

**CONSULTATION ON SOCIO-ECONOMIC CONDITION OF  
UNORGANISED LABOURERS IN ORISSA**

**Date : 13<sup>th</sup> March,2008      Venue : Utkalmani Sabha Kakshya,BBSR**

***Organised By: Vinoba Seva Pratisthan(VSP)***

**AGENDA**

<b>TIME/ DURATION</b>	<b>SUBJECT</b>	<b>RESPONSIBLE PERSON</b>	<b>REMARKS</b>
9.30-10.00am	Registration		
10.00-10.15am	Inauguration	Guests	
10.15-10.30am	Ideas/Objectives of the consultation	Manoj Jena Secy, VSP	
10.30-11.00am	Guests Speech	Mr BB Panda, IAS(Retd) Er Lalitmohan Pattnaik Mr Dharendra Panda Mr Debiprasad Prusty	
11.00-11.15am	Orissa scenario of unorganized labourers	Mrs Sashiprava Bindhani	
11.15-11.30am	Related laws regarding Social security	Mr Mahendra Padhi LWS(I)	
11.30-11.45am	Unorganized workers social security Bill-2007	Mr Mahendra Parida Convenor, Orissa Shramajibi Sanghathan	
11.45-12.30pm	Experience sharing/Open house discussion	Mr Gouranga Mohapatra Orissa Bhoodan Yagna Samiti, Bhubaneswar	
12.30-1.15pm	Group recommendations & Future action	Ms Nirjharini Rath KRS Campaign	
1.15-1.25pm	Formation of a networking among action groups	Mr Bhabani Parija Facilitator	
1.25-1.30pm	Vote of thanks	Mr. Bikram Swain Coordinator	

The Constitution of India provides Fundamental Rights under Chapter III. These rights are guaranteed by the constitution. One of these rights is provided under article 21 which reads as follows :-

**Article 21. Protection Of Life And Personal Liberty:** No person shall be deprived of his life or personal liberty except according to procedure established by law.

Though the phraseology of Article 21 starts with negative word but the word No has been used in relation to the word deprived. The object of the fundamental right under Article 21 is to prevent encroachment upon personal liberty and deprivation of life except according to procedure established by law. It clearly means that this fundamental right has been provided against state only. If an act of private individual amounts to encroachment upon the personal liberty or deprivation of life of other person. Such violation would not fall under the parameters set for the Article 21. In such a case the remedy for aggrieved person would be either under Article 226 of the constitution or under general law. But, where an act of private individual supported by the state infringes the personal liberty or life of another person, the act will certainly come under the ambit of Article 21. Article 21 of the Constitution deals with prevention of encroachment upon personal liberty or deprivation of life of a person. This Article also defined the right to life including food, clothing, house, water, forest, land, employment, environment and all which is being necessary for a person to live properly with a good amount of dignity. Today we civil society is penetrating this right to life in every phase of life. We are here together to find the way out from the Un-organized labourers related pros and cons in this 21<sup>st</sup> century.

The programme started very informal way with inaugural speech by Mr. Manoj Jena, secretary, VSP. Mr. Jena invited the hon'ble guests on the dice.

Mr. Manoj Jena emphasized the whole unorganized sector of India and Orissa with the present available data's. Where India's workforce comprises nearly 92 per cent in the un-organised segment, with the entire farm sector falling under the informal category, while only one-fifth of the non-farm workers are found in the organized segment. Estimates suggest that in the non-farm sectors, as we move up the income ladder, the share of the informal sector gradually declines. However, as far as the agricultural sector is concerned, irrespective of economic class, the share of the unorganized workforce remains flat. Further analysis reveals that the coverage of social security schemes has been extremely sparse among the economically and socially vulnerable sections. Over half of India's national output comes from the unorganized sector. While employment in the formal sector has been stagnant in the last decade, employment creation in the informal segment of the economy has been tremendous. Out of 399 million workers in 1999-2000, it is estimated that 371.2 million workers (nearly 93 per cent) are employed in the unorganized segment of the economy whereas only 27.8 million workers (7 per cent) are engaged in the organized sector.

We have given fewer priorities to unorganized sector where a socio-economic condition is going poor to poorer. Everybody aware about their situation but state of mind, politically non-willingness and modernization became the obstructed their sustainability. This forum is specially meant for a huge section of victim's labourer, whom by created us either directly or indirectly. More than half a population is living below poverty line where marginalized and special categories are belonging. They are poor, no food security, no land, no drinking water, no education, no health facilities and no sustainability and etc. It is the right time to think about this section with a better policy and programme.

First of all we should segregate who are in organized and who are in unorganized labourers. Then can only we put whom to defined structure. We have to think about those sector whose are not defined till yet those are in like BPOs, IT, and NGOs personnel, are which sector belonging

.As we know the agricultural labourer are in unorganized sector. Because of non-availability of time and co-partner is main cause to unorganized.

Today we are sitting near about 70 persons in this hall and we must have seen so many times in Rasulgarh square, Crown Hotel, Old Town, Acharya Vihar, Jayadev Vihar, Kalpana, Baramunda of Bhubaneswar city, Orissa, thousand of persons sitting in different NH side, daily morning for the work as a labour. Sometime they are getting work and sometimes not. Think about their kitchen, where there is no fire in day or two. NSSO 61 says Rs.7.00 earning is a big thing for them who are belonging these sectors. Talking about the nutritional food, health and education are still dream for them. There is no way to sustain except to migrate to other state for their livelihood. If the head of the family member is to migrate the others futures are only to searching next option to live.

Implementation of NREGA by UPA govt is encouraging the sector to avoid the migration and sustainability for long years. But how far it will help, only time will say. Our concern should be very practical and genuine that their sustainability and dignity first and foremost priorities. We also think about how to link them to mainstream for their better and secured future.

We have seen the nos of policy, programmes in India as well as in Orissa. But after some days we heard the corruption practices and scams relating the programme is very common in

**Mr Debi Prasad Prusty**, a member of Food Corporation of India (FCI) from Orissa delivered his worries that this unorganized sector giving the entire life to us in the terms of labour for making a building, schools, colleges, health infrastructure for the name of development against without their future security. Most of all the workers in Mines, Crushers, Bidi Shramiks, Migrated labourers , are belonging the unorganized sector. This sector does not have a social security as well as financial security for their belonging. We are adopted the FIVE Star culture where this unorganized labourers are become more and more in the name of modernization. We have to raised our voice to protect them and their future and also strengthen their voice to live with proper dignity.

**Mr.Mahendra Padhi**, Field Coordinator of Lutheran World Service (India) expressed that those farmers having the 2-5 acres of land to serve their family, now they are became the labourers because of faulty policies and schemes. One quintal of Paddy's cost is Rs.300.00. where the actual cost is Rs. 330.00.So the farmer suicide become very popular news in every news paper is obvious. We are active in new plan, programmes and schemes but we are very poor to implement them in grassroots level. Now a days traditional business are going to be close because of the attitude of modernization .These group are now new comer to entering in this unorganized sector .For them we should think properly with some value add packages with new skill building. In this context we can give one example of the govt programme called Mission-Shakti, where numbers of women getting empowered through this process. In India the term social security is generally used in its broadest sense, it may consist of all types of measures preventive, promotional and protective as the case may be. The measures may be statutory, public or private. The term encompasses social insurance, social assistance, social protection, social safety net and other steps involved. There are number of models of providing social security to the workers in the unorganised sector. These may be classified as under:

- Centrally funded social assistance programmes.
- Social insurance scheme.
- Social assistance through welfare funds of Central and State Governments, and
- Public initiatives.

The centrally funded social assistance programmes include the employment oriented poverty alleviation programmes such as Swarnjayanti Gram Swarajgar Yojana, Jawahar Gram Samridhi Yojana, Employment Assurance Scheme. National Social Assistance Programme (NSAP) comprising old age pension, family benefit and maternity benefits to address the social security needs of the people below poverty line.

The social insurance schemes include several schemes launched by the Central and the State Governments for the benefit of weaker sections through the Life Insurance Corporation of India and General Insurance Corporation of India. There are schemes for the employees of shops and commercial establishments and other weaker sections. 'Janshree Bima Yojana Yojana' is a group insurance scheme and covers natural/accidental death, partial or total permanent disability due to accident and the people below poverty line and marginally above are eligible to join the Scheme. Another group insurance scheme for the agriculture landless labour, 'Krishi Shramik Samajik Suraksha Yojana-2001' launched in July, 2001 provides for pension and insurance besides providing money back. The contribution of the beneficiary is Re.1 per day while the Government contributes Rs. 2/- per day.

In this regard the examination of employees' provident fund. Employees' provident fund is one of the largely available social security instruments in India for workers. It is estimated that roughly four crore workers are presently covered by this instrument. The latest round of the 61<sup>st</sup> round of National Sample Survey (NSS) collected information regarding the coverage of provident fund among workers (specific data was obtained as to whether the workers were covered by provident fund or not and if yes, whether they are covered under (i) general provident fund; (ii) contributory provident fund; (iii) public provident fund; and (iv) combination of GPF, CPF, PPF). So it is a good sign towards the development of the workers security. But the question is, the awareness among the workers regarding the schemes must have spread by time to time.

As an outcome, the Government had approved the 'Unorganised Sector Workers' Social Security Scheme' which has been launched on pilot basis in 50 districts in the year 2004. The Scheme envisages to provide three basic necessities to the workers in the unorganised sector (i) old-age pension, (ii) personal accidental insurance and (iii) medical insurance. The scheme is available for the workers drawing pay/wages/income not more than Rs. 6500/- p.m. The details of the benefits are as under:

(i) Pension Scheme: A minimum pension @ Rs.500/- per month at the age of 60 years or permanent/total disablement and family pension in case of the death of the workers with a provision for enhanced or reduced pension based on the contribution;

(ii) Personal Accidental Insurance: The accidental insurance cover of Rs. one lakh; and

(iii) Medical Insurance: Coverage under the Universal Health Insurance Scheme (UHIS) for a family of five including member. The Scheme provides for reimbursement of hospitalisation expenses up to Rs. 30,000/- in a year and in case of member is hospitalised due to accident/illness, a compensation of Rs. 50/- per day upto a maximum of 15 days after initial period of three days and also coverage of death of the worker due to accident (Rs. 25,000/-).

To avail benefits under all these scheme, there is a single contribution @ Rs. 50/- p.m. from the workers joining the scheme in the age group of 18-35 years and Rs. 100/- p.m. from the workers in the age group of 36-50 years. The contribution from the employers wherever identifiable in both the categories is @ Rs. 100/- p.m. Government's contribution is @ 1.16% of

the monthly wages of the workers (Presently @ Rs. 250/- per annum per worker) based on the national minimum floor level wage as notified by the central Government from time to time.

The Scheme is being implemented through the Employees Provident Fund Organisation (EPFO) having around 260 offices in the country and which will provide single window service to the workers for all the three components of the Scheme. As far as practical and feasible the infrastructure of the Employees State Insurance Corporation (ESIC) will be used to provide benefits under UHIS. The Workers Facilitation Centres are being set up to assist the workers and liaison with other agencies like State labour machinery and also the Panchayati Raj Institutions, Self-Help Groups and NGOs, etc. for smooth implementation of the Scheme.

I am of the firm opinion, that these measures will go a long way in improving the living and working conditions of the poor workers in the unorganized sector and inculcate the feeling of self-esteem, dignity and security.

**Er. Lalit Mohan Pattnaik**, who led the NALCO Movement explain, Industrial revolution is the hole responsible for increasing the numbers persons in unorganized sector. In ancient India, in each and every village having one Bhagabat Tungi for the purpose the day to day activities of the common mass. It was also acted a village resource center for the growing activities of outer world. Now it was seen very rare in our rural India. Hardly some of the scheme likes IAY, BPL, and PDS known by rural people now days. So we have to think on that line where action must be very clear and full of strategic. Only Bidi, Cented stick and daily market giving the scope to common mass became the organized.

**Mrs. Sashiprava Bindhani**, a renowned women activist expressed her views in this context, a poor person can raise his voice, which must be look after by us. A poor man needs a food, cloth and shelter , its universal truth but now we should add land, livelihood, a better health, education , water, & sanitation to survive like a human being. These sector people always living in worst and dirty place where facilities are not available, and poor health condition is increase day by day. So we have to ensure their rights through their voice .We have to think properly, the proposed bill should be passed by proper manner with better amendment. For that we have to work fast and may join our hands together for the common cause.

**Mr. Mahendra Parida**, State Convenor of Orissa Shramajibi Sanghatan says, According to National Commission of labour 1969, the workers as wage labourers is worked for more than a half of the total working time in agriculture. According 2001 census, there re about 10.7 crore agricultural labourers in our country. They are extremely vulnerable to exploitation on account of their low level literacy, awareness, persistent social backwardness and absence of unionism or viable people's organization. There are some variations in agricultural labourers, in one side some landless agriculture labourers and other side small cultivators are available, where some permanent and casual labourers are working. Here also we find some cultivators, some share croppers and some lease holder. If we think [properly in Unorganized Labourers, here we find one is Asset less poor on the other hand skill less poor. If we see closely the whole gigantic task is the segregation and their skill up to the mark must be essential for their improvement. For their development Govt has some special scheme to regulate their skill by implementing in various manners. Those are like IRDP, DWCRA, TRYSEM, SITRA, SGSY, FFW, NREP, RLEGP, JRY, EAS, SGRY, and NREGS.

He also expressed his worries being a social worker he has always trying and convinced the Govt for better implementation of the programme. But some of the reasons he found is very less impact of Govt Programme. Implementation of Programme was not effective to organize this sector. Income generation schemes provided to the poor families did not match with their capacity; hence the beneficiaries were not able to sustain them. Lack of supporting infrastructures and market facilities is also a reason to increase the number of labourers of this sector. Inadequate investment on the beneficiaries in two decade is also to think. Poor participation of people in related programme and policies is also adding this situation to be miserable. Corrupt practices in identifying, selecting and funding the beneficiaries is the first and for most reason behind the failure of the schemes and programmes. He defined some of the laws related to this field. Those are given below for better understandings .Legislative Measures taken by Govt through various policies and Laws relating to the labourers are;

1. Minimum Wages Act.1948
2. Workmen Compensation Act 1923
3. Bonded Labour System abolition Act 1976
4. Contract Labour (Regulation & Abolition) Act 1970
5. Inter State Migrant Workmen Act 1979
6. Building and other construction workers Act 1996

He cites some of the examples where the informal sector provides income-earning opportunities for a larger number of workers. In India, there is large magnitude of workforce getting their livelihood from the informal sector. The enactment of legislations and other measures to bring them under the regulatory and social protection instruments will adversely affect the existing mechanism prevailing in the informal sector as it would lead to market imperfections creating hurdles in the smooth functioning of the market led economy. Besides, it requires huge infrastructural and institutional arrangements involving financial implications beyond the capacity of the Government in the changing scenario all over the world. The Government has to play a role of facilitator and promoter so that the workers employed in the informal sector are able to get requisite level of protection and security to have decent work environment enabling them to express their skills fully and according to their capabilities necessary for enhancing the competitiveness of their outputs and thereby raising their income and socio-economic status.

About 370 million workers constituting 92% of the total workforce in a country were employed in the unorganized sector as per NSS Survey 1999-2000. It plays a vital role in terms of providing employment opportunity to large segment of the working force in the country and contributes to the national product significantly. The contribution of the unorganised sector to the net domestic product and its share in the total NDP at current prices has been over 60%. In the matter of savings the share of household sector in the total gross domestic saving mainly unorganised sector is about three fourth. Thus unorganised sector has a crucial role in our economy in terms of employment and its contribution to the National Domestic Product, savings and capital formation.

Last two decades we have been trying to get thing very clear to promote this bill for unorganized labourers. But we are unable to establish the National Agricultural welfare Board in Orissa .Rather Maharastra, Tamilnadu, AP, MP, Karnataka, Rajastan establish Board for their development. The segregation of unorganised labourers is most important to put them in mainstream of the development.10,000 Snake catchers are in Bhubaneswar, Orissa .But Govt had failed to identify them from which group till date. The matter now is in sub-judices. 3 lacks NGOs personnel's are working in Social Sector. Their future and social security is also a big question to all of them. The NSSO 61<sup>st</sup> round says almost 77% of this sector are not getting Rs.20.00. In Rourkela Rs.9.00 is also a big matter for them to earn besides Rourkela still Plant.

The EPF money of labourers nearly Rs.40, 000.00 crores are not spending till yet, because of non- availability of claimant. Like wise Maternity Benefit Scheme should be necessary to evaluate for transparency in its implementation. Now some private Institutions are more enthusiastic to take over the social security (Insurance) programme for the benefit of these sector reforms. So this is the right time to think about the proposed bill to be passed and need to address some more section with amendment.

**Mr. Dhiren Panda**, The Director of Basundhara , told to august gathered this is a new concept to work on unorganised labourers. I am never attended this type of forum prior to this .As per my concern only 7% of the total workers working in organized sector in India. These days corporate farming is growing industry where double crop will be the first priorities. Then this agriculture sector will going to be organized. 11<sup>th</sup> five year plan is very encouraging towards the agriculture sector. So we can hope better investment in agriculture labourers in near future. Basundhara made one study where 30 lacks peoples migrated from Orissa in every year. In the name of the development Industry, Mining, Displacement and migration is growing fast for the devastating the human world to become miserable. So we civil society can make change this scenario by putting their voice to right based approach. Please do some thing about Rs.40,000.00 crores where there is no claimants. This can be easily invested for their benefit.

**Mr. B. B. Panda, Retd IAS** expressed his views regarding the situation about in Orissa and in India. This sector is unable to get Rs.8.00 for spending day to day life expenditures. Day by day unemployment is increasing in rural as well s in Urban. By 2020 71.65 unemployment will increase and unorganised labourers are become doubled due to new technologies and modernizations. The skill development is very much necessary for the reduction of this sector.

## **Recommendations:**

- Scheme related on Unorganized labourer
- Social Audit
- Oriya translation of Bill
- Right information in Right Time
- Proper knowledge sharing
- Gender perspectives of unorganized sector
- Awareness creation among the trade union
- Implementation on National Agricultural Board
- Segregation from organized to unorganised labourer
- Proper registration of Migration labourer
- Strategy building for policy review and analysis
- Formulation a Core committee
- Representation from every sector like Trade union, NGOs, BPOs, Its, Contractors and etc
- Representation from Grassroot level to state level
- Representation from MLAs, MPS, and Policy maker
- Existing Govt Employees
- Labour and employment dept

## **Core Group:**

1. P.K.Mohapatra
2. Bhabani Parija
3. Mahendra Parida, Orissa Sramajibi Sanghathan
4. Dharendra Panda, Basundhara
5. Prasant Paikray
6. Debiprasad Prusty
7. Sashiprava Bindhani
8. Bharath Bhusana Thakur,
9. Avinash
10. Prativa Aapa
11. Mahendra Padhi, LWS(I)
12. subrata Khetriya (World Vision India)
13. Sanjay , NYK
14. Gouranga Mohapatra, Orissa Bhoodan Yagna Samiti
15. Nirjharini Rath, KRS Campaign