



PROBLEMS OF UNORGANIZED LABOURERS-A REVIEW STUDY

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Abstract

This study is an attempt to know the problems of unorganized labourers. Labourers of unorganized sector are facing the various kinds of problems of work place like payment, welfare, safety, Payment; welfare and safety measures are necessary to do work at any work place, which are properly given by employer and regulate by appropriate government, unfortunately these are main problems of work for unorganized labourers as well as scheduled labourers. Payment of labourers is main problem of unorganized labourers which is given on the basis of piece rate and time rate. Unorganized labourers are the direct part of production in every industry but problems of unorganized labourers in every industry are the same. Employers want more and more economic benefits so the unorganized labourers are exploited by them by less payment, less safety measures, less welfare.

Keywords- Unorganized labourers, Payment, Welfare, Social Security and Safety measures.

Introduction

“Unorganized worker” means a homebased worker, self-employed worker or a wage worker in unorganized sector and includes a worker in the organized sector who is not covered by any of the acts of India.¹ Unorganized labourers are the integral part of organized industries. Organized industries employ two types of labourers- 1. Organized Labourers 2. Unorganized labourers. Organized labourers enjoy all kinds of benefits regarding job but unorganized labourers are exploited for benefits of job like low payments, no social security, less welfare schemes and lack of safety measures. The unorganized labourers are 90% of vast majority in Indian Labour Industry, unorganized occupational groups include small and marginal farmers, landless agricultural labourers, share croppers, fishermen, animal husbandry people, beedi rolling, labeling and packing, building and construction workers, lather workers, weavers, artisans, salt workers, workers in brick kiln and stone quarries, workers in saw mills, workers in oil mills and workers in retail shops. Only few industries of unorganized labourers are highlighted but most of unorganized industries are in dark. Brick kiln, building construction workers and agricultural industry are the most dominating and employing vast majority of unorganized labourers. The migration factor is found in above those labourers, due to distressed communities and need of better life and employment, these

industries are dominating industries. These industries are the seasonal migratory industries, causal nature of employment, ignorance, illiteracy superior strengths of the single employer are the main constraints of problems of unorganized labourers.¹

Objective of the study

1. To identify the problems of labourers
2. To assess the social security, welfare and safety measures of unorganized labourers
3. To study previous studies regarding unorganized labourers and their role, payment and working conditions.

Research Methodology

In this study secondary data is used for reviewing the problems of unorganized labourers. Secondary data is collected from research, publications, government reports, newspapers and internet.

Legislative and Policy framework for unorganized labourers

Various legislations are passed to regulate the unorganized labour industry and provide them social security, welfare programs but these are ineffective to provide them social security and welfare schemes because the machinery of implementing the legislative laws and welfare programs are not work effectively with them. Unorganized labourers are illiterate and they are not organized. The employers know that if any social security, welfare or safety measures are given to labourers, it would be liability for them and their economic benefits would be less because all regulative laws and welfare schemes needs some additional finance of employers apart from the payment of labourers. Public sector enterprises employ contractual/causal labourers, in these public sector enterprises less social security, less welfare schemes and inappropriate safety measures are given while these labourers are entitled for all welfare schemes, appropriate safety measures as permanent employees are entitled of these schemes. In most public sector enterprises Employee State Insurance Act, 1948, Employee provident fund scheme, maternity benefit are not given by chief contractor appointed by concern authority of public sector enterprise while these schemes are mandatory for labour welfare, when contract of labour supply in any public sector enterprise is signed, clauses are mentioned regarding schemes and benefits for the development of labourers only those welfare and safety schemes are given to contract labourers which are already existed in work premise like canteen, medical facilities etc., Employee State insurance, maternity benefit and employee provident fund are the chief contractor liabilities so chief contractor neglects them and exploits unorganized labourers with the management of public sector enterprise and trade unions' leaders. If labourers raise their voice against this, they are fired from the job. 50% GDP of the country is contributing by unorganized sector and they are the primary factor of productions. The main fighting of the unorganized industry is they are not the commodity; they should be treating as human being.

¹ The definition of unorganized worker under "The Social Security Act, 2008.

Challenges of Unorganized labourers

Employers of unorganized labourers provide unsatisfactory working conditions, inappropriate payment and welfare schemes. Workers are always in frustrations and their motivation level is always down. As we know a man needs energy for doing work, energy is acquired from food and good mental health, every activity of a man whether it is work related or need of good energy and mental health. Better wage provides better life, better food, better living place, better education, better social status and better working condition provides better work place, good health, sound mental status and higher production. Unorganized labourers always have lack of above those. Above these are always challenges for unorganized labourers. The main challenges of unorganized labourers at work places are as followed:----

1. No social security. 2. in sufficient labour laws. 3. Guaranteed minimum wages. 4. Child labourers. 5. Working women's issue of harassment at work place. 6. Low literacy among them. 7. Low income. 8. Vulnerable diseases. 9. Pain or injury from physical over exertion, repetitive manual tasks or working in awkward positions. 10. Working with hand tools, powered tools and heavy tools of equipments. 11. Confined places. 12. Noise, dust. 13. Working at heights. 14. Electrical hazards. 15. Slips, trips and falls. 16. Respiratory and fire hazards from wood dust, asbestos, paints, solvents, and other toxic chemicals or materials. 17. Stress. 18. Shift work or extended work days. 19. Unhygienic working and living conditions. 20. Lack of medical facilities. 21. Bonded labour (they don't complain about this because if they do their master may remove them) considering their ignorance). 22. Child Labour (they are the most exploited among them. 23. Exposure to moulds, fungi and bird or rodent droppings. 24. Working in extreme temperatures and UV radiation. 25. Working with cranes, hoists, and other material handling equipment. 26. Exposure to moulds, fungi and bird or rodent droppings.

Review of Literature

This study analyses the views and main findings of different authors on the economic, working conditions and problems of unorganized labourers. The study of related literatures implies locating, reading and evaluating reports of causal observation and opinions that are related to the individual planned research work. The various views of different researchers regarding unorganized labourers are as discussed in following paragraphs:

Manju (2017) concluded that unorganized sector is larger in rural areas as compared to urban areas. The female participation in this sector is more than male. Women worker face grave problems. Their condition is highly unpredictable and have constraints related to their work such as insecurity, wage discrimination, absence of medical and accidental care, lack of continuity etc. this is due to their seasonal intermittent nature of work, low level irregular patterns of earning and employment, absence of employer-

employee relationship and weak administrative structure. It is also clear that self-awareness and education are the magic wands which will fuel the revolution.²

Chatterjee Subhasish (2016) depicted that many laws of social security in the constitution of India for organized and unorganized labour force, still the situations of unorganized labour remain same, only organized labourers are enjoying the test of that fruits. There are lots of schemes have been framed by central as well as state government both, but unfortunately, most of the time Government has failed to apply those schemes at the time of their requirement. As far as various recommendations are concerned, regrettably, we are still far away to follow the very simple and authentic recommendations of the “First National Commission on Labour (FNCL) under the Chairmanship of Justice P. B. Gajendragadkar submitted its Report in 1969. The FNCL devoted attention to labour in the unorganized sector. The main recommendations of the Gajendragadkar Commission included: a. First hand detailed surveys from time to time to understand the problems of the different categories of unorganized labour. b. Legislative protection by the state for unorganized/unprotected labour. c. Simplification of legislative and administrative procedures applicable to small establishment. d. Expediting education and organization in the field of unorganized labour. e. There is no alternative to the existing implementation machinery, what exists should be reinforced, and the inspection system should be strengthened. f. Steps for the protection of workers against middlemen, and development of self-help through co-operatives. Co-operatives should pay adequate wages, bonus and give employment opportunities to the underemployed and unemployed among them. So far as minimum wage act 1948 is concerned, it is very much scanty and terribly varies from state to state. There is no exact provision to apply that law in a systematic mode for unorganized sectors; sometime it seems vague and ineffective. Social security act is considered as one of the most important act, which should be applied for the labourers of any sectors but, for unorganized sectors no proper provisions has so far been prepared and applied except few guidelines. Anyway, in recent circumstances, unorganized sectors social security nets(charts given above) shows few social security measures like - National Assistance program (Indira Gandhi National Old Age Pension Scheme, Indira Gandhi National Widow Pension Scheme, Indira Gandhi National Disability Pension Scheme, National Family benefit scheme and Annapurna Scheme), Government sponsored Socially Oriented Insurance Scheme (LIC Administered Scheme, AICIL Administered Scheme and few others insurance scheme), Workers Welfare funds Act, National Rural Health Mission Scheme, National Pension Scheme Swavalamban, National Schemes for welfare of fishermen and training and extension. In addition to that few legislations have also been framed like The National Rural Employment Guarantee Act, 2005, Unorganized workers Social Security Act, 2008 and Domestic workers Social Security Act, 2008. Furthermore, government is planning to provide provident fund and pension scheme to unorganized

² Manju: Women in unorganized sector - Problems & issues in India: International Journal of Applied Research, ISSN Print: 2394-7500, ISSN Online: 2394-5869: Volume-3, Issue- 4, 2017: Pages- 831-832

sector constituent of 93% of India's huge labour force. Constituting the acts and framing of schemes are not enough for the advancement of labourers working in informal sectors but, relatively needs of execution of those acts and schemes in a deliberate way. This should be the most imperative obligation of the government. Another vital responsibility of the government is to conduct awareness program on the subject of those acts and schemes regularly, especially for the unorganized labour of urban as well as rural area. On the other hand, government should depute NGO, who will be responsible to conduct these types of programs or to depute dedicated team, who will be responsible for continues vigilance in their stipulated area. In addition to that thorough and crystal clear acts must be made for the labourers of the informal sectors relating to the account of security of health, housing, children's education, food, nutrition of women and children, employment and old age benefit.³

Dhamodharan K. & A. Alagumalai (2016) said that fragmented labour market has been a consequence of weakened union power and cause for poor union membership. In the unorganized sector there are no health and safety conditions, proper working hours, basic amenities like toilets and crèches for children's. Workplace hazards are very common. But law to regulate and improve employment conditions of workers in unorganized sector is yet to be enacted in India. Unions are to play a central role in this protecting the interests of the workers in unorganized sector, by providing them training, skill upgradation and various measures that will enable them for empowerment. The protection enjoyed by organized sectors under existing laws and trade unionism should be extended to the unorganized sector. The trade unions should work for upliftment of the unorganized workers on the basis of equality, justice and equity which ensure common welfare to the workers. Specific unions for the informal sector will strengthen the union's negotiating power. Human rights and social activists are join hands with the trade unions in organizing the unorganized workers. Union Labour Ministry is already initiated an action plan for the issue of smart card for all the unorganized workers with unique identification number which would certainly bring them under social security protection and the same can serve as documentary profile for the unions to strengthen the membership.⁴

Kalyani Munna (2015) stated that the security needs of the unorganized sector such as Food, Nutrition, Health, Housing, Employment, Income, Life and accident, and old age remains a dream in India.⁵

Rajendran G. & Hema M. S (2015) concluded that they are the most vulnerable and deprived section of the society in the need of protection, security, benefits and assistance. As per NCEUS details was the unorganized workers by gender across the states in the year 2013- 2014. The male workers are

³ Chatterjee Subhasish: Labourers of Unorganised sectors and their Problems: International Jrnal of Emerging Trends in Science and Technology, ISSN 2348-9480: Vol.03, Issue 07, July 2016: Pages 4403-4404.

⁴ Dhamodharan K. & A. Alagumalai: Trade Unions And Unorganized Workers: International Journal of Advanced Research in Management and Social Sciences, ISSN: 2278-6236: Impact Factor- 6.284: Volume- 5, Issue- 5, May 2016: Pages-132-133.

⁵ Kalyani, M: Unorganised Workers: A Core Strength of Indian Labour Force: An Analysis: International Journal, Volume-44: 2015.

90.7 and female workers are 95.9% in unorganized workforce. The female workers are more than male workers in unorganized sector as well as unorganized workers.⁶

Diwaker Nitika & Ahamad Tauffiqu (2014) studied that unorganized sector, the sectors of household manufacturing activities, i.e. of small scale or tiny industries which hardly have any sustainability of profit or margin. The unorganized sectors and the workers of unorganized sectors both can be termed as intangible or invisible because their recognition is very limited which is almost nil in comparison with the organized sectors. Problems faced by unorganized workers are like no social security, sexual harassment at the place of work, low skill, higher illiteracy rate, low incomes, etc. To overcome these issues National Commission for Enterprise in Unorganized Sectors was set up by the Government of India. Government of India has also made certain rules and acts, schemes for the welfare and development of workers of unorganized sectors. Although the schemes are being made by the government but due to lack of awareness and low literacy rate the workers of unorganized sectors are not able to avail 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 sectors which in return provides inadequate and vulnerable living conditions.⁷

Rinoj P K (2014) said that based on the information there is no doubt that the unorganized sector in the country has great role in making Indian economy and has contribution to GDP the sector has expanded in the past and is still expanding at a very high rate. The union government should take necessary action to uplift the people from unorganized to organized steadily.⁸

Devi K. & Kiran, U. V (2013) studied that gender biasness is a crucial factor for the discrimination in labour force. In India a large group of female unskilled worker works in the rural area as agriculture laborer as soon as the season ends, they shift to the construction industry which increases their employment level in the industry by doing so they support to their husband in income generation, for meeting their household expenditure. Their job is not easy, within the industry as they have to face several adverse situations such like sexual harassment, wages discriminations injuries and deceases are the major factors due to which women's even though work hard, but lag behind the men and remains unskilled even after hardship a lot of years.⁹

D'souza. P. Anthony (2013) said that it is a great need to examine the extent of institutional finance to entrepreneur which plays an important role in the lives of those self-employed in unorganized sector. In the rural areas, 67 per cent of usually employed males and 84 per cent of usually

⁶ RAJENDRAN G.& HEMA M. S: A study on the social security of unorganized workers in nagapattinam district with special reference to "Unorganized workers social security act, 2008.

⁷ Diwaker Nitika & Ahamad Tauffiqu: Problems and Challenges Faced by Unorganized Sectors: An Indian Perspective: New man International journal of multidisciplinary studies, ISSN- 2348-1390: Volume-1, Issue-12 Dec 2014: Pages-39.

⁸ Rinoj P K: A study on Unorganized Sector and India's Informal Economy: PARIPEX - INDIAN JOURNAL OF RESEARCH, ISSN - 2250-1991: Volume 3, Issue 7 July 2014: Page-3.

⁹ Devi K. & Kiran, U. V: Status of female workers in construction industry in India: A Review. IOSR Journal of Humanities and Social Science: Volume-14. Issue-4, 2013: Page 29.

employed females were engaged in the agricultural sector. The unemployment rates for males have increased from 5.6 per cent to 9.0 per cent in rural areas and from 6.7 per cent to 8.1 per cent in urban areas. The rate of growth of employment is declining sharply year after year while the labour force increases. The size of the unorganized sector is relatively large and will continue to be so in the years to come in view of the limited employment opportunities in the organized sector as also due to the outsourcing of a number of occupations/activities from the organized sector. The unorganized sector thus provides income-earning opportunity to a larger work force and a larger number of workers are getting their livelihood from this sector. The unorganized sector, therefore, has been playing an important role in providing employment in the economy. Only very few small unorganized sector in India have the financial and organizational capabilities to generate internal resources for technology acquisition, adaptation and innovation. Equally important is the lack of awareness of technological and other needs has to be taken care for the upliftment of this sector. In addition, skill development efforts and educational levels of the labour force are also low. Hence a specific firm-tailored technology and innovation policy is needed for the development of the unorganized sector. Thus, it requires a viable sustainable model to be framed by the government which would enable them to access modern technology and also wherever possible be in a position to tie up and meet challenges with the organized sector. Even then an entrepreneur plays a vital role in bringing up unorganized sector at the better position in the country.¹⁰

Bhukuth Augendra (2005) investigated that child labour is always linked to the notion of exploitation. In the child labour debate, a distinction is made between child work and child labour. Child work is tolerated because it is considered not detrimental to the physical and mental development of children, while child labour is not. In reality, there is no such distinction between child work and child labour. We argue that all activities performed by children are detrimental to their well-being and have also proved, through our findings, that children working in home-based enterprises are not safe from exploitation. In this article, we have highlighted a new view on child labour in the brick kiln industry. Child labour is a means to bargaining for a higher advance. By taking an advance, parents are bonded to their brokers. They cannot supply their labour to another broker. Hence, they have to work to repay their debt. Child labour is used to improve the household productivity, and to avoid their parents falling into bondage. If parents are bonded, children also become bonded, thus giving the impression of a chain reaction. In the case studied, this is a light form of bondage. In this industry, workers with the help of children have the possibility to earn more money. However, they are often cheated by the brokers and the managers when the time comes to clear their account at the end of the season. Hence, labourers return home with the feeling of having repaid their debt.¹¹

¹⁰ D'souza. P. Anthony: Unorganized sector: role an entrepreneur and challenges in self-employment: International Journal of Scientific and Research Publications, ISSN 2250-3153: Volume 3, Issue 6, June 2013: Pages-4-5.

¹¹ Bhukuth Augendra: Child Labour and Debt Bondage: A Case Study of Brick Kiln Workers in Southeast India: Journal of Asian and African Studies: DOI: 10.1177/0021909605055776: Volume-40, Issue 4, August 2005: Pages-14-15.

Gupta Jyoti (2003) said that for the brick kiln workers the main concern is increase in wage rates and better living conditions. The fact that works in the brick kilns is the last option for the workers in the face of poverty and unemployment is corroborated by the workers' desire to keep their children out of the industry. They do not see it as a future for their children and therefore do not express any interest in improved methods of work or training in the same industry. At the same time, interestingly the workers stated that they preferred to work in the kilns on a piece-rate rather than on a daily wage rate as they could take time off as they wished and work as much as they felt like. There is no such opportunity in daily wage work. They also pointed out though that if they were to get employment in the village they would not choose to work in the kilns. Workers dreamt of buying land one day and settling down in the village. Schools and crèches are the biggest demands of the workers apart from a hike in their wage rates. Several policies suggest coordination with trade unions or NGOs who will take it upon them to ensure schools, crèches, and implementation of the various laws, which were discussed by the tripartite committee. But several unresolved areas of main concern are in terms of the future of the brick kiln industry, the fate of this vast reserved surplus labour force whose base is in the agricultural sector and cannot be absorbed by the industrial sector. Perhaps if the kilns were given the status of industry then a large section of the rural surplus labour force could be permanently shifted from agriculture to the industry. The kilns cannot operate the whole year as they operate in the open and therefore cannot be operative during the monsoon.

Sheds can also be built to protect the drying bricks as well as for stacking the burnt bricks. Presently the owners cannot think of any way by which the kiln could be protected during monsoon. The brick kiln industry cannot be made to operate for the whole year. If we are to consider the semi-automation of the moulding process then we will have to have some plans for the largest section of the kiln workers, i.e, moulders. Even with the existing terms of trade and the market for bricks on one hand and labour supply at the cheapest rate, there are enough surpluses for a better distribution of the same through wage improvement for workers. The exact figures of the scale of profit, sales, and cost of production are difficult to come by and the owners refused to cooperate on this score. Even if minimum wages are to be enforced, for that purpose alone an enforcement regime needs to be set up. These enforcement regimes could be organized by NGOs or CSOs, trade unions, or large organizations that devote themselves to the unorganized sector alone.¹²

Conclusion

Unorganized labourers are the main factor of production; most of production is directly, indirectly done by unorganized labourers. Every aspect of economy of the country depends on unorganized labourers. Government and employers know the relevance of unorganized labourers but show their negligence. Appropriate Government time to time passes the laws, provisions and amendments to save the labourers from employers' exploitation. Due to ignorance, illiteracy and heavy lack of employment in the

¹²Gupta Jyoti: informal Labour in Brick Kiln- Need for Regulation: Economic and Political Weekly: Volume-8, No- 31, August 2003: page- 3291.

country make the laws ineffective. Employers take benefits of these key factors of ignorance, illiteracy and lack of employment and exploit the interests of unorganized labourers. Government provides the provision of inspecting authority in each industry for safeguarding the interests of unorganized labourers, welfare schemes, safety measures but these are ineffective due to corrupt system of bureaucracy. These inspecting authorities are the puppets of employers always show effective report to appropriate government. If labourers are entitled for the benefits of workmen compensation, employee state insurance, employee provident fund, equal remuneration for man and women, payment of bonus etc., the procedure is so rigid, labourers are disturb to get their benefits like if a unorganized labourer is getting benefit of employee provident fund scheme and he leaves his job due to any circumstances but his provident fund is in his employee provident fund account, he want to withdraw his provident fund so he has to follow various steps, he will make an application to concern employer and employer will verify and send the application to regional office of employee provident fund. The regional office of employee provident fund takes the time of further process, due to any circumstances employee record is not verify or process, it takes long time it may be in months or years. Now question is raised our most of unorganized labourers is illiterate so how this labourers would follow these steps, government says it is easy to get their employee provident fund but it is easy in slogans and papers, it is hard for daily illiterate labourers. Due to rigid procedure unorganized labourers leave their employee provident fund. When unorganized labourer is appointed, asked him “if you want employee provident fund, you will receive particular salary, if you will not want employee provident fund, you will be paid extra amount, so the labourers is ready for some hundreds of rupees. Employer saves his contribution after giving little money; this is happened due to ignorance and illiteracy of unorganized labourers. Words are less and problems of unorganized labourers are more, each unorganized labourer faces same problems of work but his social problems become different to others. Equal payment, regular payment and minimum payment are always a dream of unorganized labourers. Payment of work is main problem of labourers if this problem can be resolved about 70% problems of unorganized labourers will be solved. Work related problems are the secondary these can be managed. Government passed the provisions of per day payment system of labourers like unskilled, semi-skilled, skilled and higher skilled; according to the skilled criteria, labourers are paid but actually there is no difference between unskilled or highly skilled, they are equally paid without any skilled criteria. The condition of agricultural industry is so worst, labourers are paid rupees 100 to 120 per day. No welfare schemes, no permanent work, long working hours with adverse conditions.

Unorganized labourers have multiple problems in their social and working life but these problems can be removed by literacy and understanding their rights towards their employment. Government is running lots of programs to educate labourers and regulating unorganized industries by various provisions and schemes. The unorganized industry is changing but it will be take time whenever labourers will educate and understand their interests.