
OVERVIEW OF UNORGANIZED LABOUR OR WORKER

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ABSTRACT

Those who perform unorganized labour reside below the poverty level. undoubtedly, an enormous percentage of informal workers have no way to pay for their daily needs. When in comparison to men, a majority of women workers continuously experience low salaries. There are several regulations about labor force security, but they are mostly applied in the unionized labor sector; on the contrary, the unorganized labor sector does not apply to it with the same rigor. Thus, it was attempted to highlight the many problems surrounding unorganized labor and the required solutions here. The data comes from several secondary sources such as books, research papers, websites, and openly accessible government documents.

Keywords: unorganized labor, labor force security, poverty level, informal workers, pay for their daily needs.

INTRODUCTION

Beginning in the early 1970s, when the International Labor Organization pointed out the development strategy based on employment and economic growth using its World Employment Missions in Colombia, Kenya, Sri Lanka, and the Philippines, the idea of the informal or non-organized sector began receiving attention on a worldwide basis. Approximately 93% of India's workforce have jobs in the unorganized sector. India's unorganized workers face numerous obstacles including unreliable jobs and dangerous workplaces. The goal is to talk about the idea of the "informal economy," the government's state of matters, and what steps governments have taken that safeguard the rights of workers in unorganized businesses. As a consequence, the unorganized sector is vital to the Indian economy and needs particular care.

DEFINITION OF THE UNORGANIZED SECTOR & UNORGANIZED SECTOR LABOURS:

Under the Unorganized Workers and Social Security Act, of 2008, the word "Unorganized Sector" implies any company that makes or sells food, gives services of any kind, is owned by individuals or self-employed workers, and relies on no more than ten individuals. The unorganized Workers and Social Security Act of 2008 claims that an unorganized worker is a worker at home.

Worker kinds in the unorganized sector: contract, casual, and bound wage employees.

CLASSIFICATION OF WORKER UNORGANIZATION

Four categories have been treated as established for the unorganized worker:

By occupation: sharecroppers, fishermen, small-scale businesses and marginal farmers, landless farmers, building and construction workers, leather workers, weavers, artisans, salt workers, staff at brick kilns and stone quarries, sawmills, oil mills, and those who engage in animal husbandry, beedi rolling, labeling, and packing.

By the type of employment: contract, casual, migrant, and bonded workers, amongst others.

Service providers include fruit and vegetable vendors, barbers, fishermen, and domestic

servants.

Special categories: loaders and unloaders, drivers of animal-driven vehicles, scavengers, toddy tappers, carriers of head loads, etc.

IMPORTANT PROBLEMS THAT UNORGANIZED WORKERS ENCOUNTER

Ninety percent of Indian workers have jobs in the unorganized sector. Being the less privileged members of society, they face many problems. Given its contribution to the economy, the unorganized sector faces many challenges.

They are as follows:

High Degree of Job Uncertainty: Because of employment insecurity, unorganized workers depend on a variety of jobs. Climate change, geographic location, and other factors impact the job possibilities of unorganized laborers. For instance, India's farming sector is extremely unpredictable and uncertain. This is as a result of their capacity to get work. They only work for three months out of the year; the other nine are spent looking for other work or remaining unemployed.

The Level Of Minimum Salary: The term "Wages" was initially employed in Section 2(h) of the Minimum Wages Act in 1948. It relates to a payment that can be pecuniary outside and that an employee has the right to for their labor or employment, including living allowance, assuming that either the explicit or implicit demands of an employment contract have been fulfilled. Although the law establishes a minimum wage, most of the time workers are not paid that amount. In Peoples' Union for Democratic Rights v. Union of India, the Supreme Court ruled that laboring for the minimum wage is prohibited by Article 23 because it constitutes forced labor, even in instances in which poverty compels someone to do so.

Increased Working Hours: Long work hours transcend the wage and legal requirements that are usual in India in the unorganized sector. Because there are no laws regulating working hours in the agricultural field, there are no predetermined hours for staff members in this field. In the other unorganized sectors, the compensation of workers is decided by the amount of hours they work for their employer, and their working hours vary between 12 and 15 hours. The employer benefits from the workers by having people work extra hours because more than

half of them possess reading and depend on the salary provided by the business.

Living Conditions, Occupational Safety, And Work Dangers: Workers lacking unions are forced to endure dangerous circumstances at work, which affects their health. Their vigorous exercise level and inadequate diets cause people to suffer from a variety of illnesses. They are unable to afford the costs of healthcare due to their low income. Because they breathe fire powder, tobacco dust, and other pollutants, workers in matchstick, tobacco, and firework firms are more likely to develop respiratory illnesses. The excessive application of fertilizers, pesticides, and insecticides affects agricultural workers. Unorganized labor resides in squalid conditions and communities. Necessities like lavatories and areas for washing are mediocre.

Children And Women Are Not Safeguarded: Equal remuneration for equally hard work is mentioned in Article 39(d) of the Indian Constitution. It also means that regardless of a worker's sex, they ought to get equal pay. For a comparable amount of hours employed, men are compensated more than women and children. Many children have required slaves for little money in dwellings, dhabas, and tea shops. Young adults get jobs for extended periods and frequently encounter dangerous conditions at work that hurt their health. Many workplaces encounter sexual assault and harassment of women. Women lack awareness of their rights and confront a lot of mental and physical problems.

THE LAWS AND THE UNORGANIZED SECTOR:

The business environment and nature of employment in the whole country have undergone substantial shifts in the era of liberalization, globalization, and privatization. Several issues with social security measures were caused by these alterations.

In this manner, growing unorganized worker education in emerging India presents higher concerns related to social security. The government created many initiatives and implemented an assortment of social security laws to guarantee the happiness of unorganized employees. The Unorganized Workers Social Security Act of 2008 is one of the significant endeavors that focuses solely on supplying unorganized workers with legal protection. The Unorganized Workers Social Security Act of 2008 allowed both the national and state governments the power to occasionally construct adequate welfare initiatives for unorganized workers. Owing to the Act, all informal employees must register with the District Administration and be not less than 14 years old. The Act also stated that the Central and State governments were to

establish the National Social Security Board and the State Social Security Board, respectively, for unorganized workers.

INDIA'S LOCKDOWN AND THE UNORGANIZED SECTOR AFFECTED:

Corona has affected the country's unorganized sector. These people either work below contract or get a job to provide their families with a daily paycheck. The amount of this unorganized sector is undisclosed to the government. The 2019 Economic Survey report claims that 93% of the workforce in the nation was not affiliated with unions. Based on a 2018 NITI Aayog investigation, the prevalence is 85%. This unorganized sector profoundly impacts the country's economic performance.

However, there currently exists no adequate measures in place to keep it protected. Under the 2017–18 Periodic Working Force Survey, which came out last year, 71% of regular, salary-based informal (non–non-agricultural) employees without a formal employment contract.

54.2% of employees do not get made up when they take a vacation. In addition, 49.6% of them are eligible for social security income. The unorganized business is not just enormous but also confusing. Considering the agriculture sector is part of the largest unorganized sector in the nation, it is additionally anticipated to be subject to this lockdown.

SOCIAL SECURITY ACT OF 2008 FOR UNORGANIZED WORKERS:

On December 30, 2008, the Indian Parliament passed the Unorganized Workers Social Security Act, 2008. The goal of this act is to offer the unorganized sector social security and welfare. Neither the national nor state governments have created an array of programs relating to life, disability, old age, housing, work, education, and many other topics. Both the federal and state governments contribute financing for these programs. The whole nation of India has been covered by that law, especially the unorganized sector. The National Social Security Board and the State Social Security Board had been established by the government for carrying out the law.

BOARD FOR NATIONAL SOCIAL SECURITY:

The Union Government formed the National Social Security Board. The Union Minister serves as the leader of labor and employment. Seven representatives of both employers and staff in

the unorganized sector have been selected by the Union Government's members. The Union Government receives recommendations from the board concerning initiatives for unorganized workers. They give the government expert advice on issues resulting from the act's administration. Plans created for unorganized labor are managed by the plane.

BOARD OF SOCIAL SECURITY FOR THE STATE:

Each state's social security board was set up by the state government to make sure that the act was carried out correctly. The National Social Security Board and the State Social Security Board have the same members. The board issue's identity cards to the unorganized workers after evaluating their enrolment. The board without authority is necessary to carry out multiple responsibilities. All they can do has been observed and reviewed. Since only the government has the power to decide on the board's recommendations, they aren't allowed to make decisions on their own.

ACT'S CONSTRAINTS:

Despite the sole exception of the formation of state and national-level physical beings, the act makes nothing of the security supplied to unorganized employees. The act fails to describe programs for agricultural workers or a separate bill for individuals. Only perhaps little of the unorganized sector is addressed by this act. No clause involving paying employers for violating the laws or about punishing bureaucrats for failing to register unorganized employees under the schemes is provided.

ROLE OF THE JUDICIARY IN GUARDING THE UNORGANIZED SECTOR:

The judicial branch safeguards the rights of unorganized workers when laws are not properly carried out. In addition to legislation, unorganized employees are provided fundamental rights under the Indian Constitution. Any person who does not earn the minimum wage for such work is an infraction of Article 21 of the Indian Constitution. Based on Article 21, the government must recognize bonded pregnancy. Every state government has to give bound employees the minimum necessary of human dignity.

In the case of **Sanjit Roy v. State of Rajasthan.**, the court decided that the state was prohibited to provide minimum wages to any employee who had been affected by a drought or scarcity

that done so would've breached Article 23 of the Indian Constitution. Any employment performed by prisoners that fails to comply with minimum pay regulations is forced employment and infringes Article 23 of the Constitution.

The court decided in **Daily Rated Casual Labour v. Union of India** that identifying the workers as regular and working employees violates both Articles 14 and 16 of the Constitution. No one possesses the privilege to refuse to supply services to a worker solely because they are a citizen of a scheduled caste. For the benefit of unorganized workers, the judiciary ought to maintain the rights of this sector and set up social security programs for welfare.

THE NATIONAL SKILL DEVELOPMENT POLICY:

The National Policy on Skill Development enables individuals to grow their expertise and skills and to have their qualifications recognized both nationally and internationally to find greater career possibilities. Boosting a person's employability and capacity for adaptation to technology is the objective of this policy.

It attempts to improve workers' level of living and productivity. The objective of the plan is to provide gifted workers—including women and young people—with more chances. It also seeks to create an outstanding team that meets the expectations of both traditional and emerging industries. It improves the nation's competitiveness and encourages expenditures in skill growth.

Productivity, economic development, and social development are all positively affected by the health and safety of unorganized employees. The goals of this policy are focused on improving workplace environments, health, and safety.

Preventing work-related accidents and risky diseases, as well as compensating for the affected individuals' financial needs, are the goals. It also seeks to raise public awareness of refers to relating to health, safety, and the environment. It creates suitable initiatives for subsidies for unorganized workers. It follows all laws and rules about workplace environment, health, and safety. It guarantees the rights and duties of both employers and employees in setting up safe and healthy working conditions.

HIV/AIDS NATIONAL POLICY:

To give unorganized workers information about HIV/AIDS infection, a national policy on the epidemic needs to be developed. One of the major challenges in the fight against HIV/AIDS is stigma and discrimination. A great deal of employers in both private and public sectors aren't employing workplace intervention due to a lack of understanding.

India's rise will lead to about 10 million additional jobs during the next ten to twelve years, with younger workers making up the majority of them. The growth of the country's economy would be harmed if HIV/AIDS were to spread. Workplace policies should include the services that are required and information to prevent this. The objective of this policy is to stop the workers from getting infected with HIV/AIDS. It also attempts to safeguard the rights of the damaged workers and give access to implementation.

THE NATIONAL POLICY ON THE TOPIC OF CHILD LABOR:

The cabinet approved the National Children's Labor Policy on August 14, 1987. The main objective of this plan was to end the use of children in fields wherein occupations are perilous. Children around the age of 14 who worked in surroundings where children have been affected by medical conditions were the scheme's population of interest.

The objective of the policy is to get people to consider the welfare of teenagers who work in places where there is a lot of labor for children. The goal of the strategy is to restore youngsters who work in hazardous surroundings. The government undertakes numerous initiatives to end labor by kids, involving formal and non-formal education, public awareness campaigns, and mobilization.

UNORGANIZED SECTOR'S GROWING IMPORTANCE IN INDIA:

The pervasive characteristics of informal employment have been an essential component of India's employment backdrop. Despite the fact, the sector contributes to about half of the country's GDP, more than 90 percent of the workforce is employed in the informal economy as a result of its dominance in the region.

By a most recent estimate offered by the National Commission for Enterprises in the Unorganized Sector (NCEUS) Subcommittee, the unorganized sector constitutes nearly 50

percent of GDP (NCEUS 2008).

Nearly 90% of workers are idle nationwide, reflecting to a pattern that is largely similar across nearly every one of the nation's most significant states. A substantial proportion of the unorganized sector workforce—roughly 65%—works in the agricultural sector, indicating the vitality of the rural sector in the unorganized economy.

The number of jobs in the country in its entirety has historically mushroomed faster than legally binding employment, implying that the informal economy has been expanding more rapidly. Regardless of the structure of the person in charge sector, the amount of informal or unorganized workers is increasing, judging by the data that is currently available.

According to the NCEUS (2007), for instance, the nation is experiencing a "transparency of the formal sector," suggesting that all of the employment growth in the organized sector throughout this period has been informal. The NSSO Employment Data for the 55th and 61st Rounds (for 1999–2000 and 2004–05, respectively) can be evaluated to show off this.

It is commonly referred to that, as compared to the formal sector, India's informal sector exhibits low productivity.

The sector's primary traits include poor living and working factors and lower real wages. On top of that, the field is marked by a significant amount of seasonality in employment (especially in the growing crops sector), an elevated level of contract and casual work, common work schedules and organizational models, the absence of social security and welfare legislation, abolition of worker rights and social standards, the denial of minimum wages, and so forth.

Workers in the informal sector have a higher exposure and fewer options for negotiating due to a lack of human capital (education, skill, and training) and a reduced degree of worker mobilization. As a result of this, the business evolved into a low-cost, competitive system for absorbing work that is not accessible elsewhere.

In contrast, efforts to control the market and establish it beneath a more effective institutional and legal framework are seen as restricting its ability to absorb workforce.

Production systems are becoming uncommon and non-standard with the advent of globalization and the reorganization of production chains that ensued. It involves a flexible workforce that works in temporary and part-time employment, which is largely seen as an employer method to cut labor expenses in the face of intense rivalry. Since these flexible workers aren't getting any of the benefits for social protection outlined in the current labor laws, it is clear that they are extremely vulnerable to losing job security and social protection in the new informal economy.

Since organized collective bargaining and workplace mobilization are notably absent from these segments for several reasons, the anxieties and vulnerabilities of modern informal sector employees are escalating. The majority of the workforce's occupation and income security had been seriously compromised by the alarming expansion of the informal sector in the past few years, and the breadth of social security and assistance services has also declined substantially.

Several people in today's "global" cities, like Bangalore, which are branding themselves as the new faces of a wealthy and competitive India, rely upon hard work as their main source of money. A very different story unfolds by the housemaids, security guards, construction workers, garment workers, cobblers, beedi workers, agarbati workers, drivers, and many others. Over the past 25 years, their earnings haven't risen at the stunning rate that their employers have. In fact, despite taking into account inflation, their incomes have sometimes dropped plummeting them further into distress.

MOST IMPORTANT QUALITIES OF UNORGANIZED EMPLOYEES:

Because there is an overwhelming degree of unorganized labor in India, they are spread out.

The majority of unorganized workers lack reliability, for a long time and employment possibilities since the unorganized sector encounters a period of excessive seasonality in employment. It has hidden joblessness since individuals who appear to be functioning are not gainfully and considerably employed.

This department looks dispersed and disjointed. A representative employer-employee relationship is not present. A legally binding employer-employee relationship cannot be established.

The unorganized staff in rural areas is fervently stratified by caste and community-related variables. Because such variables are much more common in urban zones, it cannot be said that they are non-existent because the majority of unorganized laborers in these places are primarily migrant workers from rural areas.

Personnel in the unorganized sector usually become subject to debt and bound labor since their pathetic income cannot meet their fundamental costs.

Significant exploitation of unorganized workers occurs from the rest of society. Their working conditions are subpar, and their earnings are far lower compared with those in the formal sector, even for puts that are closely comparable in terms of productivity among workers. The job status is one of reduced work quality and lower employment terms, especially lower pay.

In the unorganized sector, feudal production relations and primitive production technologies are prevalent that hinder employees the acquiring and digesting enhanced manufacturing relations and technological advances. Such poor absorption is additionally related to general ignorance and illiteracy in addition to constrained exposure to the outside world.

The trade unions do not give the unorganized workers sufficient attention.

Labor laws and guidelines applicable to the unorganized sector are inadequate and ineffective.

SPACES IN THE CODE:

The code does nothing more than synthesize the regulations and procedures presently in operation. The term "Social Security" is not understood by everyone. There is no central fund; alternatively, the corpus is split into numerous small funds, resulting in a disorganized influence.

The code is confused regarding whether or not it is appropriate to corporatize established functional structures and give oversight to a government-appointed chairman. The notion of "Organized and Unorganized Sectors" cannot be defined properly in the code. The Social Security Boards have only collaborated in nature, with a restricted power to carry out functions besides assessment and observation.

The Act also calls for the establishment of "Workers Facilitation Centers" by the State

Governments to help unorganized workers register for social security payouts, provide information about these programs and services, and make it easier for those who have already registered to enroll in them at all times. Nevertheless, the Act is silent on the exact level at which these worker facilitation centers are to be set up.

2019 DRAFT CODE FOR SOCIAL SECURITY:

The Unorganized Worker's Social Security Act of 2008 was one of the central labor legislation that the code on social security was meant to optimize, connect, and rationalize. It was introduced to the Lok Sabha in 2019. The bill added several new regulations relating to the good health of those working in the organized as well as unorganized industries.

The code authorized the Central Government to occasionally create adequate social initiatives for the unorganized sector.

The pension, insurance, and retirement saving businesses—such as the EPFO and ESIC—were corporatized under the code. As a consequence, the EPFO will become a more organized national company, with the organization's chairman appointed by the central government.

Benefits comprising life insurance, health insurance, disability insurance, old age protection, and are handed out to gig workers by this code.

Due to the code, the employer must compensate the maternity benefit at the rate of the average revenue per day for the length of time that a staff member has been home from employment.

SUGGESTIONS:

Employees in the unorganized sector should be able to receive benefits that include pension during the rainy season, maternity leave, accident reimbursement natural death benefits, and aid with the college education of their kids. The federal and state governments should create imaginative initiatives that accommodate the demands and needs of unorganized individuals.

Unorganized workers contribute to more than fifty percent of the GDP. nevertheless, social security along with additional welfare programs for the organized job market received broad legal protection. Although social security measures only cover 6% of unorganized workers, these ought to be increased to all between them for the full growth of the whole country. The

government may employ this as a way to recognize legitimate humanitarian workers and encourage unorganized labor to report them. The state fund's welfare campaigns and the unorganized workers' welfare fund should become widely recognized by the government.

CONCLUSION:

The overwhelming majority of laborers in the country are employed in unorganized enterprises like construction, the retail sector, highway business, small-scale service providers, home maintenance and replacement, beedi manufacturing facilities, and agribusiness. Unorganized employees experience harsh labor conditions without obtaining sufficient benefits. Preservation and encouragement for workers in the unorganized sector are essential for social and fiscal growth. The government should strictly enforce the rules safeguarding these workers, and those who break them should face severe consequences if they want to foster true transformation.

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