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INTRODUCTION

URBAN UNORGANISED SECTOR & ITS ORIGIN

In India child labour is of two types, legal child labour and illegal child labour, legal child includes the child labour which is above the minimum age, but is not adult. In factories workers in the category of 14 to 18 years are child labour. In mines this age limit is 15 to 16 years, whereas in orchards this age limit 12 to 15 years. Illegal child labour includes all such child labour which is below this age limit or is working in unorganized sector, agriculture, hotels, houses etc. and are not covered by child labour legislation. Labour economics studies the problem of legal child labour, whereas illegal child labour is a totally neglected dimension.

a (i) WHAT IS UNORGANIZED SECTOR?

The distinguishing characteristics of the unorganized sector is that it is not normal in character. The formal or organized sectors, sources of credit, such as commercial banks and training institutions, virtually do not plan any role in the informal sector activity. The need of credit of enterprises operating in this sector is generally met through help from
relatives and friends, and personal savings. Most of the workers working in this sector are unskilled and trained while in the job. They are generally having low level of education which further prohibits them from approaching the formal or organized sector institution for education and technical training. Ease of entry, reliance on indigenous resources, family ownership of enterprises, small scale operations, labour intensive technologies, unregulated and competitive market structure are the other important characteristics of the informal sector or unorganized sector.

As a consequent of these constraints the unorganized sector enterprises generally find it difficult to grow into viable economic units. The capacity of such units to complete with organized sector enterprises remains low. In many cases they have no premises to operate from and use pavements, residential and non-commercial locations.

They operate small scale and hire very little wage labour. Moreover, the wage labour in this sector may comprise of women and child labour. The output being less sophisticated in design and quality is used mostly by the low and middle income class. The average earnings of workers in this sector tend to be smaller than that of similar workers in the organized sector.
The outstanding feature by which we can describe the unorganized sector is the receipts of the enterprise is quite small, the equipment used should be rudimentary, the number of workers in the enterprise very small, low labour productivity, the fact that the entrepreneur is not actively seeking more customers further, it can also be characterized by case of entry, reliance on indigenous resources, family ownership of enterprise, small scale of operation, labour intensive and adopted technology, skills acquired outside the formal or organized sector system and unregulated and competitive market.

a (ii) CHARACTERISTICS OF THE "INFORMAL SECTOR"

The ILO in its report has described the following characteristics of the informal sector.

It is easy to enter the informal sector as compared to formal sector in an economy as restriction e.g. legal, licensing etc. in the informal sector are almost non-existent. However, the informal sector has its own requirements, as far as entry is concerned, thereby placing certain limitations, such as, minimal amount of skills and capital. In certain activities pertaining to household there are no requirements. But other activities such as, marginal manufacturing activities, not only
skills but also capital is required. Since units operating in the informal sector are so large in number that these have to face intensive competition among themselves as well as with those of the formal sector. Thus, skill requirements have become very high for the survival.

Secondly, finance in the informal sector is mainly from personal and family resources. It is presumed that the requirement of finance is very low in the informal sector and hence it is met from personal and family resources. The reason for low finance is low volume or a small-scale of production.

Thirdly, low starting capital is required at the initial stage in the informal sector since it largely depends on labour-intensive techniques and skills. However, high level of capital borrowing takes place in the sector and thus it's gives the false impression that the capital required to enter the sector is low.

Fourthly, informal sector has been characterized by the use of labour intensive techniques. Most of the units in this sector use high component of labour than capital. It is however, alleged that researches have exaggerated this aspect so as to prove their expectations about employment creation in the informal sector.
Fifthly, informal sector relies on the non-formal sector such as apprenticeship and on the job training. All artisans in the handicraft sector have, for example, apprentices and provide on the job training. Similarly, workshops are also known for it.

Following is the set of characteristics of the informal sector.

(a) ease of entry;
(b) reliance on indigenous resources;
(c) family ownership of enterprises;
(d) small-scale of operations:
(e) labour-intensive and adopted technology:
(f) skills acquired outside the formal school system; and
(g) unregulated and competitive markets.

The characteristics given at (c), (d) and (g) need some elaboration since others have been explained in the preceding discussion. Informal sector mainly comprises of family enterprises as a means of self-employment. It naturally has a small-scale operation from which low production is deduced. Another distinct characteristic of the informal sector is that the sector is often regulated and discouraged by the government. It is free from the formalities such as
registration, licensing, inspection laws etc. since most of the units come under the category of family enterprises.

The informal sector is highly competitive mainly due to large number of operators producing or selling similar range of goods. These have intensive competition with the sector as well as with the established enterprises of the informal sector for their survival and success.

a (iii) NATURE OF ACTIVITIES IN UNORGANISED SECTOR

Unorganized sector activities may be discussed both in the context of developing country as well as a developed or an industrialized one. In the developing countries again it can be discussed in the context of urban area as well as rural area.

Whether it is urban or the rural area, children are engaged in good number in the informal or unorganized sector. They are engaged in a wide variety of occupations like domestic servants, hawkers, cooks, porters, cleaners, helpers in cycle repairing or scooter repairing, shops, waiters in hotel and restaurants, parking cars, selling newspaper and soft drinks and collecting empty bottles rag pickers etc.
Broadly speaking persons in the unorganized sector can be classified in 3 categories (a) child labour. (b) women workers. (c) adults and old people. Whatever may be their age or sex, the labour force engaged in the unorganized sector in most metropolitan and provincial towns in the developing countries may belong to the following types of economic activities-

(1) Self employed people.

(2) People employed as members of the family either manufacturing goods or providing services.

(3) People employed on occasional or intermittent basis.

(4) People employed on a clandestine or below the counter fashion which is performed outside the framework of law.

(5) Wage earners in mini enterprises.

(6) People employed in ambulant and itinerant work.

a (iv) NATURE AND COMPOSITION OF THE CHILD LABOUR FORCE:

In most of the studies made for informal sector or unorganized, it was found that children were engaged in many of the trader. Young people below 14 were particularly important in trade and other services like painting, mechanics,
welding, electrical repair panel beating etc. A study of informal sector in Calcutta it was found, like boot polishing, domestic servants, news paper hawkers, cycle repairing shops and small tea shops and road side restaurants.

a (v) **NATURE AND COMPOSITION OF CHILD LABOUR IN UNORGANIZED SECTOR**

In the context of the economic roles of children, another important dimension, which needs to be understood, is the implications of the growth of the informal sector, as the major chunk of child workers are found engaged in this sector. Ninety percent of India’s workers are in the informal sector. Of late there has been a great thrust towards the informal economy, which has led to an increase in child labour.

The term informal refers to an employment setting, which has the following feature:

- Casual nature of employment,
- Ignorance and illiteracy among workers,
- Small size of establishment with low capital investment per person employed,
- Scattered nature of establishment, and
- Superior strength of the employer operating singly or in combination.
The National Commission on Labour gave an illustrative list of workers in informal sector. These are: (i) Contact labour including construction workers; (ii) Casual labour; (iii) Labour employed in small-scale industry; (iv) Handloom/power loom; (v) Employees in shops and commercial establishment; (vi) Sweepers and scavengers; (vii) Workers in tanneries; (viii) Tribal Labour; and (ix) other unprotected labour. Most of these workers are without any trade unions and thus without protection against exploitation. In the absence of adequate legal restriction, child labour is widely prevalent in these industries.

The informal sector survives in a big way, with a considerable proportion of the labour force consisting of children. The labour Bureau of the Central Ministry of Labour conducted an inquiry on child labour in the early fifties which revealed that, in small and cottage industries, such as match manufacture, cashew-nut processing, beedi making, and carpet weaving employment of underage children either uncertified or having false age certificate continued. The actual hours of work were found to be in excess of the prescribed working hours under different enactments. The working conditions for children in the beedi and glass industries continued to remain deplorable.
Hence, metamorphosis of production system, disintegration of joint family system, stagnation in agriculture and proliferation of informal sector in Indian context provided sufficient scope for engagement of children in various activities. This is how emergence of child labour was made possible.

(b) FACTORS RESPONSIBLE FOR EMPLOYEMENT OF CHILDREN IN THE INFORMAL SECTOR:

(a) Absence of any statutory minimum age for employment.
(b) Easy entry.
(c) Less competition among job seekers.
(d) Absence of any minimum requirement of education training
(e) Easy nature of work
(f) Providing food, shelter and clothing in the city by the employer.
(g) Absence of any minimum wage requirement.
(h) Easy entry and easy exit

These factors enable the child labour to enter the informal or unorganized and when they like. Broadly speaking 4 types of children are found engaged in the informal sector.
(a) Children belonging to poor families undertaking jobs to supplement their parents' income.

(b) Children who have none to support them.

(c) Children who are sent to urban areas by their parents in rural areas for earning a living.

(d) Children who run away for their families.

For the organized sector there are labour legislations which lay down minimum age for employment. The factories Act 1948 clearly specifies that children who have not completed their fourteenth year of age cannot be employed in any factory. Further in the organized sector, entry is difficult and the competition among the job seekers is quite keen. Certain level of education and training for an entry in the organized sector become imperative. Since minimum wages have been statutorily laid down or prevailing wages are known, employers find it difficult to employ child labour at a reduced or a lower wage. All these factors restrict the entry of child labour in the informal sector and there is complete freedom of entry and exit. Informal sector attracts more child labour. Studies made of informal sector for some of the cities in India like Calcutta South Gujarat have shown that children
are one of the important constituents of informal sector labour force.

(C) EMPLOYMENT CONDITIONS OF CHILD LABOUR IN UNORGANISED SECTOR

Quite a large number of children are still engaged in hazardous industries a practice that has been banned under the Child Labour (Prohibition and Regulation) Act, 1986. No wonder, the UNICEF, in its 1997 "State of the World's Children Report has noted that the problem is nowhere greater than it is in India.

Where about 20 million children work in hazardous industries and 15 million work as bonded labourers. For them, the right to play, recreation, education and health simply do not apply (Uma Joshi, 1997).

Following are the occupations identified under Child Labour (Prohibition and Regulation) Act, 1986 as hazardous (Part-B) and the Act prohibits employment of children in such activities:

(1) Beedi making,
(2) Carpet weaving,
(3) Cement manufacturing, including bagging of cement,
(4) Cloth printing, dyeing and weaving,
(5) Manufacture of matches, explosives and fireworks,
(6) Mica-cutting and splitting.
(7) Shellac manufacture.
(8) Soap manufacture.
(9) Tanning.
(10) Wool-cleaning.
(11) Building and construction industry.
(12) Manufacture of slate pencils (including packing).
(13) Manufacture of products from agate,
(14) Manufacturing processes using toxic metals and substances such as lead, mercury, managanese, chromium, cadmium, benzene, pesticides and asbestos,
(15) Printing,
(16) Cashew and cashew nut desiccating and processing, and
(17) Soldering process in electronics industries.

(d) **CHILD LABOUR IN U.P. IN UNORGANIZED SECTOR**

Child labour is found more in unorganized sector rather than in organized sector, because in the organized sector number of laws prohibit employment of children. Inter state variation is the outcome of a very large magnitude with
Kerela reporting the lowest incidence and U.P. the highest increase of urban labour. Various example of child labour in unorganized section in U.P. are as follows-

In glass factories and carpet industries child labour suffers from immense pitiable condition. The glass factories of Firozabad in U.P. employ more than 60,000 children. These children work barefoot in a temperature of 14,000°C near the furnace. And in the carpet industry of Mirzapur, Bhadoi, Palamau, and Sarees industry of Varanasi, about 1,00,000 child labourers work from 12 to 16 hours at a stretch. The same Shabby story of innocent and helpless children exists in Moradabad brassware, bidi making unit in U.P. and lock industry of Aligarh. Same condition is at Pottery industry of Khurj, U.P.

(e) CHILD LABOUR IN KANPUR

A large majority of the poor children on street are working children. However the street boys outweigh the street girls in having same employment. The main occupation of the children are helpers followed by self employment, rag picking, service, domestic work, beggary, agent. All the working street children work in the house hold and hidden sector of informal economy. They do the unstable casual work for which they get poor wages and have no bargaining power. The kind of work
they do lies at the lowest ring of the occupational ladder. They work for which they get poor wages and have no bargaining power. They work under harsh conditions and handle work that is dirty and dangerous which normally people refuse to do. They work for full time even beyond the adult working hours, mostly, breathlessly, for they do not get rest time in proportion to the labour they put. They are exposed to work hazards in different ways depending on the kind of work handled.

Despite the hard labour and long hours of back breaking and breathless work the return is very meager. The income is low. barring parents, there is none to hang on for meeting their necessities.

The children nurture negative attitude towards employers, they fear or hate them, the relations are estranged. Where ever, there appears to be positive attitude that changes no sooner they are made aware of the ways they are exploited. They hurl abuses at employers for their maltreatment. The children feel that they are exploited by their employers which is close to reality.
(f) **MODE OF RECRUITMENT OF THE CHILD WORKERS IN UNORGANIZED SECTOR:**

**WHERE ARE CHILDREN EMPLOYED?**

Child Labour is all pervasive in the sense that it is employed in the organized and unorganized sector of the economy in any way or the other, particularly in developing countries. Although the use of child labour varies from place to place and activity to activity. Some sectors are infamous for the use and exploitation of child labour. It is possible to identify those niches where child have helped in such identification and now child labour is overwhelmingly employed? Various empirical studies have helped in such identification and now child labour has been classified under four heads. These are: (1) Industry and construction, (ii) Service trades, (iii) Domestic service, and (iv) Agriculture. Though the classification does not conform any standardized form, such as, traditional-modern sector, formal-informal sector, agricultural-industrial sector etc., yet it highlights the concentration of child labour. By activity, child labour in developing countries is largely used in agriculture, handicrafts, marginal economic activities like petty trading and services and small-scale industries forming the backbone on the informal sector.
INDUSTRY AND CONSTRUCTION

Child labour next to agriculture, is largely used in this sector which includes a large number of activities and marginal manufacturing units including cottage industries or handicrafts, light industries such as textiles and cloth, food processing and canning, confectionery, works like weaving, sewing, embroidery, shoes, toys, buttons, clothing, fire works and workshops, i.e. metal work, woodwork and leather work. The list is long, so are the activities for which child labour is hired.

What are specific reasons encouraging the use of child labour in these segments of an economy? Some of these may be stated as: informal nature of these sectors and activities, formal training is not required, labour intensive mode of production, unregulated activities, high demand for cheap labour, traditional suitability of child labour to certain works specially handicrafts and family ownership.

Traditional factors occupying an important place in various societies. In many developing countries there is tradition of child labour as an integral process of educating for life. Secondly, assistance of children in the family occupation. Thirdly, passing on family skills especially in handicrafts is also a tradition among artisans. Fourthly, caste
or community based professions, work engage family children as a social custom or tradition.

Another factor largely responsible for the use of child labour in these segments is family ownership of enterprises. These single owner units are the general outcome of self-employment and hence engage their children for assistance as employment of hired labour becomes burdensome. In such cases, child labour is unpaid, and motivating factor as authority or absolute power of parents over their children.

The system of on-the-job training and apprenticeship without remuneration or bare minimum payment also creates space for children in metal work, wood work, leather work and small manufacturing units. Children gain experience and skills while employers get helping hands without incurring expenditure. Child labour in such a system is exploited for many years and employers minimize their cost of production necessary for their survival or competition.

Certain crafts are considered suitable for children. Hand knotted carpet manufacturing is one of them. India, Pakistan, Nepal, Iran, Egypt and Morocco employed only children for the weaving of hand-knotted carpets one or the other time. Similarly, match and beedi (local cigarette) making are the other production activities in India, Pakistan and Nepal etc. where children are largely employed. Their
physique, temperament and attitude towards these activities are best suited to the profession or this is what the employees think. Gem Polishing in India is usually done by children. This attitude of employees that children are best suited to certain task promotes the use of child labour. Similar jobs such as packaging, pasting and labeling, i.e. where a monotonous pace is required, children are particularly useful for the employer.

In the construction industry, child workers are generally hired as casual labour on daily wage-rate or non contractual basis. It is usually hired by the sub-contractors on fixed wage-rate for a period. Hence, the involvement of middleman leads to greater exploitation of child labour. It is satisfactory to note that there is at least, no apprenticeship as it is in the light and cottage industries.

Large member of children work in this sector in all developing, and even some industrial countries. These can be divided into : (i) Children working in establishment such as shops, restaurants and hotels, garages and workshops providing services and (ii) Children working on streets selling various types of goods, known as vendors, ranging from news papers to household items. Infact, number of street children is very large and these are confined to urban centres.
(i) **DOMESTIC WORK**

Children in both rural and urban areas undertake non-productive, unpaid work for the maintenance of the household, thus allowing their parents to go out and work as wage labourers. Caring for younger siblings, cooking, cleaning, washing, fetching water, etc. are some of the tasks performed. Such work in India is done mainly by girls and this has at least three consequences. As they work full time, they are denied education; the largely non-productive character of the work reinforces their lower status in the eyes of even parents and this in turn results in the denial of equal treatment of matters of nutrition etc.

Male children are by and large engaged in productive work and seen as old age insurance by parents. In contrast to the female child who is perceived as a burden for a whom dowry has to be provided at marriage. The economic value of the male child is more directly perceived; even though the female child does some productive work, she is nevertheless seen as a burden.

(ii) **NON-DOMESTIC, NON-MONETARY WORK**

Rural children, particularly males, from the age about 5 or 6 are engaged in task for the family like looking after the cattle, grazing goats, collecting fodder and scaring away birds.
By the age of 9 or so, they are involved with full time agricultural work. Naturally such children are denied the opportunity of education and this severely limits their prospects for employment.

Whether it is in agriculture, on plantations or in cottage industry, children do a variety of jobs as part of family labour. Much of their work consists of running errands which indirectly increase adult productivity. In most of the handicraft sector, children can be found assisting their parents. Unlike in in the olden days when children learnt skills from their parents, today some children work as apprentices to artisans and are exploited as child labour under the guide of training.

Children doing non-domestic, non-monetary work are engaged either independently or as part of family labour. The latter situations occurs particularly with migrant families who have left the villages in desperation and moved to the cities. The children of migrants from a very large percentage of the non-domestic, non monetary child labour force. Malabika Patnaik’s study revealed that “as many as 80 percent of the children of migrants are workers. This is four times higher than the rate among the settled population”. Similar accounts are given by Khandekar and Sebastian.
(iii) **BONDED LABOUR**

Rural indebtedness is one of the most important causes of children labour in India. Almost 73 percent of child labourers are put to work by their own parents or guardians.

Children are bonded both in the rural agricultural and in the urban unorganized sector. While there are many definitions of bondage, for the purpose of this article I use the term of refer to the master-labourer relationship, the principal feature of which is the pledging of children against a loan or an agreement between the child and the employer whereby the child would work throughout its life in exchange of money or food.

(iv) **WAGE LABOUR**

Both in the rural agrarian and the urban organized and unorganized sectors, children also work as wage labourers. They are in great demand in road side restaurants or *dhabas*, as apprentices to artisans, as motor mechanics and are also employed as rag pickers, hawkers of goods, newspaper vendors etc. Children are often preferred to adults because the child can be paid a smaller wage for the same quantum of work that an adult does. In a study conducted in Calcutta, the Institute of Psychological and Educational Research surveyed approximately 2000 child workers. The study showed that the
child worker was paid about 10 percent of what an adult would get for the same job. The report revealed that:

The employer paying a child Rs. 10 to Rs. 20 admits that he would have to pay Rs. 100 to Rs. 150 if he had appointed an adult worker in his place. The difference between the rates of payment made to the child workers and those to the adult workers doing the same job is 10 times at the highest and 5 times at the lowest, the difference gradually being less and less and the nature becomes more and more skill based and the general rate of payment rises higher and (IPER. 1985:23)

(G) WAGES OF CHILD LABOUR IN UNORGANIZED SECTOR

Wages to children are paid by and large on a piece-rate basis (Iyengar, 1986). This puts a tremendous pressure on the child to work much faster than its strength permits. As a young girl told Vishwapriya Iyengar in Sivakasai, the speed which they had to fill frames left their hands trembling for several minutes afterwards.

What comes through loud and clearly in these cases that children are working in almost every sphere of economic life; they are exploited both by their parents and by the
employer and above all that the child is deprived. This deprivation is of two types one is related to the impact on its health because of the type of work itself as a result of the total environment to which he is exposed. The second concerns its educational status. The child working at an early age, full time, is unable to go to school is deprived of any opportunity for upward mobility and remains an unskilled worker all its life. We shall, therefore, go on to study the impact of work has on the health of the child and its education status.