A critical policy issue which is rapidly becoming a top priority for Governments all over the world is how to provide adequate social protection for the vast majority of the population engaged in unorganised sector activities. The case for social security arrangement for the unorganised sector workers has gained prominence during the last decade in India. Social security is important for reducing social and economic inequalities and for making direct contribution to the wellbeing of the poor workers. The issue before a developing country like India is to design effective social protection measure for the unorganised sector which would serve as a guarantee against poverty and at the same time provide adequate employment opportunities. But social security for unorganised sector labourers remains to be a relatively neglected area in terms of both research and policy in the country. There is a need to document and analyse the concepts, problems, policies and effectiveness of the programmes relating to social security of the unorganised workers in the state of Assam, in particular, and the country as a whole.

**Concept of Unorganised Sector and Unorganised Workers**

Even though the term unorganised sector has been widely used during the past decade in the country, yet its definition still remains its ambiguous character and still suffers from lack of precision. However, to draw specific connotation of the term, we analyse below some concepts.
The Central Statistical Organisation (CSO) states that the unorganised sector comprises of all those unincorporated enterprises and household industries (other than organised ones) which are not regulated by any legislation and which do not maintain annual accounts or balance sheets [CSO, 1980]. According to this concept, 90 per cent of the Indian workforce is employed in the unorganised sector [Banarjee, 1988]. Further, as per CSO the unorganised workers include agricultural labourers, share croppers, small or marginal farmers engaged in agricultural operations and also workers from other allied occupations such as forestry, hunting, fishing etc. The unorganised workforce employed in the industrial sector comprises of rural and urban artisans, homebased workers and self-employed persons in household industries. The concept as given by CSO can not be said to be conclusive.

The National Commission on Labour (NCL) in India, [1969], also tried to distinguish between the workers of the organised and unorganised sectors so that effective protection might be given to the workers in the later category. The Commission submitted that the unorganised labourers can not be identified by a definition but would be described as those workers who have not been able to organise the pursuit of a common objective because of constraints such as the casual nature of employment, ignorance and illiteracy, small size of establishment in view of number of persons employed, scattered nature of establishment and the superior strength of the employer operating singly or in combination.

However, their classification retains partly organised and partly unorganised characteristics, while approaching because of absence of
clear insight into the terms. On the basis of this concept the Labour Bureau, Chandigarh identified more than 40 unorganised occupations mostly rural based for the purpose of studying the wages and working conditions of the workers.

The International Labour Organisation [ILO, 1999], uses the term informal sector in place of unorganised sector. ILO's definition of informal sector is not specific but descriptive of informal sector characterised by small scale of operation, family ownership, reliance on indigenous resources, labour intensive and adoptive technology. Its definition is very much controversial since one will be in an embarrassed position to identify the industries by application of this criteria. The other problem with applying such multiple criteria is that all of these could be found in units pursuing different objectives.

The 15th International Conference of Labour Statistics (ICLS) held in January, 1993, at Geneva adopted a resolution on informal sector statistics which was subsequently endorsed by the UN Statistical Commission in February, 1993. The national accountants in India have basically attempted to cover the whole economy as per the United Nations System of National Accounts (SNA). The UN SNA [1993] characterises the informal sector as consisting of units engaged in the production of goods or services with the primary objective of generating employment and income for the persons concerned. They form part of the household sector as unincorporated enterprises owned by the households. They are distinguished from corporations and quasi-corporations on the basis of their legal status and the type of
accounts they keep. These household enterprises do not have a legal status independently of the household members owning them. The concept as given by ICLS was mainly used for the purpose of data collection regarding informal workers. This definition of the informal sector is mainly based on legal approach to the economic enterprise. It is imaginable from the above definition that informal employers and employees with own account workers and unpaid family helpers came under the purview of informal sector workers. For all practical purposes the National Accounts Statistics (NAS), Government of India follows that enterprises that do not belong to the public (government) sector or private corporate sector within the meaning of Company’s Act, 1956 and co-operatives and manufacturing units registered under the Indian Factories Act, 1948 or Bidi and Cigar Workers’ Act 1966 and recognised educational institutions form the informal sector.

Considering the above definitions, the unorganised sector workers can be identified by two methods - (a) self-employed approach and (b) worker-based approach.

The self-employed approach signifies that the owner himself is the worker who runs his own business in the informal sector at the household level using family labour. He is in non-wage employment that includes own account workers i.e. independent workers and dependent workers or home workers.

Under worker-based approach the self-employed may hire few labourers who are his employees. Thus the workers are in wage-employment condition, whose pay and benefit do not confirm to existing labour
regulations. Under the later approach are also included independent wage workers attached to more than one employer for example masons, carpenters, porters, chowkiders and maid servants.

Considering the above concepts together with the Annual Report of Ministry of Labour [1986], the unorganised sector (and therefore, the unorganised sector workers) include the following -

Cultivators, agricultural labourers, rural workers engaged in animal husbandry including dairy, sheep and goat keeping; rural workers engaged in other cottage and village industries including sericulture, weavers/workers-engaged in carpet manufacturing; rural artisans/ master craftsman, fishermen, workers engaged in the collection of raw hides and skins flaying and tanning and leather workers; workers-engaged in the collection of tendu leaf; bidi workers, workers engaged in brick-kilns; workers engaged in stone quarries; workers engaged in fireclay and lime; building and construction workers; workers engaged in preparation of forest coupes, making of trees in forests, felling of timber, loading and unloading operations relating to timber in the forest; workers engaged in khansari units, saw mills, oil mills etc.; and salt workers. Domestic workers, toddy- tappers, snake catchers, entertainers, washermen, barbers, rickshaw pullers, cart pullers and sales persons employed by the registered shops may also be included in the category of unorganised sector workers.

In the study, unorganised workers mean those workers who are engaged in informal sector enterprises which include farm and non-farm units.
Agricultural Labourers: Its Concept

The Report of Census of India, [1991], defines agricultural labourer as a person who works in another person's land for wages in money, kind or share. He or she has no risk in the cultivation but he/she merely works on another person's land for wages. An agricultural labourer has no right of lease or contract of land on which he/she works. It is stated in the above report that a person can be classified as a cultivator or as an agricultural labourer only on the basis of the crops grown. The crops grown include cereal and millet crops, pulses, oil seeds and cash crops.

A person owning land and grows the above crops there on is a cultivator, and the person whom he hires to work on this typical crop field is an agricultural labourer.

The agricultural labourers may be divided into four types - (i) landless labourers who are attached to the landlords, (ii) landless labourers who are personally independent but who work exclusively for others, (iii) petty farmers with tiny bits of land who devote most of their time work for others and (iv) farmers who have economic holdings but who have one or more of their sons and dependents working for other prosperous farmers [Dutt, 1998].

The first group of agricultural labourers is known as bonded labour and the second group falls into the category of landless agricultural labourers.
Concept of Social Security

The term social security came into general use only after 1935, when United States passed the Social Security Act. Then the issue occupied important place in the Atlantic Charter of 1941. The concept of social security has since spread rapidly and it has now been widely accepted through the world.

Social security is a programme of protection provided by society against the contingencies of human life such as sickness, unemployment, old age, dependency, industrial accident and invalidism which the individual can not be expected to protect himself and his family by his own ability [Watkinson, 1949].

Initially the ILO took narrower view of social security limiting its applicability to contingencies of the formal sector employment [ILO, 1942]. But later on it reviewed its earlier notion. And now social security is viewed as the protection furnished by the society to its members through a series of public measures against the economic and social distress caused due to inadequate earnings or substantial reduction or stoppage of earning resulting from sickness, maternity, employment injury including occupational diseases, unemployment including absence of employment and underemployment, invalidity, destitution, social disability and backwardness, old age and death and further to provide health care including preventive measures [ILO, 1997].

The above view led to considerable degree of questioning in developing countries of the relevance of social security development for the poor.
Macpherson [1987] and more recently Hirtz [1992], have been critical of the impact of the ILO convention No. 102 for drawing too much attention to social security as a means rather than an end of public social protection intervention. The ILO convention not only emphasises means over ends in general but also leads to consideration of only certain ends specifically those relating to the objectives of social insurance rather than social assistance arrangements. Therefore, Ahmad et. al. [1991], defines it as “social security is viewed neither exclusively in terms of means, nor exclusively in terms of objectives. Broadly speaking our concern is with the direct role that public action can play in reducing human deprivation and eliminating vulnerability in developing countries”. The focus is on the use of a class of means i.e. a series of public action to pursue a category of objectives broadly the reduction of deprivation and vulnerability. According to Dreze and Sen [1991], the basic idea of social security is to use social means to prevent deprivation and vulnerability to deprivation.

NCL broadens the idea of social security adding that “social security envisages that the members of the community shall be protected by collective action against social risks causing undue hardship and deprivation to individuals whose private resources can seldom be adequate to meet them. The concept of social security is based on ideals of human dignity and social justice. The underlying idea behind social security measures is that a citizen who has contributed or likely to contribute to his country’s welfare should be given protection against certain hazards.” [NCL, 1969].
The social security may consist of two forms — protectional social security and promotional social security. The former is concerned with the task of preventing a decline in living standard in general and in the basic condition of living in particular. It is a safety net measure that guarantees relief from deprivation. The later refers to the enhancement of normal living conditions and to the expansion of basic capabilities of the population and will primarily have to be seen as a long term challenge. It aims at improving endowments, exchange entitlement, real income, social consumption and seeks more directly to avert deprivation in specific ways. The Indian social security system resembles these two characteristics.

**Social Insurance**

It is a publicly sponsored and compulsory insurance system under the cover of law with defined benefits financed by contribution from employers and employees. Sometimes Government subsidies also make up for the needed contribution. However, law may make enabling rather than compulsory provision for people to join insurance schemes voluntarily. Non-employee persons can also join such a system by paying contribution. The principle of social insurance is grounded in spreading risk and sharing financial cost on a non-profit basis. Contributions are accumulated in special fund out of which benefits are paid to those meeting the qualifying conditions. Benefits flow in the form of pensions or other compensations depending on the nature of the contingencies covered. With its many variations in form, social insurance can partly or wholly cover most of the contingencies as discussed earlier.
with benefit entitlement to those who are insured. Such insurance scheme largely covers the workers in the organised sector. Therefore, a careful study is essential to examine how best these schemes can be extended for the benefits of the poor workers in the unorganised sector of the country.

**Social Assistance**

It is a system of social security, which is financed from general revenue rather than from individual contribution. Such assistance may cover a number of contingencies stated earlier. Benefits payable under the social assistance schemes are very often planned with the ultimate aim of bringing the total income of a person or a family upto a certain minimum level. However, it is observed that the state is utilising its general revenue fund for financing social assistance programmes without applying a means test for particular groups of people such as pension to the aged, the invalid, the orphan and the widows as well as free medical care for all.

**Social Security in India and Assam**

The Constitution of India obliges the state to ensure effective social security measures for the working people of the country, which is evident from the Directive Principles of State Policy. The relevant provisions of the constitution on the point are stated in Table : 1.1. The state has yet been to achieve its constitutional obligations in true spirit of the term particularly to the working population in the unorganised sector of the state of Assam as well as the country as a whole.
On the force of the foregoing constitutional provision the Central Government has made legislation to certain areas of social security issues as shown in Table : 1.2. The Government of Assam as well has made a few enabling acts in some areas over which the centre did not have legislation [Table : 1.2]. It is discernible from the table that the state has initiated both protective and promotional social security measures in the country. But it is quite disheartening to note that the coverage of the social security legislation is conditioned by the earnings of the workers and the type of the establishment including minimum number of workers which the unorganised sector enterprises can hardly fulfil.

**Scope and Objective of the Study**

Around 12 per cent of the workers of Assam (as against 10 per cent of India), which are in the organised sector are covered by social security measures such as sickness benefit, old age benefit and medical benefit etc. For the rest of the 88 per cent (as against 90 per cent of India) of the workers of the unorganised sector of the state, however, there are hardly any such protective social security scheme as propounded by the Government. The workers in the unorganised sector are given social security benefits only through promotional schemes. In an era when more and more workers are getting absorbed into unorganised sector year after year, it should be the paramount importance of the Government and public agencies that adequate social protection measures are evolved out in order to make these workers more productive and efficient. The study is an attempt in this direction.
There is a scope to extend the facilities available under the Worker's Compensation Act, 1923, for the benefit of the unorganised sector workers provided the Government makes suitable notifications of it. The study aims at reshaping the social security legislation for the greater benefit of the unorganised sector workers with respect to conditions of coverage.

The problem of agricultural labourers in Assam and in the district of Kamrup in particular appears to be the most serious problem in the rural areas. The average days work per year by men and women of agricultural labour household is gradually declining over the years and in fact the wage earning of the agricultural labourers is too inadequate to provide them a minimum standard of living. This indeed produces an adverse effect on their access to food and health security. Therefore the predominant objective of the study is how best be improved their living conditions.

The poor unorganised workers including the agricultural labourers of Kamrup district are almost denied social security benefits in the field of public distribution of food, health, employment and superannuation provisions leaving them to live in uncertain horrors. The case for public action in the field requires to go beyond the negative diagnosis of what is not there, to the positive identification of what can, in fact be achieved through a programme of social security. The study strives to investigate what problems are, why some special actions are needed, what forms such special actions should take in general to devise effective security measures for the workers in the unorganised sector which would serve as...
a guarantee against poverty and adequate employment opportunity. The specific objectives of the study are summarised as follows:

1. To provide an overview of the performance in terms of social security and issues relating to concepts, policies, finance and effectiveness of social security for unorganised workers.

2. To analyse the socio-economic conditions such as living standard, incomes, quality of life and deprivation of the workers in the unorganised sector particularly the agricultural labourers of Kamrup district and how best to provide adequate social protection for the vast majority of the workers engaged in the unorganised sector activities so as to reduce the unjustified inequalities between the organised and unorganised workers prevailing over social security arrangement.

3. To examine measures undertaken by the Government to help this poor working class.

4. To analyse the problems of financing the social security programmes for the unorganised sector.

5. To suggest measures to ensure adequate level of social security for the unorganised labourers.

The unorganised sector workers may broadly be classified into three main categories, namely viz. - (i) Agricultural sector workers - cultivators and agricultural labourers, (ii) Industrial workers - workers in household industries and construction, and (iii) Unorganised service sector workers-those who are engaged in trade, commerce, transport,
storage, shops and communication. Therefore, due to vastness of unorganised sector the purview of our study will be limited only to agricultural labourers of Kamrup district. Due to same reason, however, we have given emphasis on artisans, transport workers and construction workers wherever necessary.

The study in general encompasses the period commencing from April 1, 1991 and ending on March 31, 2000. Where, however, data and information, before 1991 and after 2000 are available and found relevant for our study they will be provided at appropriate place.

**Hypothesis**

The study has been built up on the following hypotheses which are tested in appropriate chapters -

1. There has been a widening gap in the access to social security between the organised and unorganised sectors.

2. The widespread poverty amongst the agricultural labourers is mainly due to lack of employment and secured wage income.

3. The unorganised sector workers have not been successful in obtaining social security benefits due to lack of their bargaining strength.

4. The Government is apathetic towards the welfare of the unorganised sector workers.

5. Most of the employer organisations barring a few progressive ones, have treated social security as a charity and hence have
taken it as a burden imposed upon them by the state. They have spared themselves no opportunity to escape this burden.

6. The social security programmes in Assam have suffered from inadequate finance. The different measures of social security could not be successfully implemented since they lacked adequate financial support.

Methodology

The study is based on both primary and secondary data. The primary data are collected from the respondents of Kamrup district on the basis of cluster sampling method. The sample of 300 agricultural labourers representing 10 development blocks out of 17 development blocks of the district. The ten blocks are selected on the basis of economic development criteria such as crop area, cropping pattern, backwardness, caste composition and development of agricultural market centre. The size of sub-sample collected from each of the above blocks is 10 per cent i.e. 30 respondents per block. The respondents within the jurisdiction of a block are selected from 2 villages of each block considering sex, landholding, monthly wage income and literacy level. The data for the study were collected by interviewing selected respondents with the help of a pre-tested questionnaire. Wherever necessary we had also made specific field survey for collecting data relevant to transport workers, construction workers and artisans at block level.
The secondary data are collected from CMIE, Directorate of Economics and Statistics, Directorate of Food and Civil Supplies, Directorate of Social Welfare and Probation etc. The Government published reports and other relevant sources are also taken care of. The data so collected are processed and statistical analysis is drawn for drawing valid conclusion.

### Table 1.1

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<tr>
<td>1</td>
<td>23(1)</td>
<td>Prohibition of forced labour</td>
<td>Traffic in human beings and begar and other similar form of forced labour are prohibited and any contravention of this provision shall be an offence punishable in accordance with law</td>
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<td>2</td>
<td>24</td>
<td>Prohibition of employment of children</td>
<td>No child below the age of fourteen year shall be employed to work in any factory or mine or engaged in any other hazardous employment.</td>
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<td>3</td>
<td>38(1) &amp; (2)</td>
<td>State to secure social order for the promotion of welfare of the people</td>
<td>The state shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social, economic and political, shall inform all the institutions of the national life.</td>
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</table>
| 4 | 39(a), (d), (e) & (f) | Principles of policy to be followed in governance | The state shall, in particular direct its policy towards securing -
(a) that the citizens, men and women equally have the right to an adequate means of livelihood
(b) that there is equal pay for equal work for both men and women
(c) that the health and strength of workers, men and women, and the tenderage of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength.
(f) that children are given opportunities and facilities to develop in healthy manner and in conditions of freedom and dignity and that youth are protected against exploitation and against moral and material abandonment. |

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<td>5</td>
<td>41</td>
<td>Right to public assistance</td>
<td>The state shall, within the limits of its economic capacity and development make effective provision for securing the right to work, to education and to public assistance in case of unemployment, old age, sickness &amp; disablement and in other cases of undeserved want</td>
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<tr>
<td>6</td>
<td>42</td>
<td>State to secure just and human condition of work and maternity relief</td>
<td>The state shall make provision for securing just and human conditions of work and for maternity relief.</td>
</tr>
<tr>
<td>7</td>
<td>43</td>
<td>State to secure living wage etc.</td>
<td>The state shall endeavour to secure, by suitable legislation or economic organisation or in any other way, to all workers agricultural, industrial or otherwise, work a living wage, conditions of work ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities and, in particular, that state shall endeavour to promote cottage industries on an individual or co-operative basis in rural areas</td>
</tr>
<tr>
<td>8</td>
<td>46</td>
<td>Promotion of economic interest of the weaker section</td>
<td>The state shall promote, . . . . . . economic interest of the weaker sections of the people, and, in particular of the scheduled castes and the scheduled tribes, and shall protect them from social injustice and all form of exploitation</td>
</tr>
<tr>
<td>9</td>
<td>47</td>
<td>Duty of the state to raise the standard of living</td>
<td>The state shall regard the raising of the level of nutrition and standard of living of its people and the improvement of the public health as among its primary duties.</td>
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</table>

Source: Constitution of India, Government of India.
Table: 1.2

Social Security Legislation in India and Assam, by Conditions of Coverage and Source of Fund

<table>
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<tr>
<th>Sl. No.</th>
<th>Legislation</th>
<th>Administration</th>
<th>Conditions of Coverage</th>
<th>Source of Fund</th>
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<tbody>
<tr>
<td>1</td>
<td>The Workmen’s Compensation Act, 1923</td>
<td>Administered by the State Government</td>
<td>At present, no wage limit for coverage of workers</td>
<td>Compensations are paid from employer’s revenue.</td>
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<td></td>
<td></td>
<td>Covers all employees where remuneration does not exceed Rs. 3,000/- P. M. (w.e.f. 1.4.92)</td>
<td>Contribution from both employer and employees.</td>
</tr>
<tr>
<td>2</td>
<td>The Employees’ State Insurance Act, 1948.</td>
<td>ESI Corporation, an autonomous body</td>
<td>Applies to all persons irrespective of their pay. The bonus schemes apply to all employees in the coalmines whose monthly basic earning do not exceed Rs. 730</td>
<td>As regard the P. F. Scheme, both employer and employees contribute. Bonus is paid entirely by the employer.</td>
</tr>
<tr>
<td>3</td>
<td>The Coal Mines Provident Fund and Bonus Schemes Act, 1948</td>
<td>A Tripartite Board of Trustees consisting of representatives of employer, Central and State Governments</td>
<td>Applies to all coal mines both in the public and private sectors. The Bonus Scheme is also applicable to all coal mines except those in the State of Jammu and Kashmir.</td>
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<tr>
<td>4</td>
<td>The Employees’ Provident Fund and Misc. Provisions Act, 1952</td>
<td>Tripartite Board of Trustees</td>
<td>Wage limit is now Rs. 3,500/- P. M.</td>
<td>Contribution from both employer and employees.</td>
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<td>5.</td>
<td>The Maternity Benefit Act, 1961</td>
<td>Factory Inspectorate for factories, Coal Mines welfare officer for coal mines, Director General, Mines safety for other mines</td>
<td>No wage limit for coverage</td>
<td>- Applies to women employed in factories, mines and other establishments as may be specified Excludes those covered by the E.S.I. Act., 1948.</td>
<td>Benefits are paid out from employer’s revenue.</td>
</tr>
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<td>6.</td>
<td>The Employees’ Family Pension Scheme, 1971</td>
<td>Tripartite Board of Trustees</td>
<td>No wage limit but regular employment</td>
<td>• Applicable to all the employees who become members of the Employees Provident Fund Scheme. • Factories, mines, plantation, shop and establishments employing 10 or more persons.</td>
<td>• Contribution from both employer and employees.</td>
</tr>
<tr>
<td>7.</td>
<td>Payment of Gratuity Act, 1972</td>
<td>Appropriate Government</td>
<td>Workers drawing Rs. 3,500/- or less including d. a. (w.e.f. 1.12.92)</td>
<td>• Seamen employed as member of the crew of a ship but excluding certain categories of officers • Employees of Tea Plantation in Assam.</td>
<td>• Both employer and employees contribute.</td>
</tr>
<tr>
<td>8.</td>
<td>The Seamen’s Provident Fund Act, 1966</td>
<td>Tripartite Board of Trustees</td>
<td>No wage limit but regular employment</td>
<td>• Factory, mines or plantations having an average daily employed of 50 or more where the work done is not of an intermittent or seasonal character.</td>
<td>• Statutory obligation is paid out from employer’s revenue.</td>
</tr>
<tr>
<td>9.</td>
<td>The Assam Tea Plantation Provident Fund Act, 1955</td>
<td>Tripartite Board of Trustees</td>
<td>Exclude those whose total emoluments exceed Rs. 500/- per month</td>
<td>- Statutory obligation is paid out from employer’s revenue.</td>
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<td>10.</td>
<td>Industrial Dispute Act, 1947</td>
<td>Appropriate Government</td>
<td>No wage limit</td>
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</table>

Notes: 1. The States of Assam, Andhra Pradesh, Uttar Pradesh, Kerela, West Bengal, Tamil Nadu, Punjab, Rajasthan, Karnataka, Haryana have introduced old age pension schemes. These schemes do not limit themselves to the workers but are open to all.
2. In addition, the following Acts also provide for certain types of social security benefits:
   (i) The Motor Vehicle Act: Invalidity and Survivors' Benefit
   (ii) The Public Liability Act: Same as (i)
   (iii) Railway Passengers Act: Same as (i)
   (iv) Welfare Funds/Acts enacted by the Central Government (for bidi workers, building and other construction workers and cine workers)

References


