute an important share of agricultural labour, doing unpaid or underpaid work on agricultural farms and as wage workers. Seasonal jobs, exposure to chemical poisons, and low payments widen vulnerabilities. Judicial acknowledgment of the necessity of humane working conditions, drawn from *Bandhua Mukti Morcha*, suggests that enforcement of minimum wages, job safety, and social security in agriculture is not just wishful but constitutionally required.

Gig Economy and Platform Work

As digital platforms become ubiquitous, women are increasingly engaging in gig work such as delivery work, ride-hailing, and home-based online work. The platform jobs are flexible but bring new risks: algorithmic control, variable pay, no maternity or health benefits, and the absence of formal grievance redressal. The Code on Social Security, 2020, in conjunction with e-Shram registration, tries to fill these gaps. Courts, borrowing parallels from previous judgments, have emphasized that informal work, no matter the platform or mode, needs to adhere to principles of equality, dignity, and protection against exploitation.

Social Security and Welfare Schemes: Evaluation

Despite statutory and constitutional safeguards, social security for women in informal employment continues to be insufficient. Schemes like Pradhan Mantri Shram Yogi Maandhan (PM-SYM) and the e-Shram portal seek to extend pension, health, and maternity benefits to informal workers, but registration among women continues to be weak due to digital illiteracy, absence of documents, and bureaucratic obstacles. NSSO and ILO figures show that a mere 15–20% of women in informal employment are covered under any social security scheme, reflecting a major implementation gap.

Courts have persistently reiterated the State's responsibility to extend social protection to vulnerable workers. In the case of *Municipal Corporation of Delhi v. Female Workers*, the Supreme Court emphasized that informal women workers, such as casual and contractual workers, deserve maternity benefits and social security programs. Likewise, in SNEHA advocacy, legal recognition reaffirmed that women engaged in home-based and healthcare-related informal activities must be included under welfare schemes, emphasizing the responsibility of proactive State action.

State welfare boards, like Domestic Workers Welfare Boards, Beedi Workers Welfare Boards, and Construction Workers Welfare Boards, offer sectoral protections. These boards facilitate the distribution of benefits like health insurance, pensions, maternity benefit, and skill upgradation. Inefficient administration, underfunding, and limited outreach undermine their efficacy. Thus, women workers, especially migrants and rural workers, may remain outside the purview of intended protections.

International and Comparative Perspectives

International labor standards provide useful guidance for safeguarding women in informal work. ILO Conventions Nos. 100 and 111 prescribe equal remuneration and non-discrimination in employment. Convention No. 189 and Recommendation No. 204 cover the rights of domestic and informal workers, placing an emphasis on social security, formalization, and dignity. These conventions have influenced policy frameworks in India, though domestic implementation is structurally confronted. Comparative analysis indicates effective models of formalizing informal women workers and including them in formal protection systems:

Brazil formally recognizes domestic workers through constitutional coverage, which includes minimum wage, social security, and maternity benefits. Collective bargaining structures enhance their bargaining capabilities and work environment safety.

South Africa enacts the Domestic Workers Act, providing registration, pension contributions, and accident insurance for women workers.

Bangladesh has institutionalized cooperative models connecting informal workers to financial and health security, both improving access and social legitimacy.

Mexico provides social security and legal protection to informal workers, especially female home-based producers.

Philippines implements the Domestic Workers Act, requiring employment contracts, decent wages, and social benefits.

Kenya has established a National Social Protection Policy covering informal women workers with maternity, health, and pension insurance.

These global practices demonstrate the possibilities for India to deepen formalization, increase coverage of social protection, and improve enforcement mechanisms while balancing respect for the variety of informal employment sectors.

Policy Recommendations and Reforms

Policy changes need to overcome both structural and implementation issues to ensure the rights of women in informal work. Universal registration under portals such as e-Shram needs to be made simpler, mobile-based, and multilingual to enhance outreach. Social security entitlements need to be portable, so that migrant and seasonal workers are covered across states. Legal status and formalization of home-based work, domestic work, and street vending are needed, along with enforcement of minimum wages, occupational safety, and maternity benefits.

Collective action and unionization, as illustrated by SEWA, give women the power to bargain for higher wages and conditions of work. Awareness-raising campaigns and legal literacy courses need to reach both city and rural informal workers, highlighting awareness of rights and social security benefits on offer. Gender-sensitive reforms like childcare centers, flexible working hours, and maternity benefits are essential to enabling women to enter employment safely and sustainably. Courts have emphasized the need for active State action in such cases as *Bandhua Mukti Morcha* and *People's Union for Democratic Rights*, reaffirming that policy without enforcement and monitoring is not enough.

Monitoring and evaluation systems need to be bolstered, with frequent audits, data gathering, and impact studies guaranteeing that welfare schemes benefit targeted recipients. Incorporating judicial direction in policy formulation, based on judgments like *Olga Tellis v. Bombay Municipal Corporation* and SNEHA campaigning, can enhance targeting and responsiveness of interventions.

Case Studies

Concrete examples shed light on the lives of women in informal work and the effects of legal and policy structures. The Self-Employed Women's Association (SEWA) in Gujarat is an example of how collective organization can empower women workers. SEWA facilitates training, access to microfinance, social security enrollment, and advocacy for legal protections, allowing women in

domestic work, street vending, and home-based production to enhance income, safety, and bargaining power. Judicial rulings, like the acknowledgement of the right to livelihood in *Olga Tellis v. Bombay Municipal Corporation*, are in favor of SEWA's strategy, since obtaining informal employment is considered a constitutional imperative.

In urban contexts, women street vendors in Delhi face eviction, harassment, and precarious working conditions. The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014, combined with judicial guidance, has allowed formal recognition and improved security of tenure. Courts have emphasized that denial of livelihood without rehabilitation violates fundamental rights, echoing principles established in *Olga Tellis*.

Domestic workers in Mumbai reflect continuing vulnerabilities in private homes. Beyond legislative action like the Domestic Workers Welfare Board and application of the Sexual Harassment Act to casual locations, women are still subject to underpayment, exploitation, and abuse. Judicial recognition of these issues, guided by *Vishaka v. State of Rajasthan* and SNEHA interventions, underscores the requirement for enforcement and awareness programs.

Women involved in home-based production, such as textile and handicraft workers, typically work in informal, unregulated environments. Cooperatives and NGO-driven programs expand market access, training, and financial education, illustrating how formal support can reinforce legal frameworks. Courts have universally maintained that the State is responsible for providing minimum levels of working conditions and compensation, even in home-based and informal situations, basing their judgments on decisions like *Bandhua Mukti Morcha* and *People's Union for Democratic Rights*.

Challenges and Way Forward

Even with legislative frameworks, judicial clarification, and policy measures, there are several challenges. There are gaps in implementation due to bureaucratic inefficiency, welfare boards being underfunded, and low awareness among women workers. Many schemes depend on documents or digital literacy, which keeps migrants and rural women out. Social and cultural obstacles such as patriarchal norms and caste-based discrimination limit women's mobility, bargaining power, and access to advantages.

Sustainable change needs to emphasize formalization of the informal economy, portable and universal social security, and gender-sensitive policies for childcare, maternity, and flexible working arrangements. Collective organization in cooperatives or unions strengthens the representation of women's voices in policy making and workplace decisions. Judicial principles emphasize that the State must play an active role to ensure informal women workers are

safeguarded from exploitation, minimum wages applied, and access ensured to social protection, irrespective of the industry. International best practices, including Brazilian, South African, Bangladesh, and Philippine experience, can inform holistic reforms.

Monitoring and evaluation mechanisms, based on data-driven design, are necessary to measure reach and effect of welfare schemes. Digital enrollment, mobile-based campaign awareness, and localized redressal mechanisms can enhance enforcement and participation. Blending legal requirements, judicial monitoring, policy interventions, and community mobilization is the most likely means to ensure dignity, equality, and economic empowerment for women in informal employment.

Conclusion

Informal women workers are the backbone of India's economy but are invisible, undervalued, and insecure. Constitutional assurance, statutory rules, judicial rulings, and social welfare programs together lay down a framework for their protection, but gaps in systemic enforcement, awareness, and implementation remain. Judicial rulings, from *Olga Tellis* to *Municipal Corporation of Delhi* and SNEHA campaign, reaffirm that informal work cannot be outside the reach of constitutional rights and social protections.

Sectoral analyses reveal that domestic work, home-based production, street vending, agriculture, and gig economy participation each present unique challenges, necessitating targeted reforms. International experiences demonstrate the feasibility of integrating informal women workers into formal protections through legal recognition, social security, and collective organization. Policy recommendations emphasize formalization, universal registration, gender-sensitive measures, and robust monitoring to ensure effective implementation.

Maintaining the dignity, security, and economic empowerment of women in informal work is not only a policy imperative but a constitutional requirement. Enhancing legal protections, tightening enforcement, making social security more easily accessible, and fostering collective empowerment are imperative measures to achieve the rights of India's millions of women workers. Upcoming studies must address growing industries, intersectional risks, and analysis of policy impact, offering a road map for sustainable and equitable reforms that are founded on principles of equality, justice, and human dignity.

Endnotes

1. Constitution of India, arts. 14, 15(3), 16, 23, 39(d), 42, 43
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3. Equal Remuneration Act, No. 25 of 1976.
4. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, No. 14 of 2013.

5. Unorganised Workers' Social Security Act, No. 33 of 2008.
6. Code on Social Security, 2020, §§ 1–40.
7. Code on Wages, 2019.
8. Factories Act, 1948.
9. Contract Labour (Regulation & Abolition) Act, 1970.
10. People's Union for Democratic Rights v. Union of India, AIR 1982 SC 1473.
11. Bandhua Mukti Morcha v. Union of India, AIR 1984 SC 802.
12. Municipal Corporation of Delhi v. Female Workers (Muster Roll), AIR 2000 SC 1886.
13. Olga Tellis v. Bombay Municipal Corporation, AIR 1985 SC 1622.
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18. ILO Convention No. 111, Discrimination (Employment and Occupation, 1958).
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27. e-Shram portal, Ministry of Labour and Employment, India