

ISSUE OF LABORERS IN UNORGANISED SECTOR WITH REFERENCE TO INDIA

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Abstract—Tremendous transformation is taking place in Indian labor market. Unorganized sector is expanding its horizon. There is drastic fall in the quality of employment. Unorganized workers account for more than 80% of employment in our country. Its contribution is 50% to the GDP. It constitutes household based manufacturing activities, small and tiny sector of industry and also include hawkers, peddlers and street vendors. They have to face harassment from government and anti-social elements, insufficient business facilities, rules and regulations, under payment, no job security, darkness on retirement, child labor and many more.

New pension scheme for unorganized sector at least 10 crore workers will avail the benefits. National policy on skill development aims at empowering all individual through improved skill and knowledge. Provision of unorganized worker's social security act 2008 for 1. Health and disability cover 2. Health and maternity benefits 3. Old age protection. Most of the government initiatives does not reach to all and to large. The initiative taken by the government for labor welfare have to be reviewed regularly in the context of an evolving economy and social background. The policies have to be adjusted to the changing situation.

INTRODUCTION:

The Indian economy is characterized by the existence of a vast majority of informal or unorganized labor employment. As per a survey carried out by the national sample survey organization [NSSO] in 2009-2010 the total employment in the country was 46.5 crore out of which 2.8 crore in the organized and the remaining 43.7 crore workers in the unorganized sector. Out of which 24.6 crore workers employed in agriculture sector and about 4.4 crore in construction work and remaining in manufacturing and service sector. The nature of employment of these worker are agricultural labors, bonded labors, migrant workers, contract and casual labors come under this category. A major portion consists of hawkers, peddlers and street vendors. As per ministry of labor and employment definition unorganized sector means an enterprise owned by an individual or self-employed workers and engaged in the production or sale of goods or providing services of any kind whatsoever and where the enterprise employs workers, the number of such workers is less than ten.

LITERATURE REVIEW:

Nikita diwaker and Tauffiqu ahamed in their paper highlighted no social security, sexual harassment at the place of work, low skill, higher illiteracy rate and low income as the major problems of unorganized sector workers. Lack of awareness and low literacy rate of workers have prevented them from enjoying the benefits of the government schemes made for them.

Shakeel ahmed and Md. Talha ahmed in their study of unorganized sector workers of Maharashtra found that they don't have the right to exist in the urban informal sector because their occupation is illegal. Workers cannot enjoy either the dignity or the right to work. They emphasized on simplification of rules and regulation that prevent them from carrying on their occupation with dignity and freedom.

P. Sathya in his paper issue of unorganized laborers in India found that unorganized workers do not have steady employment, secure or sustainable income and are not covered by social security protection. The growth in informal sector is more than the formal sector. He suggests maternity allowance, accident relief, death compensation, education support for children for higher studies, pension during rainy season as some of the steps to improve the situation.

Manju in her paper women in unorganized sector highlighted the following problems-lack of education, insufficient skill and knowledge, exploitation of the female labors, unsecured job, non-sympathy attitude of employer, extreme work pressure, irregular wage payment and seasonal employment. She suggests skill development, awareness of provisions and making comprehensive law as some of the steps to be taken.

OBJECTIVE OF STUDY:

1. To find out the various problems of worker in the unorganized sector.
2. To study the various laws, policies and schemes of the government.

3. To analyze the reasons for gap between the government policies and workers condition.
4. To find out measures to bridge the gap.

METHODOLOGY:

In this study secondary data has been used to get information as regards to size of workers, analysis of government schemes, problems attached with this sector and recent effort of the government for the development of the sector.

DEMOGRAPHY OF INDIAN WORK FORCE

Out of the total 458 million workers, agricultural workers constituted 259 million [56.6%] and non-agricultural workers were about 199 million [43.4%]. Out of 458 million workers, males constituted 310 million [67.7%] and female accounted for 148 million [32.2%].

Distribution of organized and unorganized workers, 2008-2009

Worker	Total [million]	%of total
Total workers	457.5	
100		
Agriculture	258.9	
56.6		
Non-agriculture	198.5	
43.4		
Organized workers	34.9	
7.6		
Agriculture	2.9	
0.6		
Non-agriculture	32	
7		
Unorganized workers	422.6	
92.4		
Agriculture	256	
56		
Non-agriculture	166.5	

In the table the unorganized workers constitute 92.4% of the total work force, accounting for about 423 million workers. As against them the organized workers constitute 7.6% of the total work force.

CHARACTERISTICS OF UNORGANISED WORKERS:

1. Have limited or no education or other skills.
2. Are hugely scattered and don't have political pressure groups.
3. Don't have fixed jobs i.e. have seasonality as compared to formal sector workers.
4. Still today, they act as 'bonded labor' in some cases due to low incomes and permanent indebtedness.

5. Have insufficient labor laws relating to them.
6. Work in very poor working environment.

PROBLEMS OF UNORGANISED SECTOR:

1. Little awareness of work place hazards, living area close to work area, extended work hours, exploitation, lack of implementation of health and safety legislation and no concept of trade union.
2. Problems of women workers are desperately poor low wages, fraudulent contractors, disease causing environment and child labor.
3. Problems of government are workforce is uneducated about the benefits of organized sector, scattered nature of the sector, employers avoid any form of regulation and they cannot have the same labor laws.
4. Problems from the organized sector are unfair competitions, loss of employment, lack of preference from the buyers and non-availability of finance to compete.

ISSUES INVOLVED:

1. Insufficient labor laws.
2. No social security.
3. No guaranteed minimum wages.
4. Bonded labor [they don't complain about this because if they do their master may remove them]
5. Child labor [they are the most exploited among them]
6. Working women [issue of harassment at work place]
7. Low literacy among them.
8. Low income which they don't complain about.
9. Vulnerable to diseases.

EFFORT OF THE GOVERNMENT

The government has recently announced general pension scheme in the interim budget 2018 for the unorganized sector. Pradhan mantra yogi maandhan yojna, the scheme targets marginal workers with monthly income up to 15000. The scheme promises an assured monthly pension of 3000 from the age of 60 years, in return of a marginal monthly contribution till then. Similar to the existing voluntary scheme the government will deposit an equal matching share in the pension account of the worker every month.

The government expects at least 100 million laborers to sign up for the new scheme within the next five years. Around 500 crores has been provisionally allocated for the new scheme with implementation to begin from the current year. If core inflation is taken into account, the monthly assured figure of 3000 will come down to 500. The scheme will run parallel to the existing APY which was launched in 2015.

Schemes	Existing ATAL Pension Yojna	new P.M. Shram Yogi
Maandhan Yojna		
Monthly pension to be received 3000		5000
Monthly contribution at the age of 18	210	55
Monthly contribution at the age of 29 100		529

Social security acts 2008- The union labor and employment minister Shri Mallikarjun Kharge has informed the Rajya Sabha that recognizing the need to provide social security to unorganized workers. The government has enacted the unorganized workers Social Security Act 2008. The Act provides for constitution of national social security board at the central level which shall recommend formulation of social security schemes viz life and disability cover, health and maternity benefits, old age protection and any other benefit as may be determined by the government for unorganized workers. Since its set up it has launched Janshree Bima Yojna, Rashtriya Swasthya Bima Yojna and old age pension to certain category of unorganized workers.

Aam Admi Bima Yojana launched in 2007 is a social security scheme for rural landless household. The head of the family or one earning member in the family of such a household is covered under the scheme. The premium of 200 per person per annum is shared equally by the central and the state government. With benefits on natural death of 30000, on death due to accident 75000 and on partial disability 37500. Aam Admi Bima Yojana Premium Fund has been set up by central government to pay the government contribution. A free add on benefit in the form of scholarship to children is also available under the scheme.

Rashtriya swasthya bema yojana was launched in 2008 with the objective to provide health insurance coverage for below poverty line families. RSBY is to provide protection to BPL household from financial liabilities arising out of health shocks that involve hospitalization. Beneficiaries under RSBY are entitled to hospitalization coverage of 30000 for most of the diseases that require hospitalization. Pre-existing condition are covered from day one and there is no age limit. Coverage extends to five members of the family which includes the head of the household, spouse and up to three dependents. Beneficiaries need to pay 30 as registration fee while central and state government pays the premium to the insurer selected by the state government on the basis of a competitive bidding.

The national skill development scheme was launched in 2015 with the objective to empower the individual, by enabling him/her to realize their full potential through a process of lifelong learning where competence is accumulated via instruments such as credible certification, credit accumulation and transfer. As individual grow, the society and nation also benefit from their productivity and growth. This will involve skilling on a large scale at speed with high standard and to promote a culture of innovation based entrepreneurship to ensure sustainable livelihoods for all citizen in the country.

CRITICAL ANALYSIS OF GOVERNMENT EFFORTS

Data from pension fund regulatory and development authority showed that after 8 years of launch of swavalamban scheme and APY were only able to cover 10.9 million workers. Most analyst said contributory pension scheme are set to fail since those targeted find the monthly payment too high. Even the least developed economies like Bolivia and Lesotho have no contribution to pension scheme for the poor.

The 2008 Act appears to have excluded vast section of unorganized workers like agricultural laborers, the unorganized laborers in the organized sector including contract workers, anganwadi workers, para workers, para teachers and the cooperative sector. The problem of women unorganized workers has not been considered. The issues related to nature of work and industrial safety, gender wage gap, non-payment of wages, child care facilities at work place have been totally neglected.

Aam Admi Bima Yojna is not popular because of low agent commission and poor response to the policy holder.

The RSBY does not pay for the cost of outpatient care which does not involve hospitalization. 63.5% off all outpatient expenditure on health relates to outpatient cost. This means a scheme that aims to reduce the burden of out of pocket expenditure on BPL families is missing a critical factor. The cost of hospitalization has increased 23% in the last 10 years but the RSBY insurance amount has remained unchanged i.e. 30000 for a family of five.

Absence of nationwide vocational education and training standard, lack of on-site apprenticeship training, no industry support, insufficient fund for vocational education and training system, poor quality outcome and shortage of qualified trainers are stopping the national skill development scheme to be successful. The scheme never achieved its target.

SOLUTIONS

Benefits like maternity allowances, accident relief, natural death compensation, education support for children for higher studies should be provided to the unorganized sector workers.

Both the central and the state government should formulate certain specific scheme to support unorganized workers to meet their real needs and requirements.

Only 6% of unorganized workers are covered by social security measures so its horizon should be enlarged to bring overall development in our country.

The government should motivate unorganized laborers to register their position. Voluntary registration of workers is another method to identify genuine beneficiaries.

The government should create awareness about the unorganized worker's welfare fund and the benefits that can be derived through the welfare schemes operated with the support of the government fund.

CONCLUSION

The unorganized workers work under extreme conditions. Protection and support for the unorganized sector workers is very necessary for both economic and social development. The government should provide the street vendors with legal space for their activities beside also simplifying the rules and regulations that prevent them from carrying on their occupation with dignity and freedom. Many schemes are made by the government but due to lack of awareness and low literacy rate the workers of unorganized sector are not able to prevail the benefits of the government schemes made for them. Lack of awareness and low rate of literacy are the deep hurdles in the development of sector which in return provides inadequate and vulnerable conditions. It is clear that self-awareness and education are the magic wands which will fuel the revolution.

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