CHAPTER - III

SOCIAL SECURITY MEASURES OF THE CENTRAL GOVERNMENT AND STATE GOVERNMENT

INTRODUCTION

Some of the important terms used in this thesis are explained below:

DEFINITIONS

UNORGANISED SECTOR

"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".

UNORGANISED WORKER

“Unorganised worker” means a self-employed worker or a wage worker in the unorganised sector and includes wage workers in the organised sector without any social security cover.

SELF-EMPLOYED WORKER

"Self-employed worker" means any person who is not employed by an employer, but directly engages himself/herself in any occupation in the unorganised sector, subject to a monthly earning of Rs. 6500/- or such
limits as may be notified from time to time, or, subject to such ceiling on land cultivated as may be notified from time to time by the State government.

UNORGANISED OR INFORMAL EMPLOYMENT

“Unorganised workers” consist of those working in the unorganised enterprises or households, excluding regular workers with social security benefits, and the workers in the formal sector without any employment/social security benefits provided by the employers".

The employees with informal jobs generally do not enjoy employment security (no protection against arbitrary dismissal) work security (no protection against accidents and illness at the work place) and social security (maternity and health care benefits, pension, etc.) and therefore any one or more of these characteristics can be used for identifying informal employment.

SKILLED LABOUR

“Skilled labour” is the portion of workers in an economy that have specific, technical industry skills relating to business and the production of goods. Engineers, welders, accountants and scientists are a few examples of skilled labour. These individuals bring specialized skill to the market place and are essential in advancing industries through developing new techniques or methods of productions.
SEMI-SKILLED LABOUR

“Semi-Skilled Labour” Possess some skills but not enough to do specialized work. It requires limited skills:

UNSKILLED LABOUR

“Unskilled labour” is the cheaper and less technical portion of the workforce that makes up a large part of an economy's labour market. This workforce plays an important part in performing daily production tasks that do not require technical abilities. Menial and repetitive tasks are the common workplace of unskilled labour; some unskilled labour tasks may include customer-service positions that help consumers while purchasing goods from a company.

PERMANENT LABOUR

“Permanent Labour” is one with no defined termination date (other than retirement at 65) under which all the appropriate NJC and local terms and conditions of employment are offered as specified in the letter of appointment and written particulars of terms of appointment.

TEMPORARY LABOUR

Temporary Labour” is offered for a period of continuous employment which has a limited duration, e.g. for maternity or sickness cover, to replace staff on training etc.
CASUAL AND RELIEF LABOUR

“Casual and Relief Labour” Appointments will be made on a casual basis where the employment relationship will be such that there is no commitment on the part of the employer to offer work and no commitment on the employee to accept and perform work offered. Employees appointed on a casual basis will receive the rate for the job for all hours worked.

MIGRANT WORKER

“Migrant worker” means moving from one region of the country to another to find employment. Migrant workers are used extensively for crop harvesting, mandating that they follow the harvest seasons.”

WAGE WORKER

“Wage worker” means a person employed for a remuneration in the unorganised sector or in the organised sector without any social security cover, directly by an employer or through any agency or contractor, irrespective of place of work with a monthly wage of not more than Rs. 6500/- or such limits as may be notified from time to time, but does not include an unpaid family worker.

MANUAL WORKER

“Manual Worker” means any person who has completed 18 years of age but has not completed 60 years of age and who is engaged to do any manual work in the employments
WORK

'Work' was defined as participation in any economically productive activity. Such participation was physical or mental in nature. Work involved not only actual work but also effective supervision and direction of work.

MAIN WORKERS

“Main workers” means those who had worked for the major part of the year preceding the date of enumeration i.e., those who were engaged in any economically productive activity for 183 days (or six months) or more during the year”.

MARGINAL WORKERS

“Marginal workers” means those who worked any time at all in the year preceding the enumeration but did not work for a major part of the year, i.e., those who worked for less than 183 days (or six months).”

ACT


BOARD

“Board” means Tamil Nadu Manual workers and other Workers Welfare Board, Chennai
EMPLOYER

“Employer” means a natural or juridical person, or an association of such persons, by whom any unorganised worker is engaged or employed either directly or otherwise, for any remuneration;

HOME-BASED WORKER

"Home-based worker" means a person involved in the production of goods or services for an employer in his/her own home or other premises of his/her choice other than the workplace of the employer, for remuneration, irrespective of whether or not the employer provides the equipment, materials or other inputs.

IDENTITY CARD

“Identity card” means a card issued to a worker carrying a unique social security number issued by the authorised agency of the State Board.

NATIONAL BOARD

“National Board” means the National Social Security Board for unorganised workers.

REGISTERED WORKER

“Registered Worker” means an unorganised worker registered for social security under this Act.
STATE GOVERNMENT

“State Government” means the Government of a State in the Indian Union.

GOVERNMENT

“Government” means The State Government.

SCHEME

“Scheme” means a scheme under the Tamil Nadu Manual Workers Welfare Scheme.

DEPENDANT

“Dependant” in relation to a registered manual worker means any of the relatives of such deceased workman as (i) Wife or husband as the case may be; (ii) Children; (iii) Widow and children of the deceased son; and (iv) Parents.

FAMILY

“Family” means- (i) In the case of a male member, his wife, children whether married or unmarried, dependent parents and the widow and children of a deceased member (ii) In the case of a female member, her husband, children, dependant parents and the widow and children of a deceased son of the member;
FORM

“Form” means the form appended to this scheme.

FUND

“Fund” means the Tamil Nadu Manual Workers Social Security and Welfare Fund established under the scheme;

SECRETARY

“Secretary” means the Secretary of the Board appointed by the Government and includes any other officer put in charge of the Secretary;

SELF EMPLOYED PERSON

“Self employed person” means any person who has directly engaged himself in employments under the said Act.

CHAIRMAN

“Chairman” means Chairman of the Tamil Nadu Manual Workers and other Welfare Board.

COMMISSIONER

“Commissioner” means Commissioner of Labour.

UNORGANIZED WORKERS IN INDIA

As per the survey carried out by the National Sample Survey Organisation in the year 2004-05, the total employment in both organized
and unorganised sector in the country was of the order of 45.9 crore. Out of this, about 2.6 crore were in the organised sector and the balance 43.3 crore in the unorganised sector. Out of 43.3 crore workers in the unorganised sector, 26.9 crore workers were employed in agriculture sector, 2.6 crore workers were in construction, and remaining were in manufacturing activities, trade and transport, communication & services. The workers in unorganised sector fall in various categories but a large number of them are home based workers who are engaged in occupations like beedi rolling, agarbatti making, papad making, tailoring, jary and embroidery work.

THE MAJOR CHARACTERISTICS OF UNORGANISED WORKERS

1. The unorganised labour is overwhelming in terms of its number range and therefore, they are omnipresent throughout India.

2. As the unorganised sector suffers from cycles of excessive seasonality of employment, majority of the unorganised workers do not have stable and durable avenues of employment. Even those who appear to be visibly employed are not gainfully and substantially employed, indicating the existence of disguised unemployment.

3. The workplace is scattered and fragmented. The workers do the same kind of job(s) in different habitations and may not work and live together in compact geographical areas.
4. There is no formal employer-employee relationship between small and marginal farmers, share croppers and agricultural labourers as they work together in situations which may be marginally favourable to one category but may be broadly described as identical.

5. In rural areas, the unorganised labour force is highly stratified on caste and community considerations. In urban areas while such considerations are much less, it cannot be said that it is altogether absent as the bulk of the unorganised workers in urban areas are basically migrant workers from rural areas.

6. Workers in the unorganised sector are usually subjected to a lot of fads, taboos, and outmoded social customs like child marriage, excessive spending on ceremonial festivities etc. which lead to indebtedness and bondage.

7. The unorganised workers are subjected to exploitation significantly by the rest of the society. The unorganised workers receive poor working conditions, especially wages much below that in the formal sector, even for closely comparable jobs i.e., where labours productivity are not different. The work status is of inferior quality in terms of employment and remuneration.

8. Primitive production technologies and feudal production relations are rampant in the unorganised sector, and they do not permit or encourage the workmen to imbibe and assimilate higher technologies and better production relations. Large scale of ignorance and
illiteracy and limited exposure to the goings on in the outside world are also responsible for such poor absorption.

9. The unorganised workers do not receive sufficient attention from the trade unions.

In general, unorganised workers are observed to be large in numbers, and they suffer from cycles of excessive seasonality of employment, scattered and fragmented work place, poor in working conditions, and lack of attention from the trade unions.

TRENDS IN EMPLOYMENT IN ORGANIZED AND UNORGANIZED SECTORS IN INDIA

The extent of workforce in the organised and unorganised sectors, and their changes over time could be understood by the information provided by the Ministry of Labour and Employment, Director General of Employment and Training, Government of India and published in the Economic Surveys. Accordingly, the share of organised workforce was about 8.0 per cent in 1983, which declined to 7.54 per cent in 2004-2005. The corresponding share of unorganised workforce was about 92.07 per cent in 1983, which increased to 92.46 per cent in 2004-2005.
### TABLE NO. 3.1

**TRENDS IN EMPLOYMENT IN ORGANISED AND UNORGANISED SECTORS IN INDIA (in million)**

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

Source: Ministry of Labour and Employment, Director General of Employment and Training and Economic Survey (various years) Note : Figures in parent thesis are percentages to the respective totals.

Table No. 3.1 shows trends in Employment in organized and unorganized sectors in India. The trends in employment in organized and unorganized sectors in India is gradually increasing from 1983 to 2000 while the workforce is little reduced during the year 2005-06. The total workforce ratio between organized and unorganized sectors is nearly 7.5:92.5.
# TABLE NO. 3.2
SIZE & DISTRIBUTION OF THE ORGANIZED AND UNORGANIZED SECTOR WORKERS BY INDUSTRY AND STATUS 2004-05

<table>
<thead>
<tr>
<th></th>
<th>Agriculture</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>organised</td>
<td>Unorganised</td>
<td>Total</td>
<td>organised</td>
<td>Unorganised</td>
</tr>
<tr>
<td>SE</td>
<td>2.3</td>
<td>163.9</td>
<td>166.2</td>
<td>2.9</td>
<td>89.2</td>
</tr>
<tr>
<td>RW</td>
<td>1.2</td>
<td>1.6</td>
<td>2.8</td>
<td>41.9</td>
<td>24.8</td>
</tr>
<tr>
<td>CW</td>
<td>2.5</td>
<td>87.4</td>
<td>89.9</td>
<td>11.7</td>
<td>28.1</td>
</tr>
<tr>
<td>Total</td>
<td>6.0</td>
<td>252.9</td>
<td>258.9</td>
<td>56.5</td>
<td>142.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Percentage Distribution of workers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SE</td>
<td>RW</td>
</tr>
<tr>
<td>Number of workers ( Million)</td>
<td>38.1</td>
<td>64.8</td>
</tr>
<tr>
<td>20.1</td>
<td>0.6</td>
<td>1.1</td>
</tr>
<tr>
<td>41.8</td>
<td>34.6</td>
<td>34.7</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>% to Total</td>
<td>2.4</td>
<td>97.6</td>
</tr>
</tbody>
</table>

Note: SE= Self–Employed; RW= Regular Worker; CW= Casual Worker
Table 3.2 shows the size and Distribution of the organized and unorganized sector workers in industry in 2004-05. The organized and unorganized labours are divided in two categories such as Agricultural Labourers and Non-agricultural workers depend upon the nature of their work. During the year 2004-05, the workers in organized and unorganized labours in Agriculture sector are 64.2% while the regular workers are 1.1% and Casual labourers are 34.7. Simultaneously, the workers in organized and unorganized labours in Non-agriculture sector the Self employed workers are 46.4% while the regular workers are 33.6% and Casual labourers are 20%.

TABLE NO. 3.3
PERCENTAGE OF WORKERS IN UNORGANISED SECTOR AND UNORGANISED WORKERS BY GENDER ACROSS THE STATES 2004-05

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the States</th>
<th>Unorganised Worker</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Male</td>
</tr>
<tr>
<td>1</td>
<td>Andhra Pradesh</td>
<td>92.5</td>
</tr>
<tr>
<td>2</td>
<td>Arunachal Pradesh</td>
<td>83.9</td>
</tr>
<tr>
<td>3</td>
<td>Assam</td>
<td>89.8</td>
</tr>
<tr>
<td>4</td>
<td>Bihar</td>
<td>97.1</td>
</tr>
<tr>
<td>5</td>
<td>Goa</td>
<td>71.9</td>
</tr>
<tr>
<td>6</td>
<td>Gujarat</td>
<td>88.6</td>
</tr>
<tr>
<td>7</td>
<td>Haryana</td>
<td>87.4</td>
</tr>
<tr>
<td>8</td>
<td>Himachal Pradesh</td>
<td>85.5</td>
</tr>
<tr>
<td>9</td>
<td>Jammu &amp; Kashmir</td>
<td>85.7</td>
</tr>
<tr>
<td>10</td>
<td>Karnataka</td>
<td>90.0</td>
</tr>
<tr>
<td>S. No.</td>
<td>Name of the States</td>
<td>Unorganised Worker</td>
</tr>
<tr>
<td>--------</td>
<td>--------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>11</td>
<td>Kerala</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Madhya Pradesh</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Maharashtra</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Manipur</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Meghalaya</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Mizoram</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Nagaland</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Orissa</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Punjab</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Rajasthan</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Skikkim</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Tamil Nadu</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Tiripura</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Uttar Pradesh</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>West Bengal</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Delhi</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Jharkhand</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Chhattisgarh</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Uttaranchal</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td><strong>All India</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: NCEUS

Table No. 3.3 shows the details of the unorganized workers by gender across the states in the year 2004-05. The Male workers are 99.7% and Female workers are 95.9% in unorganized workforce. The female workers are more than male workers in unorganized sector as well as
unorganized workers. The unorganized workers of male and female are higher in Bihar. It is very low in Goa state. In Tamil Nadu male and female representation under unorganized workers are 87.2% and 94.3% respectively.

**Need for Social Security**

The unorganised nature of the workforce, dispersed nature of operational processes and lack of institutional back up reduce their bargaining power and their ability to take full benefits from the Acts and legislations enacted for their benefits. Further, low skill levels of this workforce provides little scope for them to move vertically in the occupational ladder to improve their financial situation. The growth of informal, unprotected work with shrinking formal employment compels the workers to bear an increasing direct burden of financing social needs, with adverse effects on their quality of life. That burden may also undermine the capacity of enterprises to compete with global economy.

The Ministry of Labour is also operating Welfare Funds for some specific categories of workers in the unorganised sector like beedi workers, cine Workers and certain non-coal mine workers. The funds are used to provide various kinds of welfare activities to the unorganized workers in the field of health care, housing, education assistance for children, water supply etc.

The Government has launched Group Insurance Schemes, like, Janshree Bima Yojana for the people living below or marginally above the poverty line, which also include the workers in the unorganized sector. In
order to generate better employment opportunities at State level, the Government have launched a number of schemes like

1. **Indira Gandhi National Old Age Pension Scheme (IGNOAPS)**

   In this schemes the old people above 65 years of age belonging to BPL category are eligible for a monthly pension under this scheme. The government of India provides Rs 200 per month to the old aged people while many State Governments also contribute varying amounts

2. **National Family Benefit Scheme (NFBS)**

   This scheme provides for Rs 10000 to the family of an unorganised worker belonging to BPL category in case of death due to natural or accidental causes; however the worker should be the primary breadwinner of the family and aged between 18 and 65 years. It is implemented through the local bodies.

3. **Janani Suraksha Yojana (JSY)**

   As per this fully centrally sponsored scheme, the states are categorised into Low Performing States (LPS) and High Performing States (HPS) depending on the proportion of institutional deliveries in the state. In case of the 10 LPS (Assam, Bihar, Chattisgarh, Jammu and Kashmir, Jharkhand, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh and Uttarakhand) all women who give birth to children in government health centres/ accredited private institutions are paid Rs 1400 in rural areas and Rs 1000 in urban areas.
In case of HPS, all women who give birth to children in government health centres/ accredited private institutions are paid Rs 700 in rural areas and Rs 600 in urban areas.

All BPL women above 19 years who give birth to children delivering at home, both in LPS as well as in HPS, are entitled to cash assistance of Rs 500 per delivery up to 2 live births.

4. **Janshree Bima Yojana (JBY)**

This scheme is implemented by the Life Insurance Corporation of India, 50% of the annual premium of Rs 200 is paid by the government of India and the other 50% is paid either by the beneficiary, nodal agency or the State Government. This is applicable to the unorganised workers in the BPL and marginally APL categories in 43 notified occupations.

Under this scheme, Rs 30000 is paid on natural death; Rs 75,000 on accidental death; Rs 75,000 on total permanent disability and Rs 37,500 on partial permanent disability; Rs 300 per quarter per child is also paid as scholarship for 2 children studding in IX to XII class.

5. **Aam Admi Bima Yojana (AABY):**

This scheme, confined to members of landless unorganised workers in rural households, in the age group of 18 – 59 years, provides the same benefits as the Janshree Bima Yojana and is also implemented by Life Insurance Corporation of India,. 50% of the annual premium of Rs 200 is paid from the Fund created for this purpose by the government of India and the rest 50% by the state government.
6. **Rashtriya Swasthya Bima Yojana (RSBY)**

This scheme provides insurance cover of Rs 30000 to the unorganised sector workers in BPL category and their family members (a unit of five). Transportation costs (actual with maximum limit of Rs 100 per visit) within an overall limit of Rs 10000 are also covered by the scheme. Smart cards are provided for cashless treatment for select diseases which requires hospitalisation. However, there is no provision to cover outpatient treatment, which constitutes a major part of the medical expenses of the unorganised workers.

75% of the estimated annual premium, subject to a maximum of Rs 565 per family and the cost of smart cards are given by the Central Government. The State Governments contribute 25% of the annual premium, any additional premium and also have to bear the administrative and any other related costs of the scheme. The beneficiaries have to pay Rs 30 per year for registration and renewal.

It is implemented by the state nodal agency through the insurance company involving the panchayats and local bodies.

7. **Handloom Weavers’ Comprehensive Welfare Scheme (HWCWS)**

All handloom weavers, not only BPL categories, are eligible for the benefits under the scheme, which covers the handloom weaver, his wife and 2 children. The health insurance component is implemented through ICICI Lombard General Insurance Company Ltd. 80% of the annual premium of Rs 781.60 is paid by the Government of India and 20%, with a
minimum of Rs 50, is paid by the weaver. The scheme covers pre-existing and new diseases including outpatient treatment; the annual limit per family is Rs 15000; the limit for outpatient treatment as well as the limit per illness is Rs 7500; it also provides for maternity benefit of Rs 2500 per child for 2 children; an expenditure up to Rs 4000 towards Ayurvedic/Unani/Homeopathic/Siddha systems of medicine is also covered.

8. **The Mahatma Gandhi Bunkar Bima Yojana (MGBBY):**

The component of the scheme is implemented through LIC. Government of India pays Rs 150, out of the annual premium of Rs 330, the weaver has to pay Rs 80 and LIC contributes Rs 100. Rs 60000 is paid to the family of the weaver on natural death, Rs 150000 for accidental death, Rs 150000 on total disability, and Rs 75000 on partial disability; scholarship of Rs 300 per child for 2 children studying in IX to XII class of Rs 300 per quarter for each.

9. **Handicraft Artisans’ Comprehensive Welfare Scheme**

This scheme covers the handicraft artisan and 3 family members including spouse. It covers all handicraft artisans but the rate of premium is different for different categories.

The health insurance component – Rajiv Gandhi Shilpi Swasthya Bima Yojana – is implemented through ICICD Lombard General Insurance Company Ltd. The Government of India pays Rs 650 for general category and Rs 725 for the artisans in the North East States and those in the SC/ST and BPL categories as annual premium. The artisans in the north eastern
states and those belonging to SC/ST and BPL categories have to contribute Rs 75 and those in the general category have to contribute Rs 150 as annual premium. (The contribution of the artisans is to be kept at 20% of the accepted bid for the SC/ST and BPL categories and in NE States and at 50% for the general category). This scheme, as in the case of the handloom weavers’ scheme, covers pre existing diseases with a limit per family of Rs 15000 with a limit of Rs 7500 per person; it also covers outpatient treatment of up to Rs 7500, and Ayurvedic/ Unani/ Homeopathic/ Siddha systems of medicine. Maternity benefit of Rs 2500 per child is also provided under the scheme for 2 children.

The Bima Yojana for handicrafts artisans is implemented through the LIC and the benefits are similar to those under the Janshree Bima Yojana. Out of the annual premium of Rs 200, the Central Government pays Rs 60, the artisan has to pay Rs 40 and LIC contributes Rs 100. Benefits – Rs.30,000 on natural death; Rs 75,000 on accidental death; total disability – 75,000; partial disability – 37,500; scholarship of Rs 300 per quarter for 2 children studying in IX to XII class.

9. **Pension for Master crafts persons**

This is limited only to the recipients of national awards, merit certificates and state awards in handicrafts and whose annual income is less than Rs 15000 with no financial assistance from any other source. Pension of Rs 1000 per month is paid by Central Government through the field offices of the Development Commissioners of Handicrafts.
10. National Scheme for Welfare of Fishermen and Training and Extension

The Central and State Governments share the funding in the ratio of 50: 50. It is implemented by the State Governments through the Fish Farmers Development Agencies. Rs 40000 is provided for the construction of houses, Rs 30000 for tube wells for drinking water (Rs 35000 in Northeast states), and Rs 175000 for the construction of common work places or community halls. Rs 300 per fisher is paid for 3 months for marine and for 4 months for inland fishers during the fishing ban period; the fishers have to pay Rs 14 as annual premium.

EXPERIENCE OF THE VARIOUS STATES IN UNORGANISED SECTOR

In addition to the Central Government, a number of State Governments have also set up welfare funds for various categories of workers. The Govt. of Kerala have set up about 35 Welfare funds for different categories of occupations and sectors. These welfare funds cater to the needs of Agricultural workers, auto Rickshaw workers, Cashew workers, Coir workers, Construction workers, Fishermen and women, Khadi workers, Handloom workers etc. The Govt. of Assam have 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 Karnataka under Mysore (Karnataka) Labour Welfare Act, 1965 and in 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. All these welfare funds however, cater to a very small segment of the total workforce.

In view of the change in the perception of the social security i.e. an essential input to the productivity rather than burden on exchequer, some State governments are making concerted efforts to extend social security to the workers in the unorganised sector. For instance, the Govt. of Karnataka is going to set up a Social Security Authority of Karnataka and create a Welfare Board to cater to the needs of the 66 identified occupational groups shortly. Further, occupational groups can be added to it as and when the need be. The Welfare Fund will be created by levying a cess from transport vehicles, employers contribution, workers and the state government when there is no employer. The Fund created therein will be utilised to implement schemes and programmes covering pension, health, housing, insurance in case of death and disability aspects for the benefit of workers.

The Government of West Bengal introduced State Assisted Scheme of Provident Fund for Unorganised Workers (SASPFUW). The scheme covers all wage employed and self employed workers between the age of 18 to 55 years in the unorganised sector having an average family income of not more than Rs.3500 per month. Each subscriber (worker) contributes a sum of Rs.20 per month and equal matching amount contributed by the state government. The interest on the balance at credit of subscriber is also paid by the state government annually at the rate declared by the State Government. Total contribution along with interest has to be refunded to the worker on attainment of the age of 55 years. The scheme will have
provision for loans and withdrawals from the fund as prescribed by the State Government. The Government of West Bengal had identified 50 industries in the unorganised sector and 16 self employed occupations, of which 13 unorganised industries and 7 self employed occupations are being covered in the first phase. These industries include Tailoring shops, Establishments having less than 20 workers, Bakery, Handloom, Construction, Earthen pottery, Stone crushing, Auto repairing, etc. The self employed occupations include Cycle rickshaw, Head load workers, Railway/Street hawkers, Auto rickshaw operators, Mason and Cobblers.

The Department of Agriculture (Mandi Branch), Govt. of Punjab implements a scheme financed from the funds available with marketing Committees/Boards to provide financial assistance to the farmers and labourers in case of death or injury by operating the agricultural machinery/implements and undertaking other operations both at the level of farm or mandi since 1984. The scope of the scheme includes

a) Death or disablement to any farmer or labourer (Farm and Mandi) working in the agricultural machinery implements or arising out of the use of the said machinery implements in the state of Punjab.
b) Death or disablement to any farmer or labourer arising out of digging of tubewell in the state of Punjab or electric current while operating tubewell in the farm.
c) Death or disablement to any farmer or labourer while using the insecticides or pesticides in the State of Punjab or due to snake biting while working in Mandi/Field or watering the field.
d) Death or disablement to labourer employed in Mandi arising out of use of agricultural machinery implements. Mandi means principal and sub-yard including purchase centre declared by Punjab Govt. through Food & Supply Department or F.C.I. within the State of Punjab. The financial assistance provided under the scheme includes payment of Rs.75,000/- in case of death, Rs.30,000/- in case of partial disability such as loss of one leg, eye, arm or serious injury, Rs.45,000/- in case a farmer or labour lost both eyes, arms, leg, etc. Rs.7,500/- to Rs.22,500/- in case of loss of fingers and Rs.30,000/- in case of loss of four fingers which is treated as loss of one arm.

The Group was apprised of the free medical checkup camps being organised by the Government of Punjab. Workers working in hazardous and dangerous process industries come in contact with various toxic substances and other chemicals from which they are likely to contact with occupational diseases. The Government of Punjab has decided to carry out free medical checkup of such workers. This is a very welcome step in the right direction as it demonstrates the willingness of the State to share the burden in delivery of health services.

PUBLIC INITIATIVES IN UNORGANISED SECTOR

In addition to Governmental efforts, several public institutions and agencies are also providing various kinds of social security benefits to selected groups of workers. Two of the outstanding examples are those of Self-Employed Women’s Association (SEWA) and the Mathadi Workers Boards in Maharashtra.
The social security experiments of SEWA started in 1975 with a demand from members for a maternal protection scheme followed by health care and child care. This was followed by starting of an insurance programme in collaboration with insurance companies. The insurance scheme started by the SEWA Bank was based on a realistic estimate of the capacity of the members to pay the premium. An Integrated Insurance Scheme introduced by SEWA for its members, offers several benefits for a consolidated premium of Rs.45/- per annum. While SEWA itself provides some of the benefits, it works as a nodal agency to get cover under various policies separately for specific benefits from different insurance companies. The risk covered includes health costs upto Rs.1000/-, maternity benefit of Rs.300/- and payment of varying amounts upto Rs.10,000/- in case of natural or accidental death including disablement of the member or her husband. The insurance scheme has turned out to be both popular and financially viable. The total coverage of SEWA social security scheme is about 50,000 women. The experience of SEWA reveals that in order to become effective, the social security scheme for the unorganised sector should be locally managed and controlled. Further, only such schemes will become viable which are need based and integrated with the economic activities of the local people. If the poor people are supported through capacity building and necessary linkages are provided with their own economic activities the chances of success of social security efforts increased significantly. Further, it has demonstrated that, it is not only necessary to search new social security programmes but new social security organizations to run them.
A Mathadi is a worker who carries a load on his head, back, neck or shoulders. Normally his work consists of loading, unloading, carrying, shifting, weighing, tapping, banding and stacking goods. In the State of Maharashtra, the Mathadi Labour Market is regulated by Mathadi Tripartite Boards set up since 1969. There are about 50,000 registered employers and 1,50,000 workers registered under 30 different Boards in the State. Each Board is headed by a Chairman appointed by the Government of Maharashtra and there are equal number of representatives from the unions and the employers’ associations.

SOCIAL SECURITY LAWS FOR UNORGANISED SECTOR

In order to protect and provide Social Security to the unorganized sector of workers, the government of India has passed many Acts. The important Acts are classified in three heads. They are as follows.

I. Central Government Laws for unorganized sector workers

1. The Equal remuneration Act, 1976
2. The Bonded Labour system ( Abolition ) Act, 1976

II. Laws which apply to some sections of the unorganized sector of labours

1. Minimum Wages Act, 1948
2. Child Labour ( Prohibition and Regulation) Act, 1986
3. Dangerous Machines (Regulation) Act. 1983
5. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
7. Sales Promotion Employees (Conditions of Services) Act, 1926
8. Trade Unions Act, 1926

III. Laws which can be applied to the unorganized sector labour

1. The Beedi and Cigar Workers (Conditions of Employment) Act, 1966
2. Payment of Wages Act, 1936
3. The Building and other construction workers (Regulations of Employment and Conditions of service) Act, 1996
4. The Contract Labour (Regulation & Abolition) Act, 1970
5. The Maternity Benefit Act, 1961
6. Workmen’s Compensation Act, 1923
7. Weekly Holidays Act, 1942