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# STUDY ON PROBLEMS AND PROSPECTS OF UNORGANIZED SECTOR WORKERS IN COIMBATORE DISTRICT

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#### **ABSTRACT**

Unorganized sector plays a vital role in the development of an Indian economy. The workers in the unorganized sector constitute about 93% of the total work force in the country. Workers belonging to this sector have less job security, poorer chances for growth, Vulnerable to diseases and No leave or paid holidays. It is doubtless to say that majorities of them live under below poverty line and fails to fulfil their basic requirements. The researcher concentrated on various problems faced by unorganized sector workers for their daily needs and how they are facing problems in the work place. For this purpose, primary data was collected from 90 respondents. Data was tabulated and analysed with the help of statistical tools to achieve the objectives of the study.

Keywords: Unorganized sector workers, Problems, Social security

## INTRODUCTION

The Indian economy is characterized by the existence of a vast majority of informal or unorganized labour employment. The increase of workforce in the unorganized sector has become a significant feature of Indian economy. The Ministry of Labour, Government of India has categorized the unorganized labour force into four groups based on the occupation, nature of employment, especially distressed categories and service categories.

Firstly, the occupational unorganized labourers are those labourers who are engaged in agricultural activities as small, marginal farmers, fishermen, beedi rolling, labelling, packing, animal husbandry, building and construction workers, leather workers, etc.; secondly, the unorganized labourers in terms of nature of employment are those labourers who are attached as agricultural labourers, bonded labourers, migrant

workers, contract and casual labourers; thirdly, the unorganized labourers in terms of especially distressed categories are those labourers who are toddy tappers, scavengers, carriers of loads by head, drivers of animal vehicles, persons engaged in load and unload activities come under this category and fourthly, the unorganized labourers in terms of service categories are those labourers who are midwives, domestic workers, fishermen and women, barbers, vegetable and fruit vendors, and newspaper vendors come under this category

The unorganized workers, work in a very unhygienic and overcrowded condition where there is no adequate sanitation and water facility in their working areas. They live in a very congested room. The nature of employment of unorganized workers is temporary. Their job is instable, casual and scattered. They do not get stable and permanent employment opportunity. Most of them are not aware about their occupational hazardous. They do not have the knowledge of high risk of factory's dust, toxic chemical, lauded sound generated from obsolete machine. They work in extreme temperature and cold which adversely affects on their health.

### The Unorganized Worker's Social Security Act, 2008

The Government of India has enacted the Unorganized Workers' Social Security Act, 2008 in order to promote social security measures for the unorganized workers. This Act is exclusively designed for the unorganized workers to take up measures for unorganized workers relating to the matters covering life and disability, health and maternity benefits, old age protection and any other benefits determined by the central government. The act has various social security schemes for the unorganized workers like The Atal Pension Yojana (APY), The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), The Pradhan Mantri Suraksha Bima Yojana (PMSBY), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

#### STATEMENT OF PROBLEM

The unorganized workers are the less protected workers than the organized sectors. They become the ultimate victim of ill-treatment, exploitation and deprivation. They are not paid equally for their equal works especially the women and child workers which they cannot complain. They cannot claim remuneration for their overtime duty and even cannot claim the benefits of paid holiday and paid leave. Poor economic background compels them to remain as unorganized workers. This study tries to identify the various problems faced by unorganised sector workers.

#### **OBJECTIVES OF THE STUDY:**

- 1. To know the socio-economic status of unorganised sector workers
- 2. To identify the problems faced by unorganized workers.
- 3. To suggest the recommendations for uplift the status of unorganized workers

#### **REVIEW OF LITERATURE:**

Shams Mukhtar (2021)<sup>1</sup> Conduct a study on Health hazard and occupational safety challenges for Unorganized sector workers in India, pointed out that Unorganized sector employees get very less returns of their work and they work in worst physical environment. They are highly sensible for insecurity in employment and are not getting socio-economic protection against the hazard in health, work and life.

MallaReddy(2021)<sup>2</sup> suggested that Central, State Govt., Authorities concerned should undertake suitable steps to establish modern training centre to provide quality training to improve skills of the workers and to address infrastructural issues.

Dhananjov Biswas(2020)<sup>3</sup> conduct a study on Problems of Unorganized Workers and their Social Security Measures in India: An Analysis, stated that the unorganized workers are the most vulnerable and insecure section of the society despite of their tremendous contribution to Indian economy. He is also pointed out that majority of unorganized workers live under below poverty line and fails to fulfil their basic requirements. The unorganized workers are not adequately protected by the labour laws. They are exploited by the by the middlemen, contractors and employers. They work in unhygienic condition and get less attention from the labour and trade unions.

Mookiah(2018)<sup>4</sup> conduct a study on Problems and Prospects of Unorganized Workers In Tamil Nadu, pointed out that the government can take proper steps to improve the unorganised sectors through wage reforms, implementing new methods for agriculture, adopted rural development programmes, fixed the hours of work and strictly enacted labour laws it improves the status of unorganized workers in Tamil Nadu.

#### RESEARCH METHODOLOGY

**Primary Data**: Primary data conducted from unorganized sector workers through an interview schedule.

Secondary Data: The various secondary information sources used for the present research include the journals and magazines and websites.

Tools used for Data Analysis: The data collected was analysed through percentages, frequencies and Chi-Square tests are applied for the analysis of data.

**Period of the study:** The study was conducted during August 2022 – November 2022

**Area of the study:** The study is undertaken in Coimbatore district.

Sampling Design: The study covers selected Unorganized sector workers. In this study convenient random sampling technique has been used to collect the data from 90 respondents.

#### LIMITATIONS OF THE STUDY

- 1. Respondents may be hesitant to provide the necessary information
- 2. Only 90 respondents were selected for sampling
- 3. Data is collected only from Coimbatore District

#### **HYPOTHESIS TESTING**

- 1. There is no significant relationship between Gender and problems faced by Unorganized sector workers
- 2. There is no significant relationship between Age and problems faced by unorganized sector workers

#### ANALYSIS AND FINDINGS:

**Table 1: Demographic profile of the respondents** 

Demographics		No. of Respondents	Percentage (%)
Gender	Male	59	65.56
	Female	31	24.44
Age in years	18-25	21	23.33
	26-40	35	38.89
	41-50	28	31.11
	Above 50 Years	6	6.67
Marital Status	Married	57	63.33
	Unmarried	33	36.67
Area of Living	Urban	62	68.89
	Rural	28	31.11
Educational	No Formal	11	12.22
Qualification	Education		
	Primary	27	30.00
	Middle	19	21.11
	Secondary	18	20.00
	Higher Secondary	15	16.67
Family Monthly	5,000 - 10,000	12	13.33
Income	10,000 -15,000	36	40.00
	15,000 -20,000	27	30.00
	Above 20,000	15	16.67
No. of Members in	2	7	7.78
family	3	12	13.33
	4	29	32.22
	Above 4	42	46.67

**Source: Primary Data** 

Table 1 clearly states that demographic profile of the sample respondents. It reveals that Male respondents are higher than female respondents. Most of respondents falls in the age group of 26 - 40 and married. Primary level education qualifications are high as compared to other education groups. Most of the respondent's family monthly income is between Rs.10,000-Rs.15,000. Majority of the respondent's family have more than 4 members.

Table 2: Problems and Challenges faced by Unorganized sector workers

S.No.	Problems	Frequently	Rarely	Never
1	Low wages	72 (80%)	17 (18.89%)	1 (1.11%)
2	Ignorance of Occupational safety	56 (62.22%)	29 (32.22 %)	5 (5.56%)
3	Insecurity in job	58 (64.44%)	30 (33.33%)	2 (2.22%)
4	Exploitation	68 (75.56%)	19 (21.11%)	3 (3.33%)
5	Seasonal Employment	39 (43.33%)	37 (41.11%)	14 (15.55%)
6	Excess Working hours	71(78.89%)	15 (16.67%)	4 (4.44%)
7	Lack of Health security	74 (82.22%)	13 (14.44%)	3 (3.33%)
8	Poor Working Environment	57 (63.33%)	29 (32.22%)	4 (4.44%)
9	Poor Employer and Employee Relationship	69 (76.67%)	19 (21.11%)	2 (2.22%)
10	Lack of Social security measures	59 (65.56%)	29 (32.22%)	2 (2.22%)
11	Vulnerable to diseases	62 (68.89%)	19 (21.11%)	9 (10%)
12	Sexual harassment	12 (13.33%)	63 (70%)	15 (16.67%)

**Source: Primary Data** 

Table 2 clearly shows that various problems faced by unorganized sector workers. Majority of the respondents facing the problems of lack of health security, doing excess working hours and getting low wages for their work.

#### **CHI-SQUARE TEST**

#### **Null Hypothesis 1**

There is no significant relationship between Gender and problems faced by unorganized sector workers

Chi-square value =32.69

Table value =27.12

Significant level =5%

Result: Thus, the  $\chi^2$  value is higher than the table value we reject the hypothesis. Therefore, there is a significant relationship between Gender and problems faced by unorganised sector workers

#### **Null Hypothesis 2**

There is no significant relationship between age and problems faced by Unorganized sector workers

Chi-square value = 37.43

Table value = 29.74

Significant level = 5%

Result: Thus, the χ2 value is higher than the table value we reject the hypothesis. Therefore, there is a significant relationship between Age and problems faced by unorganised sector workers.

**Exhibit 1: Problems and Challenges faced by Unorganized Sector Workers** 

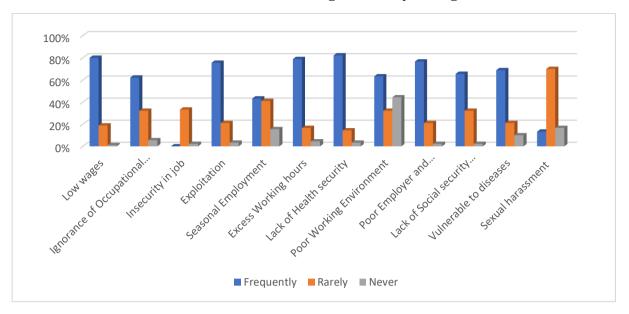
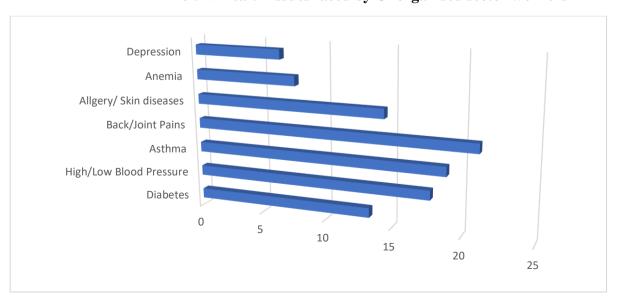


Table 3: Health Issues faced by Unorganised Sector Workers

S.No.	Health Issues	No. of Respondents	Percentage(%)
1	Diabetes	12	13.33
2	High/Low Blood Pressure	16	17.77
3	Asthma	17	18.89
4	Back/Joint Pains	19	21.11
5	Allgery/ Skin diseases	13	14.44
6	Anemia	7	7.78
7	Depression	6	6.67

**Source: Primary Data** 

Exhibit 2: Health Issues faced by Unorganised sector workers



#### **SUGGESTIONS**

Central and State government offer various insurance and benefit schemes to unorganised sector workers but Lack of awareness among them are the reason of not enrolment in the various schemes offered by government. Therefore, the officials of central and state government should start awareness program and campaign for the unorganized sector employees to make them feel and be healthy.

#### **CONCLUSIONS & RECOMMONDATIONS**

Unorganized sector employees get very less returns of their work and they work in worst physical environment. For old age protection to unorganised sector workers including traders, shopkeepers and selfemployed persons, the Government has launched two flagship schemes namely Pradhan Mantri Shram Yogi Maan- Dhan Yojana and National Pension scheme for traders. Under the schemes beneficiaries are entitled to receive minimum monthly assured pension of Rs.3,000 after attaining the age of 60 years.

Therefore, researcher recommend the local authority, Government, National Social Security Board, NGOs and all other stakeholders to come forward to help them for their upliftment. Government may conduct various training programs to disseminate the information regarding the scheme to the potential and eligible population.

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