Chapter III

Social security of unorganized workers

The main objective of this unit is to examine social security status of organized and unorganised

Sector workers in India.An effort is made to give an overall view of the present position of unorganized sector in India.

The increased economic integration during the last decades of the twentieth century coincided with rising income inequality in some countries and increasing unemployment among the low skilled mainly on European continent. Community based schemes are springing up everywhere in the developing world, most frequently in Africa and parts of Asia. (Cichon and Hagemejer (2008) [1] The informal economy is large and growing over the past two decades, informal employment has risen rapidly in all regions in the world.

In the era of globalization, Multinational Corporations have entered in the global market; therefore, the nature of capitalist production has been changing. Multinational Corporations (MNC) are trying to get cheap production from various countries. It is effect of weakening social dialogue institutions in developed countries. (Naidoo and Frye 2008).[2] There are many instances of successful schemes in West Africa, Japan and other various countries.

However, there is no standard pattern or formula of a social production system that can be imposed in all countries, in all situations, for all workers in informal employment. (Jhabvala and Sinha 2008).[3] The International labour Organization has identified its up-to date social security standards. The most effective security is linked to decent jobs. The Workers in informal employment need economic security as well as social security. India introduced the new economic policy in 1991, it is known as LPG policy i.e. Liberalization .Privatization, Globalization. This received a further fillip with the establishment of the WTO.

Globalization policy:

In the era of globalization, right to life and livelihood has become the central issue not only for organized sector workers but unorganized workers also. Due to globalization, closures and large scale retrenchments are taking place contract labour

system. It has also increased in the organized sector. The process of globalization has resulted in increasing informalisation of workforce in developing countries. The practice of recruiting labour through sub-contractors and intermediaries has been adopted by many countries at global level. As a result, the proportion of workers employed through contractors on temporary and contract basis has increased in past decades.

Srivastava (2012)[4] pointed out that after globalization during the initial phase, social protection measures were neglected but this began to change from the mid 1990.s onwards when there was an expansion in the budget for rural employment generation and social assistance programme. A major challenge to social security systems in developing countries is that globalization. (Rajogopalan, 2008).[5] After independence in India, The share of agriculture was at around 56% of GDP in 1950-51 and declined continuously afterwards. **(See table 3.1).**

Table: 3.1

Sectoral share of GDP in India

Sector	2009-10	2000-2001	1990-91	1950-51
Agriculture %	14.6	27.2	33.2	55.4
Industry %	28.5	24.6	25.2	16.1
Services %	56.9	48.2	41.6	28.5
Total	100.0	100.0	100.0	100.0

Source: Statistical Outline of India 2009-10

It was decreased from 33.2% in 1991-91 to 27.1% in 2000-01.It was 14.6% in2009-10. Besides, the share of the secondary sector in the GDP has increased from 16.1% 1950-51 to 25.2% in 1990-91. 2002-01, and it was increased to 28.5% in 2009-10.The share of the services/tertiary sector has increased from 28.5% in the GDP in 1950-51 to 41.6% in 1990-91. Afterwards, it was increased to 48.2% in 2000-2001 during the post reform period and reached 56.9% in 2009-10.

The primary sector as a whole accounted for around 56.6 % of the labour force in 2001. It was decreased from 66.9% in 1991 to 56.6 % in 2001. There was a distinct change in the decade 1991-2001.During the decade 1991-2001.the proportion of labour force in secondary sector increased significantly from 11.8% to 17.6% in terms of manufacturing, electricity, gas and water supply, construction etc. Finally,

the proportion of labour force in the tertiary sector also increased from 19.6% to 25.2 %.

The share of agriculture in total employment decreased from 66.9% in 1991 to 56.6% in 2001.However, the manufacturing sectors share increased from 9.5% in 1991to 13.4% in 2001.Besides, the share of trade, hotels and restaurants, transport was more as compared to earlier years.

Organized and unorganized sector workers:

What is the social security status about the organized and unorganized sector workers in India?

The organized sector workers include all those workers who are covered under labour legislation and entitled to worker benefits including social security schemes.

Besides, those who are regular /salaried employees working in public sector, semi public organizations, cooperative societies, public limited companies, private limited companies and other units covered in the annual survey of industries are considered to be part of the organized sector. (Sakthivel and Joddar, 2008).[6] The unorganized sector, on the other hand, includes self employed workers in various occupations (including small and marginal farmers, agricultural labourers, home based workers, contract based workers, migrant workers etc.However, those regular /salaried workers who are temporary or part time and not receiving provident fund benefits have been considered as parts of informal segment of the workforce in India.

A majority of the workforce 92.4% contributed to be employed in the unorganized sector in India and 7.6% workforce employed in the organized sector during the year 2004-05. **(See table 3.2)** .

Table: 3.2

Percentage distribution of workers in the unorganized and organized sectors.

Year	Unorganized sector	Organized sector	Total
1999-2000	91.2	8.8	100
2004-05	92.4	7.6	100

Source: NSSO 55th and 61st rounds.

Gill, (2012), Indian Journal of labour economics Vol.55, No.1, 2012.

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SHIVAJI UNIVERSITY, KOLHAPUR.

Agriculture sector alone accounted for 53.2% of the workforce in 2009-10 and was a major employer in the unorganized sector. The working of the economic system in India during post neoliberal reforms era has realized in a high growth of income accompanied by inadequately in the distribution of income. (Gill, 2012) [7] The agricultural economy is mostly an informal economy .During the period of liberalization; it witnessed relative neglect that still continuous .Agricultural extension is collapsed in most of the country .While 84% of the farmers are classified as small and marginalized farmers operating 50% of the cultivated land. There is no concerted programme for the welfare of these farmers or development of their farms such as the setting up of the Small Farmers development Agency that was introduced in the yearly 1970's. (Kanan, 2012) [8] According to Ghuman(2012), [9] the total labour force increased from 242 million in 1981 to 429 million in 2011 in India. Ghuman (2012) has shown the details about distribution of workers by types of employment and sector in India. **(See table 3.3).**

Table: 3.3

Distribution of workers by types of employment and sector in India (million).

Sector	**1999-2000**			2004-05		
	Informal	Formal	Total	Informal	Formal	Total
Unorganized	341.28 (99.60)	1.36 (0.40)	342.64 (100)	393.47 (99.64)	1.43 (036)	394.90 (100)
Organized	20.46 ((37.80)	33.67 (62.20)	54.12 (100)	29.14 (46.58)	33.42 (53.46)	62.56 (100)
Total	361.74 (91.17)	35.02 (8.83)	396.76 (100)	422.61 (92.38)	34.85 (7.46)	457.46 (100)

Figures in brackets indicate percentages

Source: Ghuman (2012), Indian Journal of labour economics Vol.55, No.1, 2012.

In a country, like India, nearly 92% of the workers are still engaged in the unorganized sector. Nearly 97 % of casual workers.54% of the self employed workers and 74% of the all workers are still not eligible for any social security benefit in India. However, the employment has increased in informal sector, where in wages; salaries are quite low and working conditions quite deplorable as compared to those in the organized sector.

Child labour in Unorganized Sector:

Children are the future assets of any nation. At present, large numbers of children in India are involved in labour market. The NSSO (2007-08) estimates around five million children are economically active in the labour market, and account for more than two percent of the total child population of India in the age group 5-14 years.(GOI,2011). According to GOI Report 2011, a majority of the child labour in India is engaged in agriculture, (68.14%), which accounts for more than half of the total child labour.[10] **(See table 3.4).**

Table: 3.4

Distribution of child Labour by sector of Employment 2004-05

Sector of Employment	Child labour (%)
Agriculture	68.14
Manufacturing	16.55
Construction	1.95
Trade and Hotel	8.45
Community% several services	3.41
Others	1.50
Total	100.0

Source: NSS 61st Round, GOI: India Human Development Report 2011.

The manufacturing sector is the next biggest employer of child labour in India,(16.55),followed by trade and hotels, (8.45%),community and social services, (3.41%), and construction(1.95%), others (1.50%).

The government of India enacted the Child labour (Prohibition & Regulation) Act 1986 in order to stop child labour in various occupations or establishment in India. According to this Act, Child means a person who has not completed his fourteen year of age. Establishment includes a shop, commercial establishment, workshop, farm, residential hotel, restaurant, eating house, theatre or other place of public amusement or entertainment.

In hazardous industries; children are still working in significant numbers in these industries. About 3.64 million children in the age group 5-14 years are working in the non-agricultural sector in the country., of which 1.22 million (33.47%) are working in hazardous occupations. About 53% of the total number of children

working in hazardous occupations is employed in the pan, bidi, and cigarette industry, and in construction and as domestic help.

Social security:

In 1948, the Un General Assembly included social security in article 22 of Human Rights stating everyone has the right to social security.

Besides, the Universal Declaration of .Human Rights (UDHR) constitutes an authoritative recognition of fundamental human rights, while the International Covenant on Economic Social and Cultural Rights (ESCR) is a treaty to these human rights. So far 160 member states of the UN here ratified or acceded to article 9 of the covenant of ESCR and here thus committed themselves to guarantee for every one the right to social security within their national boundaries. (**Ghuman,2012).**The right to social security is recognized as a right by the constitution itself in a number of countries like Brazil, Germany. The basic concept of social security refers to the need for every human being to maintain a minimum standard of living through the various adverse circumstances of life.

Social security schemes can be classified into three categories in India like (1) preventive schemes, (2) promotional schemes (3) protective schemes.

Preventive schemes are the schemes aimed at risk preventable approach. It tries to prevent poverty and helps people under below the poverty line to come above poverty line. Promotional social security schemes are mainly based on social assistance provided by the government to the people. Health security, education security, women security all the part of promotional social security schemes. The government of India has introduced various schemes like food for work, Jawahar Rojgar Yojana, Antyodya etc.

Poverty Ratios:

The protective social security programmes help the poor in reducing contingent poverty. The poverty factor is closely associated with education and skill, employment, quality of life, occupation, and health status of workers.(Salve,2012).[11]

Table: 3.5

Poverty Ratios among unorganized sector workers by social groups 2007 (%)

Social groups	Rural	Urban
Hindu SCs	26.6	38.9
STs	35.7	48.6
OBCs	15.8	27.5
Muslim OBCs	21.5	9.7
Other religious	15.4	14
Hindu Upper	8.4	10.2

Source: G.S.Bhalla, 2008.

The proportion of poverty in India has been declined from 55% in 1973-74 to 27.5 % in 2004-05.However, the proportion of poverty is more among unorganized sector workers. Bhalla's study (2008) [12] pointed out that the proportion of poverty is higher among unorganized sector workers both in rural and urban areas in India. (**See table3.5).** Social security is justified primarily on grounds of equity and social justice.

Social protection:

Social Protection includes not only public social security schemes but also provide non-statutory schemes with a similar objective. Social protection includes both public and private or non-statutory social security schemes. (Ghuman, 2012). According to Srivastava (2012), [13] Social protections is a set of basic socio economic rights of workers.

The informal economy is large and growing over the past two decades .Employment in formal economy has risen rapidly in all regions in the world. Recent trends in globalization and liberalization have made the women workers more insecure. The workers informal employments need economic security as well as social security.

Social protection therefore is a means of increasing and maintains the productivity of the work so as to increase his or her economic security. The provision of the social security protection greatly enhances the quality of work and life the workers.

Who are the unorganized workers?

The National Commission on Rural labour spells out the following as the generally recognized categories of unorganized rural labour. (Dev, 2007).[14] These workers are classified in different categories in India. These include small and Marginal farmers , agricultural labourers, fishermen, beedi workers, rolling, labeling and packing, workers in construction and building, workers in cottage and village industries, weavers and workers engaged in carpet manufacturing, rural artisans like blacksmith, carpenters, potters, basket makers, workers engaged in collection of raw hides and skin, waste pickers, rickshaw pullers, washer men ,hairdressers ,tanning and leather work, bonded labourers , migrant workers ,contract based workers, domestic workers, fruits and newspapers vendors , toddy tappers, loaders and un loaders , workers in rice processing mill, workers engaged in production and collection of minor forest produce such as tendu leaves, gumes,oils, and seeds, ,handlooms and power looms workers, gem cutting, sugar cane cutting& transporting, hawkers , street vendors and workers in engaged in brick making, workers engaged in khandsari units, saw mills, oil mills, salt workers, workers engaged in some quarries ,fire clay and lime.

According to National Sample Survey data shows that the total employment in the organized and unorganized sectors in the country is 39.7crore, of which 2.8 crore are in the organized sector. Of this, 23.7 crore workers are in the agricultural sector, and 1.7crore are engaged in the construction sector. Remaining workers are engaged in mining, manufacturing and services sector. (S.Shankar, 2009).[15]

Legislations to protect Unorganized Workers :

After independence, the government of India adopted the Constitution of India in 1950. Article 43 of the Indian constitution speaks of states responsibility to provide social security to citizens its country. The Ministry of labour is responsible for national policies of organized and unorganized sector workers such as industrial relations, wages, employment, labour welfare and social security of workers, which are included in the seventh schedule of Constitution of India.

In India, the government has adopted various policies of welfare about workers through enactment of legislations and creation of welfare funds and boards. Some of the important legislations are given below.

1. Workmen's Compensation Act, 1923
2. The Trade Union Act,1926

3. Minimum Wages Act ,1948
4. The Maternity Benefit Act, 1961
5. The Equal Remuneration Act, 1976
6. Bonded labour System (Abolition) Act, 1976
7. Contract labour (Regulation and Abolition) Act,1970
8. Inter State Migrant Workmen Act, 1979
9. Building and Construction workers Act, 1996
10. Beedi and cigar workers welfare fund Act, 1976
11. The Child Labour (Prohibition and Regulation Act, 1986
12. The Payment of Gratuity Act,1972
13. The Payment of Wages Act ,1936
14. The Employers' Provident Fund and Miscellaneous Provisions Act,1952
15. The Employees State Insurance Act, 1948
16. The Payment of Bonus Act ,1965
17. Child labour (Abolition and Rehabilitation) Bill, 2006,

As per above the various Acts, welfare schemes are being implemented by the Central Government for specific groups of unorganized sector workers such as beedi workers, coal mines workers, cine workers, fishermen, handloom weavers, etc. Central and State legislations which include welfare funds in terms of beedi workers welfare fund Act 1976, The mica mines welfare Fund Act 1946, The lime store and Mines labour welfare fund Act, 1972, The iron ore Manganese ore and Chrome ore mines labour welfare fund Act, The purpose of these funds is to cover medical care, assist children's education, housing, supply of water and recreation facilities, and maternity benefits to women workers. Five welfare funds have been enacted by the Parliament.

The first National Commission on labour Report 1969 recommends various suggestions on the working conditions in unorganized sector workers. The Second National Commission on labour was set up in 1999.The implementation of labour policy however, is the responsibility of the state governments.

The main acts that come under the category of employers' liability are the workmen's compensation Act 1923, Maternity Benefit Act, 1961 and Payment of Gratuity Act 1972.

On the other hand, the contributory social insurance schemes cover the employers' provident fund and miscellaneous provisions Act, Employees State

Insurance Act. However, the coverage of these acts has been restricted mainly to the industrial workers. A large number of workers in the unorganized sector have almost no social security. (Suriyan, 2009)[16] So far as child labour is concerned, The International Programme on the elimination of child labour (IPEC) is a global programme launched by the International Labour Organization (ILO) in December; 1991.India was the first country to join it designed a Memorandum of Understanding (MOU) with ILO in 1992.

The government was introduced the Child labour (Abolition and Rehabilitation) Bill, 2006. According to the Child labour (Abolition and Rehabilitation) Bill, 2006, the appropriate Government shall ensure that no person employs any child for performance of any of the following work, namely:

(a) Domestic work,

(b) Agricultural operations,

(c) Construction activities and operations of transport industry,

(d) Work in shop, factory ,any establishment or organization

(e) Manufacturing, trading or processing activity of any item.

The National Commission for the Protection of Child Rights (NCPCR) was set up in march 2007 under the Commission for the Protection of Child Rights Act, 2005, This Act was passed by the Parliament in December, 2005.The Commission's mandate is to ensure that all laws, policies, programmes, administrative mechanisms are in consonance with child rights perspective as enshrined in the Constitution of India and also the UN Convention on the Rights of the Child.

The government of India has been adopting various measures to tackle the problems related to child labour. However, Child labour Acts have not been implemented properly in India. There is a problem of the social security of child labour in India.

Exclusion from social Coverage:

More than half of the population in the world is excluded any form of institutionalized social security protection. This population can be found in the informal sector of the economy and is outside the range of application of social security. Those excluded from social protection belong to weakest and unorganized societal groups. In fact, the groups that lack protection due to their situation in the market and mainly agricultural workers and workers in the informal sector. The

disadvantageous situation of those groups has been the result of economic and social discrimination. (Castro 2008).[17]

In India only about 8% of the workers actually get the benefits available under various Acts and the rest 92% workers are in the unorganized sector, who are either not covered under various acts or not eligible for the coverage resulting in low incomes insecure employments. They contribute over 60% of the country's GDP. (Bhatnagar 2008).[18] these workers are unprotected by legislation and most of them are poor. They work more than eight hours a day in unhygienic atmospheres. Long working hours make them mentally and physically weak. As they are not covered by ESI .

Workers do not enjoy the social security schemes like workers in organized sectors. Workers must look in the matter seriously. The unorganized sector workers are denied protection of minimum wages, and Equal Remuneration Act due to poor enforcement and lack of awareness of various social security schemes. A large proportion of these workers are poor, illiterate vulnerable and isolated. Majority of them do not have fixed employer-employee relationship. (Mehta, 2012).[19]

In its design, MGNREGS provides women the opportunity to earn equal wages as men, and narrow the gender gap in income, which at present is roughly 30% across the country.. Many of these matures are already enshrined in the act and its rules, but their implementation varies across the country. Goswami (2013) [20] shows real fact from Sudarshan's stud .It highlights situation in Rajasthan, there is little by way of childcare provisions. Women point out to that fact there was no child care giver and children were left unattended, and that there were insufficient cradles or these had gone missing.

At present, there are various issues of the contract basis seasonal workers as well as migrant workers in the sugar industry and brick kilns and other occupations in India. Let us take the example of sugar industry, the entire mass of contract basis labour in the sugar factories today remains unorganized with the result that their voice never heard beyond their labour camps. They have no job security. Their work is unskilled irregular, seasonal and often carried on far from the centers of the sugar mills. The working conditions and the welfare facilities provided to migrant workers in the premises of the sugar mills or at the sites are far from satisfactory. There is no provision for financial medical aid. There is no scheme like ESI. They work under

very hazardous conditions. It is very difficult for them to maintain healthy community life.

Sugar factories which employ contractors do not have any direct responsibility regarding the payment of wages to the labour. The employers keep their production cost low by engaging the workers on contract basis. The contract labourers do not get any social benefit. Contract workers are forced to continue their work hours together without fixed hours i.e. eight hours of work rest interval and weekly holidays. There is no system to enforce minimum wages because of the informal contractual relationship between the contract based workers and the sugar mills.

The existing labour laws do not define most of them as workers because a principal employer is not easy to identity in these kinds of work. There is neither job guarantee nor any permanency. Social security has remained confined primarily to the organized sector, which comprises not more than 8 % of the workforce.

As far as Indian women workforce is concerned, women workers constitute only one third of the total workforce in India .Majority of these women workers are engaged in the unorganized sector such as agriculture, cotton and tea plucking, pottery, handloom, construction and domestic services. The government has proposed to issue identity cards to near 40 crore workers in the unorganized sector to help them avail social security benefits. (Suriyan, 2009).

So far as Mahatma Gandhi National Rural Employment Guarantee Scheme is concerned, several measures are included to improve women's participation in the MGNREGS such as providing drinking water and resting areas, fast-tracking job cards for widowed and destitute women in villages, worksite facilities such as crèches. Goswami (2013) pointed out that MGNREGS has millions of workers on its rolls but women's participation remains uneven across states, within states and sometimes even within districts.

After independence, a number of schemes are being implemented by the central as well as state governments in order to provide welfare measures to the workers in the unorganized sector.

However, these legislations have not been able to protect the rights of these workers. The percentage of all workers covered under any social security provision decreased from 32.6% in 1999-2000 to 28.6% in 2004-05 and 26.4% in 2009-10. It has decreased due to increasing infromalisation of worker fore in India. During the period

2004-05 to 2009-10 a further decline took place due to higher casualisation of the workforce. (Srivasatava, 2012).

Social Security Programmes for the Unorganized Workers:

The central government introduced the various social security prógrmmes. Dev (2007) has mentioned the details of various schemes. Some of them are as follow.

(a) National Social Assistance Programme(NSAP):

A social security system in the form of the National Assistance Programme was introduced in 1995 in India. This is not directly related to the workers, but, many of the unorganized workers benefit from this scheme. The programme had three components: National Old Age pension scheme (NOAPS); National Benefit Scheme (NFBS); National Maternity Benefit Scheme (NMBS).The village Panchayats and Municipalities play an important role in the identification of beneficiáries. Lack of awareness about the programme was a major problem.

(b) National Social Security Scheme for Unorganized sector workers:

The central government also launched the National Social security scheme for unorganized sector workers in 2004 as per the recommendations of the Second National labour Commission. It is available for unorganized and self –employed workers drawing pay /wages/income not more than Rs. 6500/-per month .However, this scheme was closed because it was introduced without any legal backing.

(c) Janashree Bima Yojana 2000 :

This scheme was launched on 10th August 2000 through the life Insurance Corporation of India (LIC) .The objective of the scheme is to provide life insurance protection to the rural and urban persons below poverty line and marginally above the poverty line. It covers people who are between 18 and 59 years. This is a special scheme for women SHG members and help in the children's education. Besides, this scheme is exclusively for women.

The beneficiary should be a member of a SHG. The member gets Rs. 30,000/- term life Insurance coverage for a period of one year. The total insurance premium is Rs.200/- per member per year, of which Rs. 100/- is borne by SHG member and balance of Rs. 100/ or 50% will be contributed by the social security fund. It provides life insurance protection to the rural and urban poor persons. In addition, a scholarship

of Rs. 300/- per quarter per child for the education of two children from 9th to 12 standards is also provided under the Shiksha Sahyog yojana.

The Scheme has replaced Social Security Group Insurance Scheme (SSGIS) and Rural Group Life Insurance Scheme (RGLIS) occupational groups have been covered under this scheme. The scheme covers various occupational groups like beedi workers, Brick kiln workers, Carpenters, Cobblers, Fishermen, Hamals, Handicraft Artisans, Handloom Weavers, Lady tailors, Leather Tannery workers, Papad workers attached to SEWA, Physically handicapped self employed persons, Primary milk producers, Rickshaw pullers/Auto Drivers, Hilly area woman, Food stuffs like khandsari/Sugar, Textile, Manufacture of food products, Manufacture of leather products, Printing, Rubber and coal products, Chemical products like candle manufacture, Mineral products like earthen toys manufacture, Agriculturists, Transport drivers association, Transport karmacharis, Rural poor, Construction workers, Fire crackers workers, Coconut processors, Aanganwadi Workers/Helpers, Kotwal, Plantation workers, Woman associated with SHG, Sheep breeders, It provides life insurance protection to people who are below poverty line or marginally above poverty line. Persons between aged 18 years and 59 years and who are the members of the identified 45 occupational groups are eligible to be covered under the Scheme.

(d) Krishi Shramik Samaj Suraksha Yojana 2001:

This scheme (KSSSY) was launched in July 2001 in selected 50 districts to cover around 10 lakh agricultural workers in the first stage. The beneficiary is required to pay Rs. 365/- per year as premiums while the government would contributors. 730/- Under the scheme the beneficiaries will get life-cum accident insurance, money back and superannuation benefits..

The Labour Minister Shri Sharad Yadav said that this scheme will be benefited to the workers in the unorganized sector. He said that possibilities are being explored for extending pension coverage to identifiable groups who are presently not covered under the Employees Provident Fund Scheme. However, the scheme is at present applicable to 180 industries/classes of establishments employing 20 or more persons.

(f)Universal Health Insurance scheme (UHIS), 2004:

This scheme was a group insurance scheme and it was launched by the public sector and General Insurance Companies (GIC) in July 2003. This scheme was redesigned in 2004-05 and exclusively for persons and families below the poverty line .However, many BPL population were not covered under this scheme. One of the problems is that awareness about the scheme is low in many parts of the country.

The National Commission for Enterprises in the Unorganized sector (NCEUS) was set up by the UPA government under the Chairmanship of Dr. Arjun Sengupta in September 2004 in order to study the unorganized workers in India. Besides, The Central government of India under the United Progressive Alliance (UPA) passed a bill of the National Rural Employment Guarantee Act2005 in September 2005. The National Commission for Enterprises in the Unorganized Sector (NCEUS) has presented its report on Social Security for Unorganized Sector Workers in May 2006. The National Commission for Enterprises in the Unorganized sector (NCEUS) has also prepared two draft bills (i) Unorganized Sector Workers social Security Bill, 2006. (ii) Unorganized sector workers (conditions of Work and livelihood Promotion) Bill 2006. (Dev, 2007.The first bill attempts to provide social security for the unorganized workers.

According to the first draft bill, it will cover all workers in formal employment .This will include self-employed workers (including small and marginal farmers), wage workers including agricultural labourers, and home-based workers. Besides, informal workers in the organized sector without any social security will also be covered. It is estimated that around 30 crore workers are eligible under this scheme.

A worker registered with the National Social Security Scheme for the unorganized workers on payment of prescribed shall be entitled to National Minimum Social Security Benefits. These include (a) health benefits in the form of health insurance for self, spouse, and children below the age of 18 years, sickness allowance, and maternity benefits for women workers, or spouse of men workers,(b) life insurance to cover natural and accidental death;(c) old age security in the form of old age population foe BPL workers above the age of 60 years, and provident Fund cum unemployment insurance benefit to all the workers. The draft bill also provides organizational mechanism for implementing the scheme. The commission proposes to

create a national Social security Board, State level Security Board ,and Workers Facilitation centers at the local level decided by the state Boards.

For the purpose of contribution, A National Social security Fund will be created. The scheme will be financed from the contributions at one rupee per day by workers, employers and the government (i.e., Rs.3 per worker per day). In the mean time, Union Budget 2007-08, proposed to extend death and disability insurance cover through Life Insurance Corporation (LIC) of India to rural Landless households under a new scheme called Aam Adami Bima Yojana (AABY).

The second bill, which deals with conditions of work and livelihood promotion, shows the issues relating to providing a basic minimum standard on hours of work, payment of minimum wages, bonded labour, and child labour. The bill also recognizes some minimum entitlements of the workers such as the right to organize, nondiscrimination in the payment of wages and conditions of work, safety at work place and absence of sexual harassment.

However, first bill is applicable to the agricultural workers and the second bill to the non-agricultural workers in the unorganized workers. (NCEUS, 2007).The commission has made various suggestions, which are classified into two parts. First part deals with conditions of work and second part deals with protection and promotion of livelihood for unorganized workers. (Dev, 2007)

The NCEUS recommends as minimum conditions of work

1. Working day of eight hours including half hour break.
2. One paid day of rest per week.
3. Extension of National minimum wage for all employments (as per minimum wages act 1948).
4. Piece rate wage to equal time rate wage.
5. Equal remuneration to women.
6. Penalty for deferred payment of wages.
7. Imposition of fines in case of deductions in wages.
8. Right to organize.
9. Non-discrimination.
10. Accident compensation and use of safety equipment.
11. Protection from sexual harassment.
12. Arrangements for child care and basic amenities at the work place.

Besides, the second part is devoted to protection and promotion of livelihoods for unorganized workers, it includes like

1. Gainful employment.
2. Skill up gradation.
3. Labour organization and co-operatives.
4. Provision of credit ,
5. Social security benefits.
6. Affordable credit facilities through banking and nonbanking institutions.
7. Ensure area development for livelihood needs of street vendors and slum dwellers.
8. Promotion of association of self –employed workers.
9. Social protection for migrants

The unorganized sector workers social security Bill 2007 aims to provide social security and welfare of the unorganized sector workers. The bills provides for the following matters namely.

1.) The central government shall constitute a national social security adviser board to recommend suitable welfare schemes for different sections of unorganized sector workers.
2.) The state government shall constitute the state social security Advisory board to recommend suitable welfare schemes for different sections of unorganized workers in that state and the state government may notify suitable schemes.
3.) A worker of an unorganized sector shall be eligible for social security benefits if he/ she is likely duly registered. Every registered worker in the unorganized sector shall be issued an identity card which shall be a smart card carrying a unique identification number.

Efforts made by some Governments:

State governments are implementing welfare programmes for certain categories of unorganized sector workers. Kerala has introduced a large number of social security and welfare schemes with a view to attain the goals of reducing income insecurity of workers. Direct public action on health and education are responsible for Kerala's success in improving the standard of living.

The Tamil Nadu state Government has also enacted the Tamil Nadu Manual Workers (Regulation of Employment and Conditions of Workers) Act1982 including

67 unorganized schedule employments under the above Act. The registered unorganized workers in the schemes are eligible for getting many welfare assistances and insurances.

The Government of Tamil Nadu is implementing Tamil Nadu Social Security &welfare Scheme 2001, which covers manual workers, auto rickshaw and taxi drivers, washer men, hairdressers, tailoring workers, handicraft workers, palm tree workers, etc. Tamil Nadu is a pioneer in the implementation of the nutrition schemes and protective social security measures, like Chief Minister's Nutrition Meal Programme (CMNMP), the Tamil Nadu Integrated Nutrition Project (TNIP).Besides, Delhi, Maharashtra, Uttar Pradesh, West Bengal, are among the major states who have constituted labour welfare Boards. West Bengal has introduced a statutory legal provision of social security for the unorganized workers in the form of a provident fund. The scheme covers all wage employed and self employed workers in the unorganized sector.

Gujarat, Andhra Pradesh, Karnataka and Madhya Pradesh have also established welfare boards for unorganized sector workers for providing them social security.

The Employment Guarantee Scheme (EGS) in Maharashtra, primary education in Himachal Pradesh and Madhya Pradesh, Public distribution System (PDS) in Andhra Pradesh, and land reforms in West Bengal are some examples in the country like India. The Government of Assam has set up a statutory fund under Assam Plantation Employees Welfare Fund Act, 1959 for the benefit of the Plantation workers. Similar funds have also been set up in Gujarat and Maharashtra under Bombay labour Welfare fund Act, 1953 and in the Punjab under the labour welfare Act, 1965.The state governments of Andhra Pradesh and Uttar Pradesh have also set up welfare funds for various categories of workers. The state government of Madhya Pradesh has enacted an act for the constitution of welfare board and welfare fund for the unorganized workers for rural and urban areas of the state.

Public –Private Partnership:

It is argued that the state and markets failed in developing social security benefits to the poor in developing countries because of the western approach. A case for public-private partnerships is thus advocated for better delivery of social security arrangements. (Dev.2007. A lot of scope for public-private partnerships therefore

exists particularly in insurance schemes. For example, Karura Trust in Mysore state is working in Mysore state. Karura Trust in Mysore along with the National Insurance Company offers insurance package in a public-private partnership initiative. Karnataka government introduced Yashaswamini Health insurance Scheme (YHIS) in the year 2002.This scheme is based on a public private partnership and is open to all agricultural labourers and small and marginal farmers in the state. The scheme uses the cooperative societies. This scheme is being implemented through cooperative societies. (Dev, 2007).

Besides, some public and private institutions and agencies also tried to provide social security schemes to particular groups of workers, especially, SEWA and Mathadi Kamgar Board are working in Gujarat and Maharashtra states in the country.

(1) Self Employed Women's Association (SEWA), which began in 1975 and provides welfare facilities to its members near about 50,000 women members.

(2) TheMathadi Kamgar Board, Mumbai in Maharashtra state provides social security to its members in respect of hospitals, dispensaries and insurance care against accidents, injury and death etc. The Mathadi Board has a pool of workers which are engaged by the companies for their loading and unloading work. The Maharashtra Mathadi Hamal and other Manual Workers (Regulation of Employment and Welfare) Act, 1969 mainly applies to head load workers who are unorganized.

Present position of Unorganized Workers :

At present, nearly 92% of the total workforce belongs to the unorganized sector and the remaining is organized sector in India. However, the situation of unorganized workers has not improved since independence of India.

Sugar cane Harvesting Workers:

Let us now the situation of sugarcane cutting contract based seasonal workers in the sugar factories in the Maharashtra state, there were 190 sugar factories in the Maharashtra during 2001, out of which 132 sugar factories were in operation. There were more than 12 lakh sugar cane cutters in the Maharashtra state.58 thousand bullock carts and 16 thousand trucks and tractors were in engaged in the crushing season of the sugar factories in the state. The sugar industry is a seasonal character; it depends upon the availability of sugarcane product. The sugarcane is harvested normally from the month of November to the end of May in a crushing season .Each sugar factory provides employment nearly 5000 to 6000 harvesting labourers for the

period of crushing season of the factory. However, the situation of employment depends upon the crushing capacity of the factory. Agriculture is the main activity in the Maharashtra state. A large part of the tract of the state comes under rain shadow area. However, more than 90 blocks of the state are subject to frequent draughts in each year.

As a result, most of the workers belonging to backward castes, landless labourers, agricultural workers and marginal farmers do not get any job in agriculture at their native places. Therefore, they migrate from their villages to sugar factories in various parts of the Maharashtra state like Western and Southern Maharashtra, Ahamadnagar, Nasik, Satara, Sangli, Kolhapur, North Maharashtra, Jalgaon.Dhule. Seasonal workers also migrant to neighboring states like Gujarat and Karnataka state also.

It has been observed that rural seasonal migrant workers are likely to be temporary, contract based, poorly educated and from the weaker sections of the society. Agriculture workers from Beed,Latur,Osmamabad, Parbhani, Nanded,Jalna of the Marathawada region are forced to migrate to the sugar factories in Ahamadnagar , Pune ,Nasik , Kolhapur districts in the western and southern Maharashtra state.

However, contract basis seasonal workers in the sugar industry are facing to the various problems in overall the country like India. The entire mass of contract basis labour in the sugar factories today remains unorganized with the result that their voice never heard beyond their labour camps. They have no job security. Their work is unskilled irregular, seasonal and often carried on far from the centers of the sugar mills.

The working conditions and the welfare facilities provided to migrant workers in the premises of the sugar mills or at the sites are far from satisfactory. There is no provision for financial medical aid. There is no scheme lie ESI.They work under very hazardous conditions. It is very difficult for them to maintain healthy community life.

The Unorganized Workers social security Act 2008:

The NCEUS Report, 2007 on conditions of work for unorganized sector workers argues that most labour laws in India are applicable for particular types of work. However, the Unorganized Workers Social Security Act (UWSSA) 2008 was

passed by the government in order to provide social security to unorganized sector workers at par with organized sector workers.

The only strong requirement is the constitution of a National Social Security and Welfare Board. (NSSB) and State Social Security Board (SSSB).

The State Social Security and Welfare Board will be responsible for implementation with the assistance of Workers Facilitation Centre, (WFC) a supervision of national social security and welfare Board. The boards will recommend to the concerned governments suitable schemes for unorganized workers and review schemes formulated by the governments, the recordkeeping at state and district levels and the registration of unorganized workers and issuance of identity cards and so on.

Dutta (2012) pointed out that the time line for forming these boards is missing. There are no concrete plans, guidelines or a time line for setting up of WFCs in the UWSSA.

There are many other aspects of social security left completely untouched by the UWSSA

Some of the facts are given below.

(1) Agricultural labour unorganized workers in the unorganized sector such as contract labours and other informal workers
(2) The provision of minimum conditions of work such as timely wages, working hours, minimum wages, holidays,
(3) The provision of unemployment allowance (as a MGNREGA)
(4) Grievance redressal mechanisms.
(5) Special provisions for women workers regarding sexual harassment, security issues, and wage gap etc.
(6) Initiatives at the state level have been very low in terms of forming the workers welfare
Board.

It was observed that wages in the rural employment programme were found to be lower than the minimum wage as compared to Kerala state. In Kerala on the other hand, the MGNREGA wage for women, (which Sudarshan's study puts) at Rs. 125, was more than the prevalent market wage of Rs. 70 to Rs.80 for women, but less than Rs.200 than the market rate for men (Goswami ,2013).[20]

At present, Tamil Nadu, Karanataka, Haryana, West Bengal, Kerala, Madhya Pradesh, Orissa, governments have formed at their state level social security Boards of unorganized workers.

However, the government is not at all willing to guarantee any social security benefits to the unorganized workers. (Dutta, 2012)[21] India has many promotional and protective social security programmes .But the main problem is the inefficient utilization of funds under government programmes as well as by some of the NGOs.

We need protective type social security like old age pension, maternity benefits, and health benefits. The major challenge is to extend social security to around 400milian workers covering all states and all groups. In order to ensure that the government's promotional and protective programmes effectively reach the poor, access to information, and social mobilization are important.(Dev,2007).

It is significant to note that majority of India's workforce is unorganized in nature. Unorganized sector workers in India are living poor socio economic conditions leading to a substandard life.

There is no formal relationship between employer and employee and lack of social security protection to the unorganized sector workers.

The present study recommends some of the important suggestions in order to solve the problems of the unorganized sector workers.

The first priority should be given to the effectiveness of implementation of various social security and social protection programmes for informal workers in unorganized and organized sectors in India.

Social security is the right of workers in the unorganized sector and it is the responsibility of the government as well as the civil society to provide the same.

It is necessary to implement social security Act 2008 for the informal workers in organized and unorganized sectors India.

There is a need for public private partnership in providing social and economic security for the informal workers in organized and unorganized sectors.

It is necessary to set up the State Social Security and Welfare Board at state and district levels in order to adopt social security policy for informal workers in the unorganized and organized sectors in the country.

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