REMARKS

- **Urban Employment in India: 2000-2010**

- **Inclusive Urban Growth**
  - increase formal jobs
  - support urban livelihoods

- **Inclusive Cities: A Paradigm Shift**
  - inclusive urban planning & regulations
  - fair & hybrid urban economy

EMPLOYMENT & URBANIZATION TRENDS IN INDIA

- **Employment Growth Rate**
  - 2.8% per annum between 2000 and 2005
  - 0.2% per annum between 2005 and 2010
  - decline in labour force participation rates, especially for women (from 42% to 32%)

- **Urbanization**: share of the Indian population living in urban areas -
  - increased from around 28% (290 million) in 2000 to around 30% (340 million) in 2008
  - expected to increase to 40% (590 million) by 2030 (McKinsey Global Institute 2010)
INFORMAL EMPLOYMENT:
2003 International Conference of Labour Statisticians

- **Self-Employed in Informal Enterprises** (i.e. unincorporated enterprises that may also be unregistered and/or small)
  - employers
  - own account operators
  - unpaid contributing family workers
  - members of informal producer cooperatives

- **Wage Workers in Informal Jobs** (i.e. jobs without employment-linked social protection)
  - informal employees of informal enterprises
  - informal employees of formal firms
  - domestic workers hired by households
URBAN EMPLOYMENT (2009-2010): By Industry, Formal & Informal

Proportion of Total Urban Employed (%)
URBAN INFORMAL SELF-EMPLOYMENT (2009-10): By Employment Status

- Employers: 1% (Women) / 6% (Men)
- Own Account Operators: 75% (Women) / 78% (Men)
- Unpaid Contributing Family Workers: 39% (Women) / 18% (Men)

Self-employed
URBAN INFORMAL WAGE EMPLOYMENT (2009-10):
By Unit of Employment

<table>
<thead>
<tr>
<th>Unit of Employment</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Informal enterprise</td>
<td>56%</td>
<td>60%</td>
</tr>
<tr>
<td>Formal enterprise</td>
<td>32%</td>
<td>32%</td>
</tr>
<tr>
<td>Agricultural Units</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Households</td>
<td>6%</td>
<td>2%</td>
</tr>
</tbody>
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URBAN INFORMAL EMPLOYMENT (2009-10): By Industry

By Industry

- 32% non-trade services
- 29% trade
- 26% manufacturing
- 13% construction

Women: 41%, 14%, 38%, 15%
Men: 30%, 32%, 24%, 15%
URBAN INFORMAL EMPLOYMENT (2009-10): By Specific Groups

Specific groups:
- Domestic workers: 5% (Women), 4% (Men)
- Home-based workers: 10% (Women), 11% (Men)
- Street vendors: 8% (Women), 15% (Men)
- Waste pickers: 0.2% (Women), 0.1% (Men)
Informal employment as share of urban employment: remarkably stable at around 80%

Significant churning within urban informal employment:
- first half: % of urban informal workers who were...
  - wage workers & own account workers + in services: decreased
  - employers & unpaid family workers + in manufacturing: increased
- second half: % of urban informal workers who were
  - employers & own account workers & unpaid family workers + in manufacturing: decreased
  - wage workers + in construction: increased

4 groups of workers as share of urban informal workforce
- first half: domestic workers & home-based workers & waste pickers increased + street vendors remained stable
- second half: all 4 groups increased – BUT the share of these groups decreased significantly among women workers and increased significantly among men workers
# 1 – Expand formal employment opportunities – especially in manufacturing

But assume that most of the working poor will remain in the informal economy and, therefore,

# 2 – Support the working poor in the informal economy through…

- **Protection** to reduce risk: through both legal and social protections
- **Promotion** to increase assets & earnings: through fair policies & regulations + financial, business, and training services
- **Participation** to increase voice: through organization & representative voice in relevant policy-making, rule-setting, and collective bargaining institutions and processes
INCLUSIVE URBAN GROWTH: Support to Urban Livelihoods

- **Protection**
  - **home-based workers**: housing rights as their home=workplace + mixed use zoning regulations that allow commercial activities in residential areas
  - **street vendors**: legal right to vend + to secure vending site in good location
  - **waste pickers**: legal right to access waste + to bid for solid waste management contracts
  - **all**: legal identity as legitimate workers/economic agents + social protection

- **Promotion**
  - **home-based workers**: basic infrastructure services to improve home=workplace
  - **street vendors**: basic infrastructure services at vending sites
  - **waste pickers**: equipment & infrastructure services, such as sorting-storage sheds & compacting machines
  - **all**: financial & business development services + affordable public transport

- **Participation**
  - **all**: organization + representation in policy-making & rule-setting institutions
PARADIGM SHIFT: FROM JOBS TO LIVELIHOODS AND LABOUR TO URBAN REGULATIONS

- **Inclusive Urban Employment** = requires rethinking…
  - beyond jobs -> livelihoods
  - beyond labour markets -> markets for goods & services + financial market
  - beyond labour policies/regulations -> policies/regulations re goods & services + government taxation & expenditure/procurement + *urban regulations regarding who can do what where*

- **Inclusive Urban Planning and Regulations** = requires incorporation of and support to the working poor and their…
  - informal livelihoods
  - informal habitats
“The challenge is to convince the policy makers to promote and encourage hybrid economies in which micro-businesses can co-exist alongside small, medium, and large businesses: in which the street vendors can co-exist alongside the kiosks, retail shops, and large malls. Just as the policy makers encourage bio diversity, they should encourage economic diversity. Also, they should try to promote a level playing field in which all sizes of businesses and all categories of workers can compete on equal and fair terms."

Ela Bhatt
Founder, Self-Employed Women’s Association