

Organised and Unorganised Sector Employment in India: Macro Stand Point

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ABSTRACT

Organised and unorganised sector Employment in India in this paper main focus on unorganised women workers in India in this connection Unorganised labour is not formerly cohesive in any recognized association and union with defined ideology, goals and areas of specialization. The unorganised sector of the economy in India is the largest sector in term of employment of the workforce. It consists of agriculture and such related activities as forestry, livestock and fishing as well as non – agriculture. The bill of National Commission for Enterprises in the unorganised sector, 2006 presented by the government of India Women are still far behind in the actual distribution of social status, economic value and political authority. Women contributes almost half (49.7 per cent) of the global total population. The actual participation of women in all spheres of human interactions has been extremely poor. Similarly one of the two main tasks entrusted to our Commission is to propose umbrella legislation for workers in the unorganized sector. We have also been asked to see that the legislation, and the system that will be built around it, will assure at least a minimum protection and welfare to workers in the unorganized sector.

KEY WORDS: *Organised, unorganised, women, workers, employment, urban insurances, corporation, sector, rural, Empowerment*

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INTRODUCTION

India is known for its huge geographical spread and magnitude of its populations. It has a huge working population of 406 million (based on NSSO Survey of 1990-2000). Almost 92 per cent of this workforce is in the unorganised sector. There are numerous occupational groups pursuing economic activities from generation to generation without formal schooling and scattered all over the country with diffused employer-employee relationship. The occupation wise distribution of employment indicates that 62 per cent of the workers are engaged in agriculture, 11 per cent in industry and 27 per cent in the services sector. A characteristic feature of the employment situation in the country is that the percentage of workers employed on regular salaried employment 16 per cent is small. The bulk of the workforce is either self-employed 53 per cent or employed in casual wage employment 31 per cent. In India the term social security is generally used in its broadest sense, it may consist of all types of measures preventive, promotional and protective as the case may be. The measures may be statutory, public or private. The term encompasses social insurance, social assistance, social protection, social safety net and other steps

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involved. There are number of models of providing social security to the workers in the unorganised sector. These may be classified as under, centrally funded social assistance programmes, Social insurance scheme. Social assistance through welfare funds of Central and State Governments, and Public initiatives.

The centrally funded social assistance programmes include the employment oriented poverty alleviation programmes such as Swarnjayanti Gram Swarojgar Yojana, Jawahar Gram Samridhi Yojana and Employment Assurance Scheme. National Social Assistance Programme (NSAP) comprising old age pension, family benefit and maternity benefits to address the social security needs of the people below poverty line. The social insurance schemes include several schemes launched by the Central and the State Governments for the benefit of weaker sections through the Life Insurance Corporation of India and General Insurance Corporation of India. Several public institutions and agencies are also imparting various kinds of social security benefits to the selected groups of workers. Among these Self Employed Women's Association (SEWA) has made significant achievement in promoting social security through the formation of cooperatives.

ORGANISED AND UNORGANISED SECTOR EMPLOYMENT IN INDIA

In India, a major chunk of labor force is employed in the unorganized sector. The unorganized / informal employment consists of casual and contributing family workers; self employed persons in un-organized sector and private households; and other employed in organized and unorganized enterprises that are not eligible either for paid, sick or annual leave or for any social security benefits given by the employer. According to the results of the National Sample Survey conducted in 1999-2000, total work force as on 1.1.2000 was of the order of 406 million. About 7 per cent of the total work force is employed in the formal or organized sector (all public

= sector establishments and all non-agricultural establishments in private sector with 10 or more workers) while remaining 93 per cent work in the informal or unorganized sector. The NSS 55th round, 1999-2000 also covered non-agricultural enterprises in the informal sector in India. As per that survey, there were 44.35 million enterprises and 79.71 million workers employed thereof in the non-agricultural informal sector of the economy. Among these 25.01 million enterprises employing 39.74 million workers were in rural areas whereas 19.34 million enterprises with 39.97 million workers in the urban area. Among the workers engaged in the informal sector, 70.21 million are full time and 9.5 million part times. Percentage of female workers to the total workers is 20.2 percent.

TABLE -1 EMPLOYMENT IN ORGANISED AND UNORGANISED SECTOR FROM (1983 -2000)

Year	1983	1988	1994	1999-2000
Estimated population	718.21	790	895.05	1004.1
Labor force	308.64	333.49	391.94	406.05
Employed	302.75	324.29	374.29	397
Unemployment	5.89	9.2	9.2	9.05
Unemployment rate (as per cent of labor force)	1.91	2.76	2.79	2.23
Employment in organized sector	24.01	25.71	25.71	28.11
Employment in unorganized sector	278.74	298.58	298.58	368.89

Source: NSS0 (1983-2000).

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The table below describes major employment trends for the organized and unorganized sector for the years 1983, 1987-88, 1993-94 and 1999-2000. It is evident that throughout this period a large portion of the workforce in India is found to be employed in the unorganized sector. Out of 397 million workers in 1999-2000, it is estimated that 369 million workers (nearly 93 per cent) are employed in the unorganized segment of the economy whereas only 28 million workers (7 per cent) are engaged in the organized sector. The share of unorganized employment in the economy has displayed remarkable steadiness over the years. The share of informal employment has risen from 92 per cent (nearly 276 million out of 300 million) in 1983 to 93 per cent in the 1999-2000. It is clear that employment opportunity in the organized sector has remained more or less stagnant, showing only a marginal increase from 24 million in 1983 to 28 million in 1999-2000. The largest numbers of informal workers are in agriculture. In fact, 98.84 percent of the employment in agriculture is informal. In the non-agricultural sector, the highest numbers of informal employees are in retail trade, construction, land transport, textiles etc. Thus, the unorganized sector

plays a vital role in terms of providing employment opportunity to a large segment of the working force in the country and contributes to the national product significantly. The contribution of the unorganized sector to the net domestic product and its share in the total NDP at current prices has been over 60%. In the matter of savings the share of household sector in the total gross domestic saving mainly unorganized sector is about three fourth. Thus unorganized sector has a crucial role in our economy in terms of employment and its contribution to the National Domestic Product, savings and capital formation.

CONCLUSION

The predicament is more pathetic with the labour forces engaged in agrarian sector. There are abundant numbers of landless farmers working under the aegis of big land owners in a scything and torturous environment. More importantly, the conditions of female house-workers which has a huge stake in providing agricultural work-forces, attracts all attentions and concerns. The merciless exploitation of women without being adequately rewarded for their services is exceedingly unjust, inhuman and unethical. The condition is likely to

escalate further with the expansion of globalisation. The tradition of social security architecture for the vulnerable strata of the society has been seriously challenged and curtailed due to the heavy pressure from the global financial institutions. The increasingly high rate of privatization of jobs has gripped the cluster of employers over their employees. Moreover, the concerns of unorganised sector workers are diverse which includes varieties of issues most notably, food security, health, security, nutritional security, housing security, job, security, wages security, life and accident security, and old age security. All these vital issues seek a well planned comprehensive strategy, holistic, exploitation and slavery. India has a long history of extended struggle against injustice. It is therefore, important to make

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a nation free from all kinds of exploitation and injustice. The distribution of values of values should be fair, equitable, adequate and just, so that, the society could live in harmony. Though, the government of India is enthusiastically working for the supreme welfare scheme for the growth and development of this sector. The introduction of Mahatma Gandhi National Rural Employment Guarantee Act, 2005 its testimony to the welfare of unorganised sector labours. Similarity, the introduction of various social security insurance schemes and gender sensitization rule and regulations could heal the bounds of unorganised sector workers in India. It can be expected that, the government of India would take further initiatives for the welfare of unorganised sector workers who are the back-bone of India economy

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