

# A Theoretical Analysis of Precarious Job Market in India and its various impacts

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## ARTICLE DETAILS

### Article History

Published Online: 02 June 2018

### Keywords

Precarious, Labor, Employment,  
Temporary, Permanent

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## ABSTRACT

There has been faster growth in the informal or unorganized unemployment significantly affecting labor market regimes globally. Apart from widening the wage inequality and rise in dispersion of earnings across the country, there are social as well as health impacts also due to precarious job environment. In this paper, there will be discussion about the determinants and trends in employment in labor market particularly in context of temporary jobs. The period of study is 2000-01 to 2010-11. The information has been gathered from secondary sources like articles, research papers, books and other such piece of information. It has been found that the growth rate in precarious jobs has been quite high since 2000-01. Even if it reduces the unemployment rate in the country, but still it does not increase the wage premium and contentment in professional life of precarious employees. Indian labor market has been inclining more towards temporary jobs and works, particularly in private organizations, to have cost reduction. They are least concerned about the provision of wage premiums and working conditions both for males as well as that of females. Temporary jobs have drastic impact over health, safety, security, working conditions, human capital formation, minimum wage rates, promotion and perks in the job, and also satisfaction in personal life. Precarity promotes neither economic efficiency nor decent work and hence is bad from both economic and normative lenses. Then, formalization of labour market is important.

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## 1. Introduction

In today's world, the intense subjectivity of Globalisation highlights the important of flexi-forms of work and jobs in many sectors of the economy in almost all the countries. Highly competitive market leads to adoption of market framework which enhances the importance of price competitiveness and thereby, reduces the cost of production. It requires adjustment of cost on the basis of changes in the input prices so that there is rise in sales growth at reduced prices. The optimization strategy of the firms has the target of changing the components of variable costs which can be manoeuvred easily. Such forms of strategy are quite workable in case of reducing the labor costs by changing the employability conditions, wages and social security benefits for the regular workers.

There are two strands of the given strategy namely the reduction in the bargaining power of the workers belonging to non-standard categories which in turn will affect the bargaining power of the regular workers. As a result, there has been emergence and growth of the precarious employability through labor market segmentation leading to creation of economic marginalization and social exclusion of the workers. There are also economic as well as social consequences due to faster growth of precarious employment as compared to that of regular employment. It increases the inequality in economic terms which hampers the aggregate demand which could have far reaching economic consequences in the long term. For instance, there will be reduction in investment in health and education sector which contributes towards the development of human capital. Focussing less over such parameters of human capital will reduce the efficiency level of the market forces as it indirectly affects the free movement of labor across the countries (Dabla-Norris *et al.*, 2012)

Similarly, there have been political costs attached with the rise in Precarious jobs environment in the labor market in India as it increases labour unrest. The issue provokes the violence at industrial state due to actions of labor unions as they are not satisfied with the monetary payments and other benefits of precarious jobs. That is why; it has become an important cause of concern for the policies of government in case of labour market. The segmentation of the labour market on standardization of jobs raises palpable economic aspect leading to inequality among workers who are doing same kind of work with equal value addition (World Bank, 2012).

## 2. Precarious Work: Concepts and Characteristics

The formal definition of Precarious workers are those who are not having the rights of permanent employees but working at a permanent post. Such workers are quite prone to having lower wages, instability in employment and vulnerable working conditions. More often, they are being denied the rights to avail the social benefits as they are not able to form or join a union. They have the fear to loose their jobs if they get unionize because of ease of replacability. Such kind of temporary jobs are much more likely to get filled by women, migrant workers and minorities. In order to reduce long term cost of the companies, there has been shirking of the legal obligations to employed people by replacing permanent jobs with contractual as well as temporary work which is known as "Precarious Work". The concept of Precarious work is referred to as the non-standard form of employment having high degree of uncertainty, instability, and insecurity in many economic activities. It means that workers who have been hired on contractual and informal basis are called as precarious workers. It comes into existence in the labor market by the employment practices of the organisations for cost reduction, limiting the

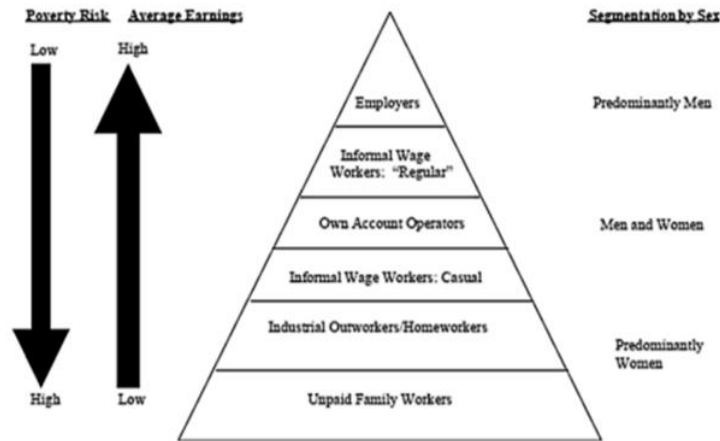
benefits of permanent workforce, raising the flexibility, shifting the risks to workers, etc. It utilizes the system constructed on the basis of irregular employment, contracted labor of in-house jobs, workers having migration kind of job and also putting out of arrangements(Hewison & Kalleberg, 2013).

There have been quite few works over the nature and impact of precarious work on the basis of given criteria. However, there have been few sources recognising the segmentation of the labor market on the basis of formal and

informal sector or the organised and unorganized sector. The definition of temporary workers includes different types of contractual employments. In practice, varying terms such as flexible, contingent, flexible, precarious, non-standard and alternative arrangements of work can be used interchangeably. Also, the arrangements of jobs such as freelance employment, part-time employment, on-call work and self-employment are differing sources of temporary work including the functional flexibility of job (Rodrik, 2004).

Pyramid of Employment Segmentation in the informal Economy

### SEGMENTATION OF INFORMAL EMPLOYMENT



Source: Chen et al., 2005

Table 1 - Number of workers (in million), with and without contract and growth rate, 2004-05 and 2011-12

Industry/ Sector	Without contract			With contract		
	Regular	Casual	All employees	Regular	Casual	All employees
<b>2004-05</b>						
Manufacturing	12.7	9.2	21.9	4.4	0.2	33.5
Secondary	13.8	29.2	43.0	5.6	0.3	39.7
Tertiary	26.2	8.2	34.5	20.2	0.2	78.2
Non-agriculture	40.0	37.5	77.5	25.8	0.5	117.8
<b>2011-12</b>						
Manufacturing	16.8	9.8	26.5	4.7	0.1	34.3
Secondary	19.2	51.1	70.3	6.0	1.1	42.1
Tertiary	35.6	8.7	44.3	23.3	0.2	86.7
Non-agriculture	54.8	59.8	114.6	29.3	1.3	128.8
<b>Annual growth rate (%)</b>						
Manufacturing	4.1	0.8	2.8	0.7	-1.2	0.3
Secondary	4.9	8.3	7.3	1.0	18.7	0.8
Tertiary	4.5	0.8	3.6	2.1	2.2	1.5
Non-agriculture	4.6	6.9	5.8	1.9	14.4	1.3

Source: Computed from unit level data, NSSO, Various Rounds on Employment-Unemployment

Note: "All employees" includes both casual and regular workers and thus refers to total waged/salaried workers.

The data on organized sector is available from reports and budget documents and other such annual reports for public sector undertakings. Also, the reports of Annual Survey of Industries are available for the registered firms under manufacturing sector. On the other hand, there are no regulations of the activities of unorganized data for which data collection becomes quite cumbersome. There are no legal provisions as well because of which there is no maintenance of

regular accounts under legal provisions in unorganized form of business. This is the main reason for treatment of the sector as being an unorganized form(National Sample

Survey Organization [NSSO], 1999–2000, p. 2). Similarly, the definition of unregistered sector includes those units which have not been registered under the Factories Act of 1948 and which are not even regulated under any act. For instance,

Factories Act of 1948 does not mandate the registration of the manufacturing units hiring less than 10 workers falling in the category of unregistered sector. In case of defining the informal sector by a conference of Labor Statisticians in January 1993, a resolution has been adopted for the employment statistics of informal sector (International Labour Organization [ILO], 2002). The definition of informal sector takes into account the unincorporated household enterprises having further subdivisions into three parts – units which are being treated as formal depending on the employees number, the informal sector and the number of simple households (National Statistical Commission, 2012).

### 3. Growth and Trends in Precarious Labor Market in India

In India, the labour market has different basis over which employability shows varying trends and patterns. These inequities depend on skills, gender, religious identities and social grounds which have recently received attention by the researchers and authors to determine the perceived criteria of employment generation (see for e.g. Karan 2008; Ramaswamy 2008; Madeshwaran and Das 2012). Soon after liberalization, a

new type of employment called as 'Flexi-Type' came into force which can be felt through its high magnitude and wide spread follow up in all the sectors of the economy. The force of precarity in the Indian labor market not only includes the contractual labor but it also includes varying categories like trainee, fixed term employment, and casual workers (Shyam Sundar, 2011). The rise in number of flexi-workers is to tackle the issues of uncertainty in the product market and to bear the brunt of heightened competitive skills of the producers. The contradiction in the concerned subject area is that there have been quite a high rise in the global supply chains and further strengthening of adopting the culture of flex-forms of work forcing precarity in the labor employment. Whereas, on the other hand, many actions and steps are being undertaken to formalize the employment policies through trade unions, state appointed commissions as they have the tendency of reducing the quality of work and a standard of decent work (Mundle, 2016; ILO, 2012; Srivastava 2012). Hence, a balance needs to be maintained between the goal of cost reduction and raising the quality of work by labor especially in manufacturing and service sector.

Table 2: Tenure of job contract for temporary employment in India

	2004-05 (61 <sup>st</sup> round EUS)	2009-10 (66 <sup>th</sup> round EUS)	2011-12 (68 <sup>th</sup> round EUS)
No Written Contracts	67.45	76.13	79.55
<1 year	7.45	3.09	16.59
> 1 year and < 3 years	3.41	2.17	1.51
> 3 years	22.56	19.62	13.35

Source: Authors' own calculations based on NSSO data. Note: Figures do not add up to 100.

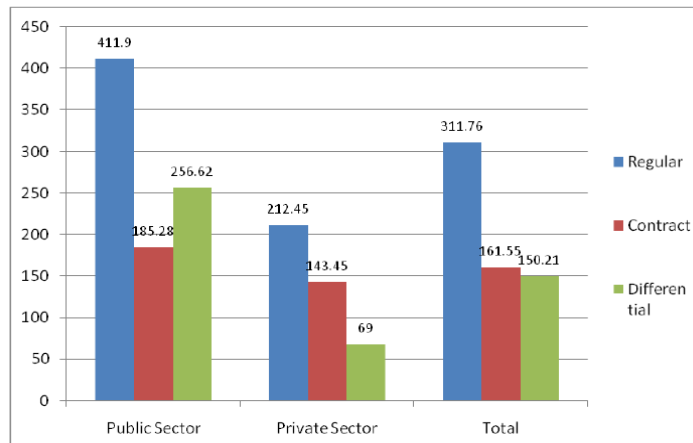
Table 3 – Percentage of regular workers and all employee without written contract

NIC Division	2004-05		2011-12	
	All employees	Regular workers	All employees	Regular workers
Agriculture*	99.8	94.9	99.7	91.9
Mining	68.8	24.5	70.6	26.7
Manufacturing	82.6	74.0	84.7	78.3
Electricity	28.3	25.3	39.5	35.9
Construction	97.9	74.6	96.8	81.1
Trade	91.9	89.7	91.7	89.7
Hotels	89.1	84.3	90.7	87.9
Transport	74.5	65.5	76.9	70.5
Finance	31.4	30.7	43.4	42.7
Real estate	64.6	60.9	58.7	55.7
Administration	27.5	26.5	30.8	30.6
Education	37.5	37.1	43.5	43.0
Health	47.2	45.5	49.9	48.3
Community	83.5	77.1	85.0	79.1
Household	97.6	97.3	97.8	97.9
Primary	99.0	76.9	98.8	69.7
Secondary	87.8	71.0	90.7	76.1
Tertiary	62.9	56.5	65.3	60.4
Non-agriculture	74.5	60.3	78.7	64.7
Total	86.2	61.6	86.0	65.3

Note: \* Only NIC codes 014, 016 and 017

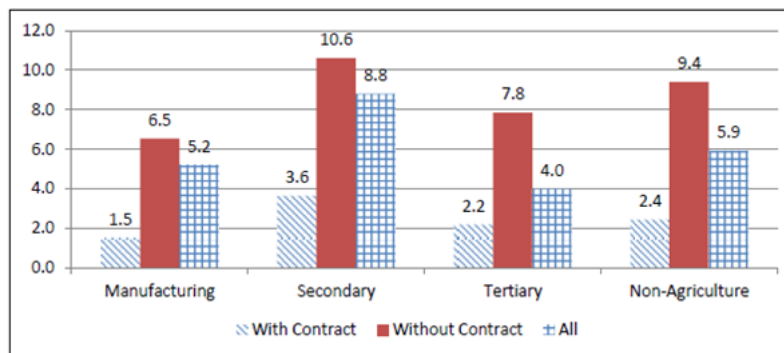
Source: Computed from unit level data, NSSO, Various Rounds on Employment-Unemployment

Figure 1: Wage differential between Regular and Contract workers



Source: Trade Union Record, AITUC, December 2012

Figure 2 – Annual Growth Rate of formal and informal workers in the formal sector 2004-05 to 2011-12



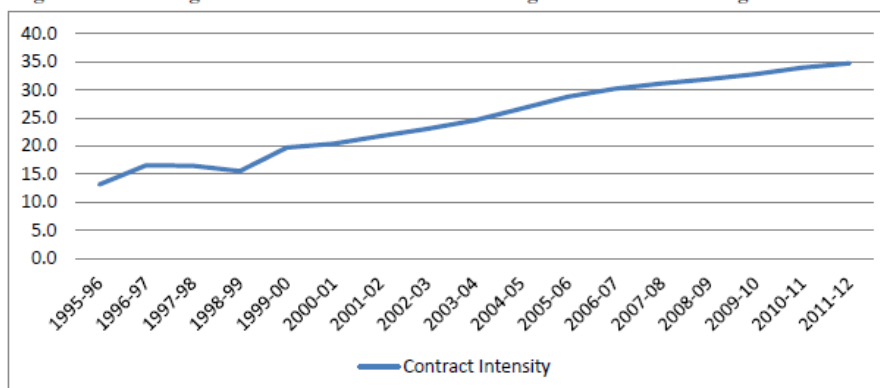
Source: Computed from unit level data, NSSO, various rounds on employment-unemployment

It can be seen from the above figure that employment of informal category can come under NSFE. During recent years, the informal worker's share has grown who are not having any written contract. On the other hand, the growth of formal sector employees have grown at high pace mainly because of casual jobs and with rising proportion of salaried workers who are not having permanent contracts even if they are part of formal sector. They are not having formalized contracts with their employers making it quite difficult for them to benefit from employment legislations whose benefit they might procure in other case (Kannan, 2007)

It can be analysed from the data of ASI that contractual labour incidence was not much before 1970s. It has been found that around 12.1 per cent of the workers in manufacturing sector are employed through contractual jobs. In 1991-92, the marginal increase in employment has been found reaching upto 13.5 per cent having the fluctuation rate between 15 to 17 per cent over the period of two years between 1996-97 to 1998-99. After 1999-00, the number of contractual workers in manufacturing sector increased manifolds which makes the total contractual workforce in manufacturing to be around 34.7 per cent during the year 2011-12 in India (Kolli, 2005).

Trends in hiring of contract workers in organized manufacturing

Figure 2. Percentage of contract to total workers in organized manufacturing



Source: Computed from unit level ASI data for various years

The number of contractual workers increased from 900,000 to 3.6 million due to rising intensity of contracts from the year 1995-96 to 2011-12. The given data over directly engaged

workers and total workers shows different growth trend as this decade is characterized by varying nature of political upheavals.

**Figure 3. Total workers, workers engaged directly and through contractors, 1996-97 to 2010-11**



Source: Computed from unit level ASI data

The workers in registered manufacturing grows at the rate of 2.8 per cent over the decade. However, the annual rate of growth of contractual workers is 9.4 per cent and that of directly engaged workers shows the growth rate to be around 1 per cent annually in the same period.

The above given figure describes the changes in trend of numbers of directly engaged workers with that of total workers between the period 1995-96 to 2003-04.

As shown in Figure 3, there has been decline in the total number of directly engaged workers as well as that of total number of workers during the period between 1995-96 and that of 2003-04. Thereafter, it had shown a bump rise in the trend of their employment. The level of total number of workers has been organized during the year 2005-06 at the same level as it was during the year 1995-96. On the other hand, the employment of directly engaged workers reached to its earlier high during the year 2008-09. The reason for decline in the total workforce was substitution of contractual workers in place of directly engaged workers. The data also reveals the growth pattern of organized sector employment, particularly in manufacturing field, which showed positive growth rate after 2003-04. But interestingly, it maintained this momentum even after economic slowdown in 2008-09 (MSME Report, 2012). The changing structure of the factory sector, along with the growth of both directly engaged and contract workers does not corroborate the view that rigid labour laws are a binding constraint on employment expansion or scale expansion in India's manufacturing sector. At the same time, the proliferation of very small units and the extensive and growing use of contract workers both in manufacturing and in other sectors remain important policy issues.

#### 4. Income and Wage Inequality in Labor Market

There have been many reports, articles and research pieces over the significant cost posed by economic and social cohesion due to rising wage inequalities, income and wealth distribution

specifically in Asian countries (Economist 2015; The Hindu 2017; Chakravarty 2016; Ramaswamy 2008; OECD 2014). The existence of wage differentials is mainly due to differing attitude towards pays and wages by different employers. Even same kind of job are being paid differently and there have been no basic criteria on the basis of which such differences occur. Workers having same level of skills are not getting the same wages and salaries even if they have same skill levels in the same industry. It has been found in the study by Williamson (1982), that for income earning people, wage is the main component of overall income earned, therefore the pattern of wage distribution reflects the overall income distribution pattern on the literature of economics. It should be noted that the structure of income inequality is not reflected by the pattern of inequality in wages. In fact, there might be higher inequality in distribution of assets than that of income inequality. Hence, the inequality in wages can be used as an alternative to measure the income inequality in economic studies (Atkinson, 1997).

In India, the phenomenon of wage inequality has been historical and not new for the country. It is only after the publication of Global Wage Report by ILO during 2016 that it has been resurrected in the discourse of public. The report evidently describes the persistence of inequality in wages in industrial sector mainly because of tough situations of being underemployed as people are not able to find the appropriate job for themselves according to their skill level. Also, it clearly indicates that most of the people belonging to workforce are not able to reap the benefits of growth and are being denied the dividends earned from higher economic growth rate.

A report of ILO (2016) said that a total of 43 per cent of wages paid to all employees is received by only top 10 per cent of highest paid income groups. On the other hand, bottom paid 50 per cent of income groups who are lowest received only 17 per cent of total wages which are paid to all the employees. The three most important dimensions of growing rate of wage inequalities in the country include –

- a) There has been high concentration of wage distribution to be distributed to 1 per cent highest paid income groups. These top 1 per cent income groups have 33 times share of total wages as compared to those falling in bottom 10 per cent of lowest paid income groups.
- b) The male workers have 33 times higher earnings than that of women workers.
- c) The total wage inequality is driven by the existence of wage inequality and distribution within the given industrial sector and enterprise (ILO 2016).

## 5. Impacts of Precarious Work

### Health

There have been ample of studies over the impact of precarious jobs and work revealing the negative impact over physical as well mental health. There have been many cases of involvement of risks related to health and safety of the individuals. It is more true in case of manufacturing oriented jobs where individuals are engaged in physically demanding work. The probability of risk also arises from lack of appropriate knowledge, training of work, experience and due to inability to avail the rights of occupational safety in health. There is also risk of job losing which adds to the tension of the individual in daily life. It reduces their concentration and focus over their present assigned tasks in the job. It might lead to lot of stress and suffering from pressure of working at multiple job places. Precarious jobs have the characteristic of long working hours which are mostly irregular in nature. It further holds the status of being insecure due to lack of legal protections at their workplaces. At the same time, there are health affects due to temporary jobs as they have lower income. The access to safe transportation is not there because of low capacity to spend money (Nagaraj, 2004). They lack nutrition because of incapability to spend money over expensive food and that is why they always have a feeling of distress and fatigueness. They lack funds and resources to access quality medical facilities where drugs prescription is necessary. The peculiar characteristic of precarious job is low wages and other no benefits of medical coverage or insurance. It often affects the working women because they are no covered under the statutory personal emergency for provisions of leave with pay. Hence, they have major time off the job having not obtained necessary medical attention and care. The suspect ability to illness also increases as low pay in one temporary job often leads to working multiple jobs and for long hours. It also has negative impact over family life of individual which in turn might have negative impact over children as well as other social relations. They have not much access to training along with education so that they can upgrade their skills. As such, they are unlikely to get stable jobs and not having better pay, further contributing to vulnerability in the long run. Therefore, they have the tendency to perpetuate the cycle of precarious job (Hasan, 2007).

The problems due to precarious job have been more evidenced due to racial discrimination and immigrants as they are being denied working in decent and permanent jobs within their field. It can be validated from the data of Longitudinal Administrative Database (LAD) and that of Longitudinal

Immigration Database (IMBD). It has been found by Picot et al that during the first ten years, 65% of the immigrants enter into low-income jobs. It is mainly because of lack of job opportunities in the market and ease of availability of temporary work during initial years of work life (Marjit, 2007).

### Future earnings

There are direct impacts over the future earnings of the worker due to temporary employment which either be positive or negative. The duration of unemployment shortens due to temporary employment or there might be increase in the probability of finding permanent job which are the factors having positive relation with the future earnings. Similarly, the persistence of temporary job for long term reduces the future earnings. Sometimes, new employers considers it as a negative aspect when the individual did not serve in regular employment before. The experience of Temporary work employment is also not considered by the employers for new job opportunities. It has been found by the study of Booth et al. (2002) that there have been differences in the wage growth due to fixed term contracts during their working period. However, having a fixed term contract in job does not have much impact over the growth rate in wages in subsequent jobs (Ghose, 1994).

### Working Conditions

There have been many studies over description of relationship between health conditions and employment situation of both temporary as well as permanent workers. The impact over health of people depends on nature of their work with special considerations of injuries and workplace conditions. Ew studies clearly indicate the linkage between manufacturing jobs and the stress injuries which occurs repetitively impacting the health of men and women both. Women are exposed to different risk types attached to their health as manufacturing jobs are having equipments for standard male body. Hence, women are more prone to physical injuries at workplace especially in manufacturing industries. Most of the precarious jobs in manufacturing sector are easy to find by both men and women as they belong to racial minorities finding difficult to get jobs in other fields (Kolli, 2005). They are daily wage earners bearing poor working conditions and working at low wages. For instance, a study by Premji et al over Montreal garment factory reveals that workers in the factory suffers from stress due to work environment and requirements of job. Workers were forced to choose strategies of production process which have negative impact in the long run, for example, skipping breaks, restriction over rest timings and avoidance of bathroom breaks also. Women employed in such kind of precarious jobs experience discrimination at work and lack of opportunities in job-advancements. Thereby, having direct impact over their mental health. It implies that workplace conditions which also include adherence of the health of the workers and regulations of safety are quite important in explaining the conditions of health under such employability. A growing research body explains the affect over health due to precarious employment by looking at all minor and independent factors (Aghionet al., 2008).

### Job content satisfaction

The content and profile of job is the most important factor affecting the overall satisfaction level in a work life. There are many factors which directly relates with the characteristics of job with that of content satisfaction. It is more related with the level of the job function rather than type of the job. The level of satisfaction rises with the progress in the level of position and designation held by the employee (Indian Labour Yearbook). Workers who are functioning at the executive level have higher satisfaction level with the content of job as compared to the worker who has been working on temporary contractual job profile. The reason for low satisfaction in precarious kind of agency jobs is due to low influential power over firm's decision making as compared to those who are working directly for the workers (Sanyal, 2007). As working hours in a job grow, there is progression in the job content satisfaction as they are more involved in company's work. The duration of tenure of job determines the contentment derived from job. New employees find the job more interesting as compared to those who have been working the same job for years. Therefore, job content satisfaction level varies with types of employment (Delhi Group, 2010).

#### *Job security*

Lower security at job for the temporary workers initiates several issues in the life of precarious employees. Most of them suffers from high job insecurity due to design of their contracts which help their employers to escape from protection legislations of employment. It has been found in many research pieces that the contract type is not the only basis for job insecurity which has been perceived by the workers. There is no direct relation of perceived job insecurity with that of temporary employment. In fact, there has been negative relation between the type of employment and that of perceived job security (Chatterjee, 2008).

#### *Ability to combine work and family life*

Most of working women have to suffer from the work-life balance, especially those having full-time or permanent jobs. However, temporary and contractual jobs provide more flexibility to women where they can do on-call work and maintain temporary agency work life. For example, women can choose the shift starting early in the morning at school time and coming back home in the afternoon so that they can design their convenient hours of working. It becomes much harder in case of full-time jobs as they don't have any such clause in their contracts while starting the job. A study by Albert and Bradley (1998) found that working women having temp jobs have much more control over their working conditions as compared to those working not regularly. It means that highly skilled women have greater inclination towards ease of combining family with work life (CSO, 2005-06).

On the other hand, formation of family is negatively affected by the temporary jobs. The research by Ahituv and Lerman (2005) found that higher instability due to perceived job reduces the chances of getting married and to remain in marriage for men. Also, having temporary marriages for longer period of time delays marriage in case of males but the case is not same for

females. According to De la Rica and Iza (2005), precarious job on contractual basis hinders entrance into motherhood at younger ages because of insecurity present in the job. On the other hand, non-working women do not delay motherhood as they are not much motivated for career planning and do not have wish for much professionalism in life. Most of the married couple in which one working partner has temporary job usually delay in giving birth to their first child. The impact over personal life of married people is larger when husband is non-working rather than having a temporary contract (Maiti, 2008).

#### *Training and human capital accumulation*

Theoretically, the relationship between temporary employment and the provision of employer-funded training hinges on firms' investment strategies in specific- and general human capital. A firm with a short-term labour force faces a reduced incentive to invest in training. Like any investment, the costs of training need to be earned back. The firm pays a wage below the worker's productivity in order to recover the investment costs. The shorter a worker remains with the firm, the shorter the payback period. Thus, the shorter the expected duration of a worker's employment contract, the less incentive a firm has to invest in his training (Bhagwati, 1998).

#### *Wages*

The descriptive statistic analysis shows that overall earnings of contractual workers and freelancers are less than the wages or salaries of regular and permanent workers. The difference lies in the pay-scale and other fringes and benefits paid in kind in regular jobs which are not present in precarious jobs. It depends on the characteristics of the workers like age factor, term of the contract or agreement and the education level. The differential wages among fixed term worker and contractual workers would get reduced over the period of time as can be seen from the OLS estimation as can be seen from the statistics of descriptive form (Bhalotra, 1998).

## **6. Conclusion**

It can be concluded from the above study analysis that developing countries like India have been suffering from the serious challenges due to rising incidence of precarious employment. Economic inequality due to widening gap in the earnings of precarious employed vis-à-vis regular workers have drastic economic consequences. The differences in the wages of permanent and that of temporary workers is represented by Employment-Unemployment survey of India. It has been observed that the wage gap between these two kinds of workers is largely dependent over individual characteristics like types of contracts, structural base of industry, status and market conditions of labor in the market, bargaining power of the trade unions and employed people and also the social status of the worker (Mookherjee, 1997). The premium over wage rates is determined by the education group, security contract of tenure, gender, educational background and market regimes of labor market. Lower sections of the society and females receive negative to zero wage premium who are considered to have the lower skills and vocational training certifications. Hence, the focus should be on raising the skill level and to provide the vocational training in various fields so that there is minimum

wage differential. Decent employment opportunities can be created only by designing the adequate skills of the workers in the market (Besley, 2004).

At macro level, factor such as strengthening of import competition and more flexibility in labour regulation also determines the inequality among the workers positions. The wage gaps have been exacerbating due to dynamic relation in industries, low implementative strategies of labour laws and also no entitlement of legal prescriptions at the time of employment. Lack of rigidity in the employment protection laws can have evidence in the form of large number of non-formal-contractual workers. Therefore, there precarity in the labor market neither helps in raising the employment conditions nor does it help promoting and creating decent jobs as can be seen from the normative and economic lenses. Hence, labour market should move towards more formalization. Obviously, temporary employment has consequences for the workers who are actually employed in these work arrangements. Compared to regular workers, they face differences in job security, ability to combine work and family life, working conditions, training, wages and job strain. All of these differences eventually accumulate to affect job satisfaction.

## 7. Recommendation

It is highly recommended to policy makers that there should be restriction over usage of temporary agencies in all sectors of the economy. The minimization should be done by restricting precarity to legitimate needs only. Limits should be imposed on the use of agency workers and also over the prescribed employment duration. Moreover, there should be changes in the policies of provision of medical, health and other safety

regulations for precarious workers. There should be more equality in the benefits, fringes and perks to temporary workers like permanent workers. Also, they should not be denied the induction programs, usage of tools and equipments and adequate training as are given to permanent and regular employees in all the organizations (Anant *et al.*, 2006).

Apart from that, temporary workers should have access to social security facilities to be ensured by the employers as per the government regulations. No discrimination should be imposed over temporary workers on the basis of nationality, age, colour, sex, origin, religion or due to differential social classes. As most of the precarious job employers are private employment agencies, therefore, regulatory frameworks which promotes rights, principles and obligations of temporary workers need to be implemented. These frameworks belong to the form of co-regulation, self-regulation and governmental forms. In this regard, government has designed minimum standards in ILO Convention No. 111. Given the general over-representation of women in agency employment and the disparity in wages between permanent and agency workers, particular attention must be given to ensure that the equal pay provisions of Convention No. 100 are applied, including equal pay for work of equal value. The ILO should play a much more active role in ensuring that temporary employment agencies respect basic labour standards, as well as in collecting data on abuses and best practices, while at the same time monitoring and analysing trends in employment in both the private and public employment agency sector.

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