

# PROBLEMS AND PROSPECTS OF UNORGANIZED WORKERS IN TAMILNADU

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**ABSTRACT**-India is predominantly an agriculture based economy. At the same time our country is also known all over for having a huge unorganized work force. Approximately around 92% of the total workforce is engaged in the unorganized employment sectors. An unorganised worker in India faced various problems. As per the latest estimation of a Sub-committee of the National Commission for Enterprises in the Unorganized Sector (NCEUS), the contribution of unorganized sector to GDP is about 50% (NCEUS 2008). The aim of the study is to analyze the status, wage structure and problem faced by unorganised workers. The study based on the secondary data. The paper deals problems of unorganised sectors workers in India, government policy measures and suggestion for improvement of the unorganised workers.

**Keywords:** *Unorganized workers, Agriculture, GDP, Wage rate, Gross Value Added.*

## I. INTRODUCTION

Agriculture plays a vital role in India's economy. The most important strategy for achieving inclusive growth in the Eleventh Plan has been to generate productive employment, accompanied by decent working conditions on quite a large scale to provide employment to the growing labour force. 54.6% of the population is engaged in agriculture and allied activities (census 2011) and it contributes 17% to the country's Gross Value Added. India is a population 2<sup>nd</sup> place and irrigated are in 1<sup>st</sup> place in Institute for Social and Economic Change (ISEC). But agriculture in India is still depending on mercy of monsoon. Condition of farmer and laborer's are depends upon the monsoon. If monsoon is good then crop is good and vice versa. Agriculture labour is counted in category of unorganized sector so their income is not static. Hence they are living in insecure, underprivileged life and earning Rs.300/day along with full uncertainty. Agriculture is the largest sector of economic activity and has a crucial role to play in the country's economic development by providing food and raw materials, employment to a very large proportion of population, capital for its own development and surpluses for national economic development. Thus, the importance of agriculture despites rapid industrialization has not in any way diminished. It has become necessary not only to achieve self-sufficiency in matters of food and agriculture so as to throw up surpluses to be made available for investment in the other sectors of economy as well. The increase the number of agricultural labour has created an increasing size of unorganized workforce. The major problem of agricultural sector is eviction of small farmers, uneconomic holdings size of land, growing indebtedness and deforestation.

### **Definition of Unorganized Sector:**

The term "Unorganised Sector" used by the Indian National Account Statistics is equivalently known as informal sector internationally. Unorganised, unregulated, traditional, household and informal are different terms used interchangeably in contrast with organised, regulated, modern, corporate and formal sector.

## II. SCOPE OF THE STUDY

The study is based on unorganized workers problem in Tamilnadu. The total population of the India is 121cr in 2011. Where 54.6 per cent population is depending on agricultural activities. Increasing population creates land problems. Where 61 percent labour is landless agricultural labour. Most of the farmer holding in less than one hectares of land. The government policy has not implemented for the better work of unorganized sectors like agriculture labour, carpenter and blacksmith in India.

## III. IMPORTANCE OF UNORGANISED SECTORS

The main source livelihood of many people is agriculture. Approximately 70 % of the people directly rely on agriculture as a mean of living. This high percentage in agriculture is as a result of none development of non-agricultural activities to absorb the fast-growing population. However, most people in developed countries do not engage in agriculture. Agriculture is the main source of national income for most developing countries. However, for the developed countries, agriculture contributes a smaller per cent age to their national income. The main source of raw materials to major industries such as cotton and jute fabric, sugar, tobacco, edible as well as non-edible oils is agriculture. Moreover, many other industries such as processing of fruits as well as vegetables and rice husking get their raw material mainly from agriculture.

The nation's export trade depends largely on agricultural sector. For example, agricultural commodities such as jute, tobacco, spices, oilseeds, raw cotton, tea as well as coffee accounts for approximately 18 % of the entire value of exports of a country. WTO's Trade Statistics, the share of India's agricultural exports and imports in the world agriculture trade in 2015 were 2.26% and 1.74%, respectively. Agricultural exports as a percentage of agricultural GDP has increased from 12.14% in 2011-12 to 12.19 % in 2014-15. During the same period, Agricultural imports as a percentage of agricultural GDP also increased from 4.66% to

5.88%. Agricultural exports decreased from Rs. 2,62,778 crore in 2013-14 to Rs. 2,13,556 crore in financial year 2015-16 registering a decline of nearly 18.73%. Share of agricultural imports in the total imports increased from 3.16 % in 2013-14 to 5.63 % in 2015-16.

Construction of irrigation schemes, drainage system as well as other such activities in the agricultural sector is important as it provides larger employment opportunities. Agriculture sector provides more employment opportunities to the labor force that reduce the high rate of unemployment in developing countries caused by the fast growing population.

#### IV. OBJECTIVE OF THE STUDY

- To study the status of the unorganized sector like agriculture labour.
- To analyze the wage rate of unorganized workers.
- To identify the problems faced by unorganized workers.
- To suggest the recommendations for uplift the status of unorganized workers.

#### V. METHODOLOGY

The study of agricultural labour problem of India is based on secondary data. Collected from various government publication report, books, Magazines and Statistical Department, etc.

#### VI. PRESENT SCENARIO OF UNORGANIZED SECTOR

Predominance of informal employment has been one of the central features of the labour market scenario in India. While the sector contributes around half of the GDP of the country, its dominance in the employment front is such that more than 90% of the total workforce has been engaged in the informal economy. As per the latest estimation of a Sub-committee of the National Commission for Enterprises in the Unorganized Sector (NCEUS), the contribution of unorganized sector to GDP is about 50% (NCEUS 2008).

In a bid to provide social security to people working in the unorganised sector, the government plans to invest Rs 402 crore to create a national platform for unorganised workers and will issue a unique ID for them by 2019.

“There is no centralised national database of unorganised workers in India. Accordingly, it has been decided to create a national platform for unorganised workers,” Santosh Kumar Gangwar, Minister of State for Labour and Employment, told Rajya Sabha on Wednesday. The minister added, “A proposal to issue a Unique ID, that is Unorganised Workers Identification Number (UWIN), and allotment of an Aadhaar-seeded identification number to them without issuing any smart card, has been approved by the central government with an estimated cost of Rs 402.7 crore.”

#### VII. PROBLEMS FACED BY UNORGANISED WORKERS

##### 1. Excess Working Hours

The working hours of these laborers are not only irregular but also excessive. They have to work since morning to late night. His working hours change with harvest, season and work.

##### 2. Seasonal Employment

The agricultural labor does not get work for the whole year. According to the Second Agricultural Labor Investigation Society, a Seasonal labor gets an average of 197 days of work in a year. Similarly, child labor gets 204 days and women get 141 days of employment. Thus, their average annual income is very lower.

##### 3. Low Wages

The wage level of agricultural laborers very low as compared to that of industrial labor. It has two reasons increase in landless laborers and lack of non-agricultural areas of work in rural areas.

##### 4. Indebtedness

Due to lower income, the indebtedness of agricultural farmers is increasing. They hesitate in negotiating their wages with the land owners in the fear that their services would be terminated. The laborers remain indebted even after working with the land owners for their whole life.

##### 5. Not United

Since the agricultural laborers are spread in millions of village all over the country they lack unity. Thus, they are unable to negotiate their wages etc. with the land owners by uniting themselves.

##### 6. Exploitation of Child and Women Laborers

Due to lower income the children and women of agricultural laborers are also forced to work for their livelihood. The child and women laborers are made to work more for livelihood.

##### 7. Lower Social Status & Shortage of Other Jobs

Most of the agricultural laborers are of backward classes who have been exploited since centuries. Due to this reason also their social status is lower. There is shortage of other jobs in villages. Thus, if the crop is destroyed by floods, famines etc., it becomes difficult for the agricultural labor to survive.

##### 8. Housing Problem

The landless laborers have no private house. They live in cottages, made on the useless land of the landowners with their permission and in its return they have to work without payment, for the landowners. When a number of people live under the same roof, the physical, social, moral and religious problem arises.

##### 9. Unemployment due to mechanization

At the present times, due to increase in the use of machines, unemployment rate among the illiterate agricultural farmers is increasing, which is a serious problem for them.

### VIII. FINDINGS OF THE STUDY

Finding is that the India increasing agricultural labour problem due to high birth rate and decreasing agricultural land. Government policy does not work better in the India. The land concentrated few big farmers and landless agricultural labours are unorganized illiteracy, poverty, absence of alternative occupation, seasonal unemployment and modernization is found in the India. So there creates agricultural labour problems in the India.

### IX. SUGGESTIONS

- ❖ Better Implementation of minimum wage act: - To implement the minimum wage act seriously and to revise the minimum wages periodically considering the changing price level of the country.
- ❖ Creating Alternative Sources of employment: - To create alternative sources of employment by developing small scale and cottage industries in rural areas.
- ❖ Distribution of Surplus Land: - To rehabilitate the agricultural labourers on the acquired land declared surplus under ceiling laws and also on the new reclaimed land.
- ❖ Improvement the Bargaining Power: - The agricultural labourers may be organized so that they can effectively bargain for better working conditions and enable enforcement of legislation.
- ❖ Cooperative Farming:- The cooperative farming provide better incentive to improve the productivity of farm as these farmers will continue to be owner of their land and share the fruit of their efforts.
- ❖ Fixing working hours: - To improve the working conditions of agricultural labour by enforcing fixed hours of work banning child labour etc.
- ❖ Modern Method: - To improve the working conditions of agriculture by adopting improve intensive methods and multiple cropping for raising the productivity of agricultural labourers and promote co-operative farming in rural areas.
- ❖ Economic Measures: - To make agriculture move remunerative active economic measures must be introduced. Subsidiary agro based industries must set up in rural areas.

### X. CONCLUSION

Unorganized sectors are predominant in our economy due to largest population pressure in India. Majority of the people are depending in the unorganised sectors are women and excluded communities. These unorganised workers are faced innumerable and untold problems. This study concludes that the condition of unorganised workers is not so good in their living and working conditions. The government should take proper steps to improve the unorganised sectors through wage reforms, implementing new methods for agriculture, adopted rural development programmes, fixed the hours of work and strictly enacted labour laws. This should be facilitating to improve the status of unorganized workers in Tamilnadu.

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