



A STUDY ON THE WORKING CONDITIONS AND SOCIAL SECURITY OF UNORGANIZED WORKERS IN INDIA

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Abstract

The bulk of India's employees are unorganised, although they are vital to the country's economy. This group of employees still has to deal with poor pay, inconsistent hours, lengthy shifts, and restricted access to social security benefits even if they do a lot of hard work. This research looks at the employment patterns, wage structures, workplace health and safety, job security, and access to welfare systems of India's unorganized workers, as well as their social security status. Unorganized workers in sectors including agriculture, construction, domestic work, and small-scale enterprises face structural vulnerabilities and socio-economic obstacles, according to this study that uses secondary data from government reports, labor surveys, and current literature. The results show that health insurance, old-age pensions, maternity benefits, and accident coverage are not always put into practice, even if it was the policy goal. Recent legislative attempts and government plans to improve the welfare of unorganized workers are also examined in the research, with an eye toward measuring their outreach and success. In order to promote social justice and long-term economic growth, the paper finishes by stressing the importance of inclusive labor policies, more robust institutional mechanisms, increased awareness, and effective enforcement to guarantee unorganised workers in India access to decent working conditions and comprehensive social security.

Keywords: Working, Conditions, Security, Workers, India

Introduction

Unorganized workers make up the bulk of India's workforce, employing roughly 90% of the population and being the backbone of the country's economy and society. They execute a broad variety of tasks in the agricultural, building, industrial, commercial, transportation, residential, and service industries, among others. Unorganized workers frequently evade official labor standards and institutional safeguards, despite the fact that they significantly contribute to national income and the smooth operation of the economy on a daily basis. Their jobs are often unofficial, irregular, and precarious, with little pay, unsafe working conditions, no written contracts, and no opportunity to collect social security benefits. Workers in the informal economy are often subject to exploitation, long hours, hazardous circumstances, and a lack of protections meant to protect them from occupational health risks. Seasonality, subcontracting, and informal labor agreements all contribute to an already precarious work and income situation. Unorganized labor is an important issue to address from the viewpoints of social justice, fairness, and inclusive development because of the disproportionate representation of women, migrants, and older workers, as well as other oppressed groups. When it comes to the financial security

and happiness of workers, social security is crucial. However, health insurance, pensions, maternity benefits, disability support, accident compensation, and old-age benefits are mostly unavailable to India's unorganized workforce. The Unorganized Workers' Social Security Act of 2008 and other recent initiatives, such as the e-Shram portal and insurance-based welfare programs, are examples of the various welfare schemes and legislative measures introduced by the Indian state. However, problems with awareness, registration, portability, and implementation gaps have limited their coverage and effectiveness. Unorganized workers are more susceptible to economic downturns and public health problems because of the fast changes occurring in the economy, cities, and the labor market. In addition to safeguarding workers' rights, attaining long-term economic development and decreasing poverty and inequality depend on better working conditions and social security for this enormous workforce. In light of this, the current research aims to examine the social security measures that are accessible to India's unorganized workers, as well as their working conditions, in order to identify important obstacles and policy implications for improving the well-being of unorganized workers.

Literature Review

Because of its pervasive socioeconomic vulnerabilities and its preponderance in job creation, India's unorganized sector has been the focus of much labour research. The International Labor Organization (2002) and earlier research by Hart (1973) defined informal or disorganized labor as employment that does not provide legal protection, job security, or social security. Unorganized workers in India confront various forms of wage inequality, unsafe working conditions, and a lack of social protection, according to a thorough description offered by the National Commission for Enterprises in the Unorganised Sector (NCEUS, 2007).

The working conditions in the unorganized sector have been studied by several researchers. Low productivity, low salaries, lack of employment contracts, and inadequate occupational safety regulations are characteristics of unorganized work, as pointed out by Papola (2008). Similarly, Bhalla (2011) pointed out that unorganized workers are more likely to be exposed to health hazards and occupational injuries due to working in hazardous situations without proper safety precautions. Researchers Deshingkar and Akter (2009) looked at migratory workers and found that short-term jobs, housing insecurity, and ineligibility for social benefits in their final destinations all contributed to their already precarious situation.

Unorganized workers' access to social security has been the subject of much academic discussion. According to Guhan (1994) and Dreze and Sen (2013), most workers in India have not been safeguarded by social security since it has always been employment-based and oriented towards the organized sector. Concerns such as fragmented implementation, restricted cash allocation, and lack of portability between states were brought to light by Kannan and Raveendran (2009), who demonstrated how current welfare programs fail to meet the varied demands of unorganized workers. Critics have pointed out that the Unorganised Workers' Social Security Act of 2008, although being a groundbreaking policy action, has poor enforcement mechanisms and is not justiciable (Harriss-White, 2010).

Scholars have also paid a lot of attention to the gender aspects of unstructured labor. According to Chen (2012), women make up a disproportionately significant portion of the unorganized workforce and are more likely to work in low-wage, unstable, and home-based occupations. Neetha (2014) conducted

research on domestic workers and found that they were subject to several abuses of their labor rights, such as excessive overtime, no paid breaks, and no social security. These results highlight the ways in which gender, caste, and migratory status interact with informality.

The effects of legislative efforts and technological interventions have been the subject of much recent writing. In spite of economic development, formalization of work has been little, according to Mehrotra et al. (2014), who evaluated employment patterns. Unorganized workers are especially susceptible to crises, according to more recent studies, especially those conducted following the COVID-19 epidemic (Srivastava, 2020). Research has also looked at programs like e-Shram, which might make data more accessible and worker registration better (Rani & Kapoor, 2021). However, researchers have also warned that registration isn't a guarantee of social security benefits.

Unorganized workers in India face structural marginalization, limited social security coverage, and bad working conditions, according to the literature. Researchers concur that there are still large chasms between official goals and actual results, even if social programs and other policy instruments have grown in scope and depth over the years. To tackle the complex issues encountered by unorganized workers, the current research highlights the importance of inclusive social protection systems, better institutional frameworks, and integrated labor policies. Expanding upon previous research, this study analyzes the current state of the unorganized sector in modern India in terms of working conditions, social security, and synthesis of important data.

UNDERSTANDING SOCIAL SECURITY AND UNORGANISED SECTOR WORKERS

Although it has taken many forms since the dawn of human civilization, the concept of social security is not new to the contemporary world.⁸ Natural catastrophes such as famines and earthquakes were handled by the primitive civilization as a whole. New and diverse requirements among industrial workers necessitated governmental action during the industrial revolution.⁹ This has led to social security's definitions and concepts changing to accommodate new requirements. These days, everyone considers it a fundamental human right. Social security programs vary in form and operation from nation to country as a result of differences in economic climate, political structure, and cultural norms. In its 1942 report, the Sir William Beveridge committee sought to alleviate poverty and economic disparity by assuring that all people would have enough money to cover their basic needs. This report set the groundwork for social security. Social security was characterized as a system that provides financial support in the event of a person's birth, death, or marriage in addition to replacing lost income due to unemployment, illness, or retirement. According to the Beveridge study, there were five massive threats that needed to be addressed since they were threatening the land. These include poverty, illness, lack of education, filth, and inactivity.

A systematic attempt was made by the International Labour Organisation (ILO) in defining social security. ILO defines social security as follows:

“Safety nets are the safeguards that communities provide for its members by coordinating various responses to potential threats. People with less resources, either on their own or in private partnerships with others, will not be able to adequately prepare for these risks, which are basically contingencies. Illness, pregnancy, infirmity, old age, and mortality are all part of these dangers. The working man's

capacity to provide a decent living for himself and his family is jeopardized by these unforeseen circumstances.

In India, the term "social security" is used in its widest meaning, which can include a variety of programs including those that provide financial aid, social safety nets, insurance, micro-insurance, also known as "insurance for the poor," and other forms of prevention, promotion, and protection. Social security is defined as "crucial for the well-being of the people and society" by the social security working group for India's Twelfth Five-Year Plan. Although it is not a fundamental right guaranteed by the constitution, it is a fundamental human right whose realization would help the country reach its development objectives. Social security in India is still limited to the official sector, despite the country's impressive progress in this area. Because there is a sizable portion of the labor that operates in the informal economy, this poses a problem. If full social protection is to be guaranteed, this policy vacuum must be remedied. It is crucial to identify these workers and the difficulties they encounter before delving into the present situation of social security in the unorganised sector and the obstacles to its implementation. The words "unorganised" and "informal," meaning jobs in the informal economy, are often used interchangeably. In its most literal sense, "informal" refers to a business that is not subject to any kind of regulation. The unorganised sector was characterized by Justice Gajendragadkar's first National Commission on Labour as employees who are unable to form unions for reasons including involuntary servitude.

factors that contribute to low capital investment per person, small establishment size, dispersed nature of businesses, employer strength, illiteracy, and employment. Due to a lack of collective representation, workers in this sector frequently find it challenging to fight for what is rightfully theirs. The origin of their persistent issues lies in their disorganization.

- Among the many problems that unorganised laborers in India encounter are:
- Health insurance, pensions, and maternity benefits are out of reach for the majority of India's unorganized workers.
- These workers have a hard time saving for emergencies and sticking to budgets since their income is typically unpredictable and low.
- They frequently work in dangerous environments without sufficient safety equipment or protective apparel. This can result in accidents at work and injuries.
- Employers can take advantage of them if they don't pay them a fair rate or give them a good working environment.
- They are usually employed on a temporary or contract basis, with no job security or benefits.
- Education and training opportunities are generally few for these people, making it hard for them to get the skills necessary for higher-paying positions.

Unorganised workers, who constitute a large percentage of India's labor, are particularly vulnerable to these problems, which threaten their health and ability to make a living. Interventions in policy should concentrate on bolstering social safety nets, enhancing working conditions, and expanding educational and occupational opportunities in order to alleviate these concerns. It is crucial to examine the worldwide setting and different international obligations on the right to social security as India attempts to close the gap in social security for its unorganised sector.

THE INTERNATIONAL AND REGIONAL FRAMEWORK FOR SOCIAL SECURITY

Everyone knows that everyone has an inherent right to social security. The preservation of this right for all persons, including those in unorganised industries, has been emphasized in several international and regional agreements. In addition to serving as a framework for national governance, these standards strive to guarantee that all individuals, regardless of their socioeconomic status or place of employment, have access to social security. When it comes to social security, the International Labour Organization has done revolutionary work. With the goal of expanding access to social security benefits for more individuals in more situations, the International Labor Organization (ILO) has been working to establish standards since its foundation. "Extending social security measures to provide a basic income to all in need of such protection and adequate medical care." This is the goal that the International Labor Organization has pledged to work toward in its solemn Philadelphia Declaration. In addition, the UDHR is considered forward-thinking because of the social and economic advantages it offers to society at large. Concerning social security, the UDHR refers to Article 22. It asserts that "everyone, as a member of society, has the right to social security and is entitled to the realisation, through national effort and international cooperation, in accordance with each State's organization and resources, of the economic, social, and cultural rights necessary for his dignity and the free development of his personality." In the wake of this movement, social security was finally recognized as a human right in the landmark ICESCR document. In addition to these, the following international conventions address social security: the Convention on the Rights of the Child,²³ the International Convention on the Elimination of All Forms of Racial Discrimination, International Convention on the Elimination of All Forms of Discrimination Against Women, and the International Convention on the Protection of the Rights of All Migrant Workers and their Families.

Some regional human rights documents go even beyond in recognizing social security as a right. Every major international document that addresses human rights acknowledges the importance of social security, including the American Declaration on the Rights and Duties of Persons (1948), the Additional Protocol to the American Convention on Human Rights in the Area of Economic, Social, and Cultural Rights (1988), and the Inter-American Convention on the Protection of the Human Rights of Older Persons (2015). State governments are compelled to maintain laws that ensure and advance social security, as shown by the fact that the right to social security has progressed from global to regional procedures.

Social Security of Unorganised Worker in India

"Unorganised Worker" — The 1st National Commission on Labour defined unorganised labour as workers who are unable to form unions to achieve collective goals due to factors such as the transient nature of their jobs, low levels of education and training, the dispersed nature of their workplaces, and the inherent power and influence of their employers. You may add things like employing indigenous technology, being forced to migrate, being poor, having debt, working for low salaries, not having much bargaining power, etc. Occupation, kind of work, particularly troubled, and service categories are the four ways the unorganised labour force has been classified by the Ministry of Labour. This group encompassed a wide range of occupations, from small-scale farmers to those without land to those who worked in sharecropping, fishing, animal husbandry, construction, leatherworking, weaving, crafts, salt production, brick and

stone quarries, sawmills, oil mills, and so on. They fall into several categories according to the type of job they do: bonded laborers, migrant workers, contract laborers, and casual laborers. Midwives, domestic workers, fishermen and women, barbers, vegetable and fruit vendors, newspaper vendors, etc. fall under the service category, while tottering, scavenging, carrying head loads, driving animal-driven vehicles, loading, and unloading are among the particularly distressed. Cobblers, hamals, handicraft artisans, handloom weavers, lady tailors, physically handicapped self-employed, sericulture workers, carpenters, leather and tannery workers, power loom workers, and urban poor are among the many unorganised labor categories that exist.

The vast majority of Indians (around 400 million) labor in the informal economy. While the organized workforce grew from 24 million in 1983 to 26.5 million in 2005–2006, the number of unorganised workers jumped from 279 million to 359 million in the same time period. According to Ravi Srivastava, a member of the NCEUS, "large firms (are) reducing risks and wage costs by outsourcing to the informal sector, and the organised sector (is) not creating enough jobs," which is one of the reasons why the unorganised workforce is growing. *Employment Trends in India's Organized and Unorganised Sectors, Broken Down by Million*

Year	Organised	Unorganised	Total Workforce
1983	24.01 (7.93)	278.74 (92.07)	302.75
1987-1988	25.71 (7.93)	298.58 (92.07)	324.27
1993-1994	27.37 (7.31)	347.08 (92.69)	374.45
1999-2000	28.11 (7.08)	368.89 (92.91)	397.00
2005-2006	26.46 (7.54)	358.45 (92.46)	384.91

Note: Figures in brackets are percentages to the respective totals.

Legislative Protections – A number of social security laws have been passed in India. There may be a general and particular category for laws that could help the unorganised industry. The earlier statutes apply to both organized and unorganised workers, whereas the latter address specific categories of the latter.

General Legislations – It may not appear to address the unorganised sector at first glance, but these laws should be taken into account since, according to the statutory provisions and judicial interpretation, they do encompass unorganised workers. Some of the laws that provide social security are summarized in table 30 below.

CONSTITUTIONAL MANDATE FOR SOCIAL SECURITY IN INDIA

The constitutional guarantee of social security is an enduring principle in India's legal system. Laws pertaining to employment in India are based on the Constitution. Some of the rights guaranteed to its citizens include the ability to organize into unions, express oneself freely, not be subjected to forced or child labor, get fair compensation for equal effort, be free from unsafe working circumstances, and take time off for childbirth. Not all of these rights may be brought to court; for example, the freedom to form a union, the right to free speech, and the right to be free from child and forced labor are all basic rights. In addition, the Constitution's Seventh Schedule details the division of powers between the federal and state legislatures with regard to particular matters. Subjects pertaining to labor make up the bulk of List

III (Concurrent List). Mothers' pensions, workers' comp, invalidity, and old-age benefits; social security and insurance; jobs and unemployment; unions; disputes between employers and employees; and provident funds are all part of this category. Legislation pertaining to work has been passed by Parliament in the vast majority of areas that fall under the Concurrent List.³⁰ In the *Bandhua Mukti Morcha* case, the Supreme Court of India noted that, in accordance with the Indian Constitution's Directive Principles of State Policy, the Union and the individual states' governments are obligated to uphold the social welfare and labor laws enacted by Parliament, so that employees can lead dignified lives. Another point made in the *D. S. Nakara* case is that socialism should provide a decent standard of life for all citizens, with an emphasis on security from birth to death, and that a welfare state should primarily aim to remove income and living standard disparities. This is why the constitutional mandate is so important for workers' rights in this context. To ensure the well-being of employees and vulnerable members of society, these Directive Principles serve as a framework for federal and state administrations. These sections highlight the state's moral duty to protect its citizens from exploitation, unemployment, and hardship, while also emphasizing economic fairness. The 'Magna Carta' of industrial law, Articles 42 and 43 are especially important when it comes to labor law. The federal and state governments are obligated, under these rules, to provide social order and living wages in line with the nation's economic and political conditions. The importance of Articles 42 and 43 to the well-being of workers has been emphasized by the Supreme Court in many rulings. By incorporating several Directive concepts, especially Article 42, it has expanded the understanding of Article 21, which includes the right to live in dignity. Unorganized workers face a wide range of issues, prompting the adoption of targeted laws to protect them. Workers in India's unorganized sector are particularly susceptible to exploitation and lack of social security since their regulatory apparatus is not even partially regulated by legislation, save in a few states. To address this shortcoming, various acts have been enacted to grant unorganised workers legal protections and access to welfare services. Below, we will mention a few of them.

Conclusion

For the most part, the bulk of Indian workers and the country's GDP come from the unorganized sector, which is why it is so important to the country's labour market. Job instability, low and irregular salaries, long hours, hazardous working conditions, and limited bargaining power are some of the harsh working circumstances that unorganized workers continue to experience, as this study clearly shows. The difficulties faced by unorganized workers are intensified by social vulnerabilities associated with gender, migration, caste, and educational deprivation, which further isolates them from the majority of Indian society. Despite many welfare programs and legal frameworks, the examination of social security laws shows that unorganized workers still do not have sufficient access to comprehensive and effective social protection. Issues with implementation, awareness, portability, and institutional accountability have limited the impact of major initiatives like the Unorganised Workers' Social Security Act, 2008 and recent digital interventions like the e-Shram portal. Health insurance, old-age security, maternity benefits, and accident coverage do not extend to a significant section of the unorganized workforce. The research shows that there is a big difference between what policymakers want and what people experience on the ground. Extending social security to unorganized workers is an important goal that

the state has recognized, but current schemes are ineffective due to their fragmented structure and lack of enforceable rights. To solve these problems, the federal and state governments need to work together more closely, strengthen regulatory procedures, upgrade data systems, and adopt a rights-based approach to worker welfare. To sum up, if we want inclusive and long-term economic growth, we need to fix the working conditions of unorganized people and make sure they have social security. Unorganized workers in India may only achieve dignity, stability, and social justice via the effective execution of current regulations, more worker knowledge, stronger labor safeguards, and portable social security coverage.

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