

Unorganized Sector: A special Reference to Domestic Workers

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Abstract: The unorganized or informal sector provides huge employment opportunities for people. The unskilled and uneducated people find this sector as a source of employment. The ILO noted that these workers are unrecognised, unrecorded, unprotected and unregulated. These workers are away from the social security measures. Domestic sector workers are more vulnerable to exploitation as their work is 'invisible' and often unregistered.

Key words: unorganized, social security, exploitation.

I. Unorganised sector- Meaning

The terms "unorganized sector" and 'informal sector' are used identically and involves multitude of definitions for the concept. Keith Hart is the first person who made popular the term 'Informal sector'. The terms 'formal' and 'informal' were used to denote 'modern' and 'traditional' sectors. He highlighted various income generating activities in urban areas other than those in the formal sector, especially in trade and service. He interchangeably used those unorganized, unenumerated, informal income generating activities. Considering the formal sector, it has low employment potentiality but more people including the migrants are entered into the urban areas searching for employment. As most of them are uneducated and unskilled they depend informal sector for employment.

But the term 'Informal sector' got wide attention after International Labour Organisation's (ILO) Employment Mission to Kenya under the auspices of the World Employment Programme in 1972. Since then, informal sector became a focal point for various country level and city level studies for researchers, policy makers and international organisations. ILO has also conducted various studies covering employment problems, relationship with the formal sector, cause and consequences of urban poverty, assessing the viability of the economic activities under informal sector and upliftment of urban poor etc.

The Kenya mission makes clear the characteristics of informal sector employment which was earlier confined to a mere employment on the periphery of the main towns, to particular occupations or economic activities. The ILO noted that these workers are unrecognised, unrecorded, unprotected and unregulated. The informal sector characteristics can be visualized as;

- a) "Ease of entry;
- b) Reliance on the indigenous resources;
- c) Family ownership of enterprises;
- d) Small scale of operation;

- e) Labour- intensive and adapted technology
- f) Skilled acquired out of the formal school system; and
- g) Unregulated and competitive markets”. (Bangasser, 2000)

Despite the formal sector is carried out government activities and officially recognized private enterprises involving tax restrictions and reduction in risk and uncertainty through tariff, quota protection etc, informal sector activities are often ignored, unsupported and in some respects harassed or discouraged by the government. These informal labours are not even enjoying formal credit facilities and modern technologies.

II. Indian Scenario

In India, the informal sector plays an important role. In order to study the problems of informal sector workers, a National Commission (National Commission for Enterprises in the Unorganised Sector) is set up under the chairmanship of Dr. Arjun Sengupta. They defined informal sector and informal employment.

Informal/ unorganized sector is defined as “The unorganised sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than ten total workers” (NCEUS, 2007). The term informal employment or worker is defined as “Un-organized workers consist of those working in the un-organized sector or households, excluding regular workers with social security benefits provided by the employers and the workers in the formal sector without any employment and social security benefits provided by the employers” (NCEUS, 2007).

III. Unorganised sector- Kerala scenario

Organised sector comprises both public and private sectors. An all round picture of organised sector can be understood only by comparing the employment contribution of public and private sectors. The public sector employment includes those employed in State Government, Central government, State Quasi Institutions, Local Self Government Institutions (LSGI) and Central quasi institutions.

The details of organised sector in Kerala are shown as follows;

Table: 1

Organised sector employment in Kerala- Public and Private sector

Year	Public sector	Private sector	Total
2008	6.07 (54.5)	5.07 (45.5)	11.14
2009	6.14 (54)	5.18 (46)	11.32
2010	6.13 (55)	5.02 (45)	11.15

2011	6.12 (55)	4.99 (45)	11.11
2012	5.77 (53)	5.12 (47)	10.89
2013	5.65 (52)	5.23 (48)	10.88
2014	5.79 (51)	5.50 (49)	11.29
2015	5.7(50.2)	5.66(49.8)	11.36
2016	5.75(48)	6.10 (52)	11.85
2017	5.60 (48)	6.13 (52)	11.73

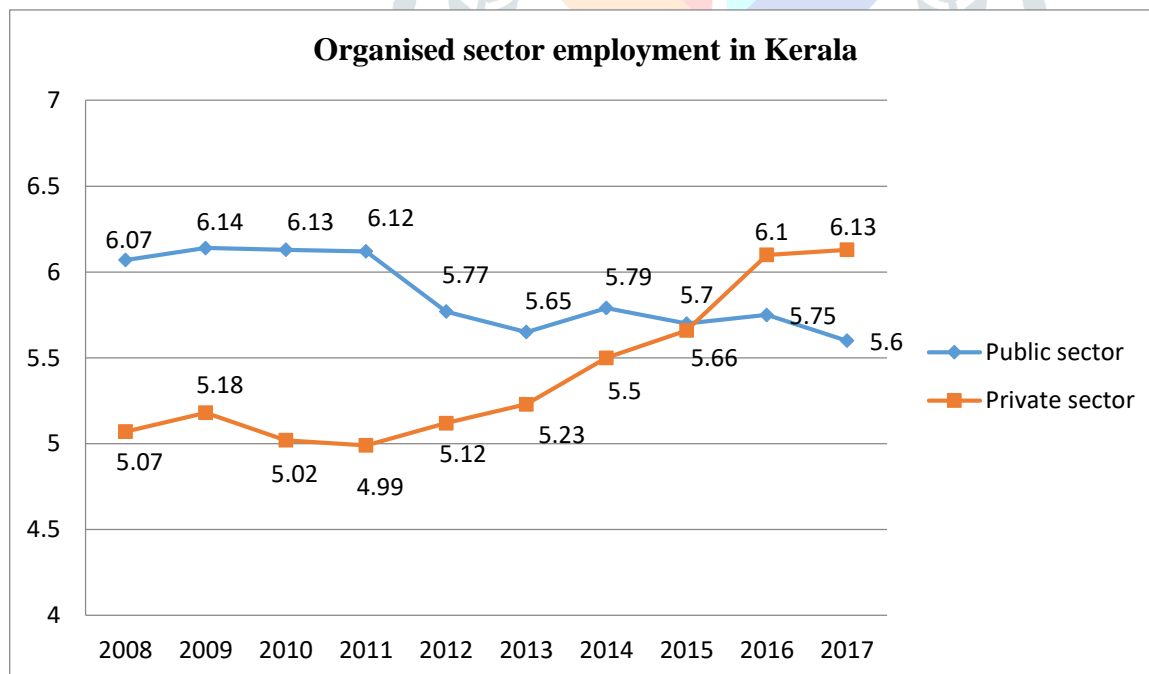
Source: compiled from Economic reviews from 2008-2017

The organised sector, which comprises both public and private sectors, occupies 11.73 lakhs persons from which 48 per cent are in the public sector and 52 per cent are in private sector in the year 2017 (Economic Review, 2017). From the year 2011 onwards, the private sector employment is steadily increasing. During 2016 and 2017, private sector employment is higher than public sector employment. Here arise the need for creating more public sector jobs.

The trend growth of organised sector employment in Kerala can be shown with the following figure

Figure: 1

Trend of organised sector employment in Kerala



Source : compiled from economic review data

Here, private sector employments outnumber public sector employment after 2015. Now more people in the organised sector are engaging in the private sector. In Kerala, considering the public sector employment, men outnumber women and in the private sector, women outnumbered men (Economic Review, 2017).

IV. Domestic workers

The ILO Convention 189 defined domestic as a work engaged in employer's household. This work can be part time or full time. The prevalence of nuclear family system paved the way for a high demand for domestic workers. This kind of work is hidden in nature and so they are vulnerable to various types of exploitations like exploitation of middle men, low or non payment of wage, long working hours, no days off, poor working condition, no bargaining power, indecent working and living condition, Physical, mental and sexual harassment, lack of social security provisions and pensions (Sengupta, 1960, Joshi Sharmila, 2007); Neetha, 2008; Neetha, 2009; Kadukar PM, 2015; Patrick, 2012; Rani and Salooja, 2017 etc

These domestic workers are recruited in many ways. This can be through direct recruitment, with the help of relatives or friends or neighbours or through the help of recruitment agencies (Patrick, 2012). These workers are exploited by these agencies too (Neetha, 2008). Many migrant women consider this work as suitable employment for them. In spite of the hardships they face, these workers stay back at this work due to the poverty and economic difficulties (Reshmi, 2009). The domestic workers are denied of maternity benefits and other social security measures like bonus, pension, P.F and insurance coverage (Rani and Saluja, 2017). Low levels of education and the poor economic background push them to be there in the domestic work sector.

In an Ernakulam based study, Patrick (2012) found that domestic workers who are recruited through registered NGOs and private agencies are protected to a great extent. For those workers, their working hours are fixed to be eight hours a day having four holidays in a month. Their wage per day is ranges from Rs.170-180.

These domestic workers are unaware of their rights and they do not even get the minimum wage prescribed for them (Neetha, 2013). No proper laws and associations are there to protect these workers from exploitation. Announcements about the welfare schemes for these workers are still in cold storage.

V. Conclusion

Unorganised sector has some advantages like easy entry and exit, no tax restrictions and flexibility in employment etc, while the unorganised workers face many problems like no social security provisions or minimum wage protection; no fixed holidays and working hours. These problems are severe in the case of domestic workers who are working within the employers' household and are away from social security provisions. They are exploited from the very point of recruitment. Proper regulatory measures and laws are needed to protect these workers from exploitation.

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