



**THE ROLE OF THE UNORGANIZED SECTOR IN INDIA'S DEVELOPMENT
IN THE 21ST CENTURY**

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Abstract :

The country's economy is booming with the growth of industrial production as well as skilled employment opportunities. Efficient use of the country's labor force is important for rapid economic development. Due to the growing number of industries, trade, services, etc., the economy has started providing decent employment to the people. Therefore, the importance of manufacturing and employment opportunities created by industry in the country's economy is increasing, but in this context, focusing on the developed industries and industrial development in India, we see that pre-independence industrial development and post-independence industrial development are two divisions. During the pre-independence and post-independence period, we see two main trends in the country, namely agriculture and industry. Of these, mainly agrarian society and other industry-oriented societies are of special importance for the Indian economy. Today, in India, as in other countries, in the broader process of industrialization, we see the development of an agrarian society instead of an agrarian society. The country is witnessing a surge in research trends in new technologies, as well as in Make in India. That is why due to the development of industry-oriented society, we get to see the proportion of employment generating sectors differently. In it get to see a wide variety of mainly organized as well as unorganized sectors.

Key words: *Organized and unorganized sector, women workers in unorganized sector, formal and informal sector population.*

Research Method:

The subject matter is structured using various research reports, research materials, etc. to obtain information through a secondary method, taking into account the issue of workers in the unorganized sector in order to obtain information under the present research study.

Introduction:

It is generally accepted that adequate employment opportunities and their quality are crucial for the global economy. Although India has been called an agricultural country since independence, the development of the industrial system as well as the service sector is seen as a need of the hour as compared to other countries. Despite having the second largest population in the country, India's economic growth continues to be boosted by its youth and especially its qualitatively-efficient population. However, there are two challenges for India. One is employment opportunities and the other is qualification of workers. Unemployment is on the rise along with education in the country and

it has intensified in recent times. People migrate from their place of residence to other developed cities or towns in search of employment. Proper employment is essential for the survival of a person's family as well as society. So, this kind of employment can be seen elsewhere whether it is a job or self-employment but the depreciation can be seen only by the common man. The unorganized sector starts here as people start looking for suitable employment and eventually turn to self-employment. India's most employed population is in the unorganized sector.

Meaning:

According to the definition presented by the National Commission for Enterprises in the Unorganized Sector (NCEUS, 2004), all unregistered private entities which are owned by individuals and are associated with the production and sale of certain goods or services. Such an area is known as an unorganized sector if less workers are working. The Indian National Account Statistics for those who are not given any concessions, protections and other benefits

by the term "unorganized sector" was used. It is also known internationally as the informal sector. India is a country with an abundant labor force. The people of the country are choosing many kinds of jobs for their livelihood.

This sector is known as the "unorganized sector" as the informal sector accounts for a large share of the total labor organization in India and other developing nations.

Objectives of the Study :

1. Obtaining information on employment in the formal and informal sectors in the unorganized sector.
2. To study the situation of women workers in the unorganized sector.
3. To study the facilities provided to the workers working in the unorganized sector.

Assumptions:

1. Estimating the number of workers in the unorganized sector in India.
2. Obtaining social protection and health information for workers.
3. To study the position of women in the unorganized sector.

Unorganized labor market in India:

The Indian labor market is mainly divided into two types. In which 92% people get informal employment and 10% people get formal employment. During the period of independence and during the first five-year plan, the focus was on industrialization, capital-intensive industries

and the policy was formulated keeping in view the labor-intensive sector, handicrafts, small and medium enterprises were not developed among the workers and hence the workers started getting employment in the unorganized sector. The share of the unorganized sector in the total employment was 92.2 percent in 1977-78 and increased to 92.7 percent in 1993-94. Therefore, before the beginning of liberalization and globalization in India, the number of unorganized workers was very high.

The most important comparison here can be made in the organized and unorganized sector. Areas that are registered and also comply with government regulations. If there are employees and staff unions in the firm, it is called an organized area. Employees of Railways, Insurance, Banks, etc. in India. The unorganized sector of the economy consists of small sectors of domestic production and industry. These areas are largely out of the control of the government. This sector requires less manpower and less investment. This includes small and marginal farmers, retailers, foot laborers, etc. The National Unorganized Sector Industry Commission (NCEUS) defines the informal / unorganized sector as a private enterprise owned by an individual or a family. The informal sector, which sells and manufactures goods and services on an ownership or partnership basis, has fewer than 10 workers.

proportion of informal and formal employment in organized and unorganized sector

1999-2000			
	Organized	Unorganized	Total
Formal	33.7 (62.3)	1.4 (0.41)	35 (8.8)
Informal	20.5 (37.9)	341.3 (99.6)	361.7 (91.2)
Total	54.1 (13.6)	342.6 (86.3)	395.8 (100)
2004 – 2005			
Formal	32.06 (52)	1.35 (0.3)	33.41 (7.30)
Informal	29.54 (48)	396.66 (99.7)	426.2 (92.7)
Total	61.61 (13)	398.01 (87)	459.61 (100)
2011 – 2012			
Formal	37.18 (45.4)	1.39 (0.4)	38.56 (8.1)
Informal	44.74 (54.6)	390.92 (99.6)	435.66 (91.9)
Total	81.92 (17.3)	392.31 (82.7)	474.23 (100)

Source: NSSO - Unemployment Survey: 1999 - 2000, 2004 - 05, 2011 - 12.

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Organized or unorganized sector of any form Informal employment in 1999-2000 It has increased from 91.2 percent to 92.7 per cent in 2004-05. Only in 2011-12, it was reduced to 91.9 percent. The last four decades have seen India lag behind in low annual rates. This has led to structural changes in the agricultural labor market, and hence a large number of agricultural laborers have turned to the service sector.

The proportion of workers in the organized and unorganized sector in India:

According to the NCEUS 2007 report, out of 458 million workers in the organized and

unorganized sector in India, the number of agricultural workers is 259 million or 56.6 percent, while the number of non-agricultural workers is 199.4 million. Similarly, out of 458 million workers, the number of male workers is 310 million which is more than 67.7 percent, while the total number of female workers is 148 million or 32.3 percent.

Employment in Organized and Unorganized Sector

India: Total employment in India is divided into organized and unorganized sectors and the employment ratio is shown in the table below.

Percentage of workers in organized and unorganized sector

Year	Unorganized sector	Organized sector	Total
Unorganized sector			
1999-2000	93.6	6.5	100 (362.75)
2004-05	91.3	6.9	100 (422.61)
2009-10	91.2	8.8	100 (423.17)
2018-19	93.8	6.2	100 (362.52)
Organized sector			
1999-2000	94.7	5.3	100 (33.64)
2004-05	95.9	4.1	100 (34.85)
2009-10	95.5	4.5	100 (37.25)
2018-19	95.2	4.3	100(35.62)
Total Workers			
1999-2000	86.2	13.8	100(396.39)
2004-05	86.3	13.7	100(457.47)
2009-10	84.2	15.8	100(460.42)
2018-19	87.4	12.6	100(448.52)

Source: NCEUS, 2009,2015, Economic Survey: 2018-19.

From the above table it can be seen that in 1999-2000 and 2004-05 the total employment in the organized sector was around 14% and in 2009-10 and 2018-19 it increased to 16%. Thus, according to the Economic Survey 2018-19, 84% of the workers are found in the unorganized sector who do not get any protection or social protection.

Status of Women Workers:

About 70% of India's estimated 1.3 billion people live in rural areas and only 40 to 45% of the population is working class. The most important reason is that the division of labor is based on caste, religion, etc. As a result, there is a problem of migration among the women belonging to different groups and differences in pay are observed. According to various surveys in the unorganized sector, the proportion of women workers in the total workforce in the country is 24 to 30 per cent. And there is a huge gap between the socio-economic workers, the different states as well as the urban and rural

areas. Women from an integral part of the Indian workforce. According to the information provided by the office of Registrar General & Census Commissioner of India, as per Census 2011 the total number of female workers in India is 149.8 million and female workers in rural and urban areas are 121.8 and 28.0 million respectively. In so far as the organized sector is concerned, in March, 2011 women workers constituted 20.5 percent of total employment in organized sector in the country which is higher by 0.1 percent as compared to the preceding year. Similarly, in the unorganized sector too, the proportion of female workers is increasing along with that of male workers. According to a report by the International Labor Organization "*Women and Work - 2016*", the pay gap between male and female workers in India is 26 percent.

Schemes:

Special laws have been framed for the workers of different jobs in the unorganized sector as well as in the organized sector. The purpose of

the 1996 Act was to regulate welfare measures for workers, including fair and equal income, working conditions, basic necessities at work, protection and health facilities, etc. The Social Protection of Unorganized Workers Act, 2008 was enacted to provide social security and welfare benefits to unorganized workers. Apart from that, the National Health Insurance Scheme was implemented in 2008 as a welfare benefit. This is to cover the health expenses of the workers in the unorganized sector. The purpose behind it was. The scheme covers various categories of unorganized workers like construction and construction law, street vendors, MGNREGA workers, local workers, rickshaw pullers, garbage weavers, beedi workers, cleaners etc. Self-employed people have moved away from this system, they need new types of organizations and representation, to strengthen collective bargaining power in a location-based system, and more importantly, education and new skills so that this new working class in India is new to the labor market. Can face reality better. Various schemes have been launched to provide full benefits of social security cover to unorganized sector workers. As in the case of Atal Pension Scheme, which provides a minimum of Rs. 1000 pension. Many such schemes are specially implemented for the working class. Labor laws and the benefits derived from them do not reach these workers even today. The following points need to be taken into consideration.

- 1.The government should take special measures for the economic upliftment of the workers working in the unorganized sector.
- 2 Other Businesses - It is necessary to plan a planned program for permanent employment of skilled workers in industry contractors and government contractors.
3. For unorganized sector workers, if there is an organization operating at the state or local level, the skilled workers should be registered from time to time and the workplace should be inspected every half year or year. It should also provide information about government schemes.
- 4.As the work of women in the unorganized sector is unsafe and hazardous, they should be provided adequate protection.
5. Efforts should be made at the local level to inform the workers about the various schemes implemented by the government for the workers from time to time.

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