

MEASUREMENT AND DETERMINANTS OF INFORMAL EMPLOYMENT AMONG NON-CULTIVATOR WORKERS: AN EVIDENCE FROM INDIA

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ABSTRACT

Labour informality is one of the most serious challenges of the current development debate since it can be a major hindrance in the process of world's- developing as well as developed countries, development. The study focusses on measuring numerous estimates of informality for India among the non-cultivator workers using the methodology and framework prescribed by the NCEUS using the NSSO's PLFS data of 2017-18 bringing out a clear distinction between the concepts of 'informal employment' and 'employment in informal sector' which are generally confused to be same. It studied possible heterogeneity within the informal employment by analysing the various individual and household level characteristics of the heterogeneous groups within informal employment. The multinomial logit model used to analyse the determinants of informality reveals the existence of complexity among the categories of informal employment when compared to formal employment concerning the various socio-religious, demographic, educational attainment and industrial distribution factors. Comparison of the educational and earnings outcomes of formal and informal workers hints towards the existence of labour market segmentation with formal workers receiving greater returns to the human capital variables in comparison to the informal workers. Given the significant heterogeneity within informal employment, study suggests formulation of policies specific to the nature of informality for a more equitable and inclusive growth.

