

**Organisations Working for the
Unorganised Labour
- the Case of Mumbai**

by
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Foreword

The workers engaged in the Unorganised Sector constitute almost 92 per cent of India's total workforce. They are also the major contributors to the gross domestic product (GDP) of the country. However, it is this section of the workforce which remains out of the focus of government policies and programmes. Various studies have indicated that for them the provisions of various State and Central legislations remain no more than a piece of paper. As a result, they are not only deprived of legitimate dues accruable to them under the law but are also exposed to various forms of exploitation. The problems faced by the workers in the unorganised sector have however become more visible in the post liberalisation period. Consequently, one observes an increasing desire by the social partners to focus their developmental activities towards this segment of the Indian workforce.

It was in this background that the Friedrich-Ebert-Stiftung [FES] decided to support a proposal by Dr. S. K. G. Sundaram to undertake a study/survey on organisations working in Mumbai's unorganised sector. A draft report of the study was, subsequently, presented and discussed in a workshop held in February 2000 at the campus of the S.N.D.T. University, Mumbai, Maharashtra. The participants to the workshop included representatives of labour organisations and NGOs active in Mumbai's unorganised sector along with faculty, researchers and students of the S. N. D. T. University.

The Study concludes that of the numerous forms of labour organisations functional in Mumbai's unorganised sector, trade unions are the most effective. The study subsequently drafts the manner by which interests of the workers in the unorganised sector could be addressed. Dr. S. K. G. Sundaram, a Professor of Economics at the S.N.D.T. University and for long actively involved in the issues relating to unorganised sector, has undertaken the study.

The Friedrich-Ebert-Stiftung [Friedrich Ebert Foundation] is a German non-profit private research and educational institution committed to the concept and basic values of "social democracy". Its wide ranging activities in the field of education and assistance to partners in the developing countries include, amongst others, comprehensive projects in the areas of social development, labour relations, business, science and culture. In associating with the study and its subsequent publication, FES aims at enhancing the understanding of the situation so as to initiate effective and efficient interactions among the social partners.

November 2000

Manfred Haack
Resident Representative
Friedrich Ebert Stiftung
New Delhi

Preface

India's development will never be complete and meaningful until its vast unorganised labour are provided with gainful livelihood opportunities that would enable them to enjoy a decent standard of living. They not only constitute valuable productive assets but are also citizens entitled to the benefits of development. Unfortunately, in India such workers, who together number over 350 million, lead a poor life and are able to get, if at all, a very low quality of employment.

Can we solve this gigantic problem of providing this vast unorganised labour with decent employment opportunities and reasonable social security for their lives? To answer this question necessitates a study on the present condition of such workers, their problems and the alternative mechanisms that can be developed to solve their problems. Such studies, to begin with, should be in the nature of a sample study conducted within a limited but typical geographical area. Mumbai has been a cradle and the pioneer of the labour movement in India and is India's living, dynamic, commercial capital. Mumbai has significant number of, both 'labour aristocracy' and 'poor unorganised labour' who are engaged in a wide variety of occupations, industries and businesses.

It was therefore felt that a research study of labour organisations working for unorganised labour in Mumbai would be a useful contribution. The study intends to throw some light on the problems of mobilising, organising and bringing economic betterment to the vast unorganised labour. Such a study could not have materialised had it not been for the valuable support

In recent times there has also emerged a significant unorganised labour sector, often referred to as the informal sector, in the developed countries. A major section of the informal sector comprises of minorities and immigrants. This section of labour force suffers from “low productivity-low wage” syndrome due to its lower levels of literacy and skills, poorer organisation, and social and economic backwardness. Their living and working conditions are however far better than those of the unorganised labour in developing countries.

Labour in Developing Countries

Developing countries in general are characterised by a dualistic labour market. In fact there are several layers of labour market in these countries. The dualism is represented by the existence of a vast unorganised labour force getting practically no social security benefits along with a small organised labour force enjoying a much higher level of wages and social security benefits. The unorganised labour comprises of significant sections of petty cultivators, agricultural labourers, contract labour, bonded labour, women workers, child labour and the self employed.

Concept and Significance of Unorganised Labour

Several concepts are used to categorise Indian labour force. Broadly two categories are predominantly used. These are—the “organised labour” and the “unorganised labour”. The latter is also referred to as the informal sector, a term popular with the International Labour Organisation (ILO). The concepts of organised and unorganised labour must be distinguished from the overlapping concepts of organised and unorganised sectors of the economy.

The term “Organised Sector” covers all public sector enterprises including government and semi-government organisations. It also covers those private sector establishments where employment per unit is ten or more persons—all those establishments coming within the purview of the Factory Act. The ‘Unorganised Sector’ covers all the rest, mainly all unincorporated enterprises and household industries (not covered under organised sector) which are not regulated by any legislation and which do not maintain formal financial records like the ‘balance-sheet’ and ‘profit and loss statements’. Important economic features of the unorganised sector include the low level of technology used, demand and supply confined to local markets and small production catering to the needs of usually poorer sections of the society.

The term unorganised labour is also used in the context of employment, regulation and protection of labour. The unorganised labour covers wage labour, self-employed and casual labour in the entire economy. Their earnings are very low. They are either unorganised or poorly organised and do not enjoy any social security protection. It is in this sense it is stated that over 90 per cent of labour force in India is unorganised. The distinction between organised and unorganised labour in India is easier because of the glaring differences between the two.

The unorganised labour here refers to that section of labour force, including the self-employed and owners of petty businesses, which is unorganised or is in the process of being organised. The unorganised labour market is similar to the informal sector. It refers to that section of labour force that does not enjoy the benefits available to the organised labour but which is being mobilised for its economic betterment. The focus here is

therefore on the labour organisations that mobilise this section of labour force.

The unorganised sector in developing countries is a product of the developmental process experienced by these economies. The main difficulty arises because of the nature and composition of this sector and the heterogeneity found in it. One can define it in any of the several criteria like employment, ownership of units, activities undertaken by the units, unorganised nature, and applicability of labour laws and investment. In view of the vastness of this sector, it is often suggested that one should go in for a 'qualitative rather than a quantitative definition'. In other words, the 'definition should be location, situation and purpose specific'.

Its unorganised nature has made it extremely difficult, if not impossible to delineate the specific problems faced by this sector on the one hand and the formulation of policies on the other. In framing and implementing policies of financial assistance for this sector, this difficulty is experienced in its most intense form.

International Labour Organisation (ILO) has defined informal sector as that set of economic activities which take place outside the framework of corporate, public and private establishments. Such activities are characterised by small scale operation, little barriers to entry, reliance on family labour and local resources, labour intensive technology, low capital endowments, a high degree of competition, unregulated market, unskilled workforce and acquisition of skills outside the formal education system. (Appendix 2) The informal business sector does not usually comply with established regulations governing labour practices, taxes and licensing.

By contrast, the formal sector refers to activities in the private or publicly owned enterprises of an established minimum size that are registered with the government, generally comply with licensing procedures, labour and tax laws and pay regular wages and salaries to its employees. In most developing economies, the formal sector consists of factories, the civil services and other large scale enterprises.

An indispensable quality of the informal sector is the small scale of the establishments enumerated in it. The small size of employment is usually though not necessarily, likely to be accompanied with small capital, fixed and total, required to start and operate it.

The low scale technology characteristic makes for ease of entry. The capital required to start and run a unit belonging to the informal sector being small, does not bar entry too severely. The finance usually comes from savings of the individual or his family, supplemented, at times, by his friends and relatives or money lenders but not from formal institutions like the cooperative and/or commercial banks.

In the unorganised sector goods and services produced are undifferentiated. Each producer is too small to affect supplies and prices. He does not advertise and there are no economies of scale. The demand for its products is often considered elastic, perhaps perfectly, because it caters to the urban poor, containing in it large number of units competing with each other, though at a very low level of prices. Defined with respect to scale, for instance, the sector would embrace self-employed craftsmen, household industry and tiny and small units hiring workers.

The informal or unorganised sector produces many goods and services which the formal sector cannot produce cheaply. It serves both the rich and the poor. In other words, it is argued that, the informal sector is demand-led and not a passive response to dis-equilibrium. It innovates, saves and invests.

Studies undertaken by the ILO have shown that the informal or unorganised sector has been a source of growth, employment, self-employment and entrepreneurship. It has also been able to absorb large sections of migrant population from rural areas.

Unorganised Labour in India

Over 90 per cent of the workforce in India is unorganised. It is reported that the proportion of unorganised labour varies from sector to sector. As per 1991 Census figures, 98.7 per cent of the employment in the primary sector, 74.7 per cent in manufacturing, 77.5 per cent in construction, 90.9 per cent in trade and commerce, 61.3 per cent in transport, storage and communications and 63.5 per cent in services were considered to be unorganised. (Davala, S., 1996) The economic classification of workforce in India, Maharashtra and Mumbai as per 1991 census is given in Table I in Appendix I.

In India the unorganised or informal sector "cuts across various well defined crafts or industry, conglomerates like cottage and household industries, khadi and village industries, handlooms, handicrafts, coir, sericulture etc., set up all over the country in rural, semi-urban and urban environments." Studies by Papola, Deshpande and others have found that the size of informal sector in total employment was approximately 50 per cent or more in cities like Ahmedabad, Mumbai, Calcutta, Delhi and Chennai.

As regards enterprise too, several studies have been made. They cover important cities like Ulhasnagar near Mumbai (M.R. Kurup, 1983), Patiala, Punjab (Vishva Mittar, 1985), Vishakhapatnam, Andhra Pradesh (Raju, Satya, 1989), and the National Capital Region (Lall, Vinay D., 1989). All these studies show that the nature of informal sector enterprises, the products and services they render are very wide and varied so as to defy easy description.

The position of women in the unorganised sector has been poor. The Shram Shakti Report (Ila Bhatt Commission, 1988) has brought out comprehensively the nature of self-employment taken by women in this sector and has offered several suggestions for both men and women workers in this sector.

It should be noted that there are complex interdependencies among the large, small and informal sectors enterprises. Informal sector units, while they are supporting other industries, are at the receiving end when it comes to earning/sales for their services or products.

The unorganised sector is physically more visible in India. It is found in almost all the industrial segments of the Indian economy, that is, in agriculture, industry, household and the services sectors. But though it has been in existence in India for a long time in one form or the other, it is only in the 1970s that it drew the attention of the policy-makers and researchers, notably from the point of view of opportunities for participation in and reaping the benefits of development. In India, the formal sector which received significantly large resources has failed to provide employment to the growing labour force resulting in the problem of labour force

explosion. Under the circumstances, the surplus labour force has been forced to generate its own means of income and employment. This new class of petty-bourgeois is engaged in a variety of economic activities.

Unsettled Issues

There are several issues concerning unorganised labour that have serious developmental implications. In terms of absolute numbers, the unorganised labour would be over 300 million. If we consider their families and dependants then this number would be much larger. If this sections does not enjoy a decent standard of living and are trapped in a vicious circle of poverty then development would have little meaning for the society. It has also been reported that the benefits of economic reforms introduced in July 1991 have not reached this section of the population. All these facts demand a serious consideration of the issues concerning unorganised labour.

One basic issue that is generally put forth is whether the unorganised sector with its low skill, low productivity, low income employment and self-employment, should be protected at all! According to the ILO, informal activities have to be supported and “any policy concerned with growth and equity cannot avoid the issue of how to increase employment and raise productivity of informal jobs.” Further it is also to be noted that in a labour surplus economy like India and in a migrant absorbing city like Mumbai, the unorganised sector utilises valuable human capacity which would otherwise be wasted. Any help to this sector should be seen as a step towards capacity utilisation and productivity at the macro level. It is also necessary to take a long-term view on the issue of helping the unorganised sector. By raising the income

levels in this sector, there could be a significant addition to the aggregate demand for commodities of mass consumption that can help in raising the level of economic activity.

The foremost issue is the question of efficiency and productivity of unorganised labour. It is a well accepted fact that efficiency of such labour is very low compared to that of organised labour. But this is mainly because of the associated poor quality of capital and organisation. Unorganised labour is trapped in the vicious circle of low productivity-low education and training-low productivity. The crucial issue therefore is how to raise the level of productivity and efficiency.

There is also the question of equity. If a comparison is made between the organised and unorganised labour, then the inequitous nature of suffering of the unorganised labour would be strikingly revealing. In all major aspects of employment including the terms and conditions of employment, job security, earnings, perquisites, social security and retirement benefits, the unorganised labour is found to be in a disadvantageous position. This has led to the criticism that organised labour has become a ‘wage island’ and ‘labour aristocracy’ and prospering at the cost of and without concern for their unfortunate counterparts who are unorganised. The issue of equity considerations have thus become urgent and important. But the challenge is how to reduce the gap and for this purpose how to raise the living standards of the unorganised labour.

How to help this sector is another major issue. The sector is so heterogenous that there can be no single solution to the whole sector. For the unorganised labour, ensuring minimum wages

can go a long way in improving their living. For the self-employed and petty producers, help has to be more widespread. They require access to place, credit, technology and marketing. Of course all would require access to social security benefits which, at present, do not exist for any of them. Giving them legality by way of "identity cards" for the unorganised labour and some form of official registration for the self-employed and petty business owners can certainly help. However such legality by itself cannot be of much use. It is not sufficient. Helping the informal sector labour would ultimately boil down to creating an appropriate and adequate institutional framework and ensuring effective attitudinal changes in the supporting agencies. Existing institutions can also be suitably modified to help the unorganised sector. For example, there can be special banks that exclusively cater to the needs of this sector.

The problems of the informal sector labour and their resolution demand an integrated approach. Basically it demands a coordinated economic planning, employment or business coordination and land use planning. This can lead to an optimisation of the goals of equity, efficiency and development. Is this possible? This is the crucial issue. There are no answers on the horizon but a search must begin at the earliest.

It is often argued that conventional trade unions do not work in the unorganised sector. Therefore the NGOs have entered the field. The NGOs are also forced to adopt a multiple approach to improve conditions of their members for which they have to fight labour contractors, moneylenders, discriminating laws and police harassment. The NGOs have to undertake income generating activities, supply credit, impart new skills in addition

to the trade union's usual work of organising labour and pressurising government to enact and implement legislation.

There are many NGOs working in Mumbai and trying to grapple with its various problems. The problems of slums, housing and poverty have received more attention at the hands of the NGOs while income generation, employment and integrated development have not been the NGOs main agenda.

It must be conceded that there are several internal problems within the unorganised sector. The lack of education and training, political vulnerability, nexus with the criminal world in several cases, lack of organisation, etc. are some of the internal problems of this sector. This has raised some basic questions like whether this sector deserves any help and whether any intervention is possible. There is a need to mobilise and create an awareness among the unorganised labour and to educate, train and raise their productivity. Trade unions and other organisations can play a vital role here. In recent times trade unions have begun to make special efforts to mobilise this section of labour. Wherever possible this labour can also be organised into cooperatives.

Vinay D. Lall (1989) presents some findings based on an exploratory study of 1180 economic units in the unorganised sector of Delhi. First, the informal sector is one whose developmental needs, including infrastructure, finance, etc. are not specifically taken into account by the government in the preparation of regional development and investment plans. Hence they spring up in the vicinity of large scale industries, serve them as non-registered units and are confined to activities dealing with construction, garments, metal works, rubber, leather, plastic,

electrical, engineering products and pottery and ceramics as well as wholesale and retail trade. Secondly, these units encourage self-employment and generate employment. Thirdly, local entrepreneurship creates linkages, though minimal, with the formal sector. Fourthly, most of the investments are undertaken with own funds. In spite of all the constraints their rate of return is significant and have begun to get recognition.

That the unorganised labour is prominent, can be seen from the 1991 census data where over 90 per cent of the labour force is in this sector. In 1971 this percentage was 91 per cent. The contribution of the unorganised sector to the national income was over 73 per cent in 1960-61 and, though falling, was still high at 66 per cent in 1979-80. The unorganised sector can also be seen as a hyper plane which goes through the entire economy highlighting the fact that every transaction in the organised sector has some direct or indirect linkage to the informal sector.

Commercialism is a strong motivation that lies behind the success of the informal sector. The sector permeates the whole structure in an intrinsic manner that it is very difficult to isolate the tangible portions of the unorganised sector. In the context of the Indian economy it is necessary to identify and give this structure its due importance so as to facilitate the general operations of the economy. It is obvious that the ethos generated in the unorganised sector has a strong base where community participation plays a role as seen in the very survival of this sector without involving itself in a formal socio-political process. The momentum in this sector therefore will lead to further levels of economic improvement if set against the backward areas.

It would not be irrelevant, at this point, to briefly consider the reasons or causes for the disadvantageous plight of unorganised labour. There is a powerful argument which states that the poor plight of unorganised labour is due to the government policies. The choice of Nehruvian model with focus on heavy industry and capitalistic development resulted in the decline of rural industries creating a large army of unorganised labour, also containing large sections of socially disadvantaged sections. Compared to this there was no clear policy to help the unorganised labour. Though government has schemes for small scale and village industries and supports institutions like the Khadi and Village Industries Commission (KVIC), compared to the needs of vast sections of unorganised labour. There has also been a problem of the attitude, especially on the part of bureaucracy. Thus the unorganised labour "are a direct outcome of the plans, policies and programmes of the government and many of them are victims of generations of disaffection, discrimination and deprivation. The unorganised labour are adversely affected by the evolution of a faulty legal system, formulations of plans and programmes which are largely supply oriented than demand driven and their slow implementation". (Mishra, L., 1995)

Finally there is also the question of democracy especially industrial democracy. While the voice of the organised sector is heard, according to some critics 'overheard' resulting in a much advantageous position for it, the voice of the unorganised sector is not heard, on the contrary is often stifled. The labour laws do not distinguish between organised and unorganised labour and this has resulted in the unorganised labour being ignored and unattended. The Indian labour law is considered

to be most advanced covering “contract labour, women, bonded labour, migrant labour security guards and every conceivable sections of Indian labour. However only a small portion of the labour force, the organised labour, benefits from the legal provisions.” (Gonsalves, C., 1995) There is a general acceptance that unorganised labour must receive greater attention at the hands of policy-makers and administrators. The issue is how to realise this in practice in the absence of their mobilisation into an effective force. Since there is no clear labour-management nexus in the case of unorganised labour, the issue of raising the participation rate of this labour in the labour market has become very complex.

The Present Study

The above analysis brings out the unfortunate fact that it is the unorganised labour which constitutes the vast majority of labour in India. It is generally argued that the trade unions have failed to mobilise the unorganised labour in India. However, a preliminary survey in Mumbai showed that trade unions are active in this task. Further it was also observed that there are other types of organisations which have begun to attend to the needs of the unorganised labour. While, in the rural areas the unorganised labour is scattered, unskilled and less educated, in urban areas it is comparatively more organised. Also Mumbai has been the commercial capital of the country and the cradle for labour movement. It was therefore felt that examining the organisations that work for the upliftment of unorganised labour in Mumbai can on the one hand shed light on the efforts made in the area and on the other and more important side, can throw insights into the complex task of improving the lot of this vast section of labour force.

Objectives of the study

The objectives of the study are to:

- i. develop a profile of unorganised labour in Mumbai;
- ii. gather data on the type of labour organisations working for unorganised labour including child and women labour;
- iii. analyse the role and effectiveness of trade unions in the field of unorganised labour;
- iv. examine the alternative strategies for serving the interests of unorganised labour in Mumbai which may also be applicable elsewhere.

Methodology of the study

The study has broadly followed the method of sample survey. Labour organisations were contacted based on the records of the past survey and by getting details from government agencies like the offices of the Labour Commissioner, Charity Commissioner etc. of the Maharashtra State Government. The unorganised workers were also contacted. These were supplemented by the ‘snowballing technique’ of asking one labour organisation to lead to another and so on. In the process one hundred organisations were covered.

Limitations and difficulties faced

One very significant difficulty was the responses of the organisations to the questions on objectives, activities, problems and suggestions. Either these were identical or stereotyped or they were very specific to the particular category of labour that they had mobilised. With the result, the responses were not amenable for detailed analysis. Further, in many cases, the objectives and activities were similar (for example, helping unorganised labour to get justice or face exploitation).

Many of the office bearers of organisations appeared to have very little understanding of the government policies, particularly the new policy of liberalisation and globalisation introduced since July 1991. This appeared to have affected their responses. Of course, there could be some limitations on the part of research investigators also.

A large number of organisations were either reluctant to give details of income and expenditure or did not maintain proper records or did not have significant income and expenditure. With the result their responses did not throw adequate light on the financial management of these organisations.

Presentation of the study

The study is presented in five chapters. The first chapter, the present one, deals with preliminaries like the concept of unorganised labour, India's unorganised labour, the issues concerning unorganised labour and the methodology of the study. The second chapter briefly describes the type of labour organisations working for unorganised labour in India. The third chapter deals with unorganised labour in Mumbai and presents the details of the sample survey. The fourth chapter presents important case studies from the survey and the study highlighting the approach and contribution of different types of organisations. The fifth and last chapter presents a summary of the study and findings and also offers some strategies to uplift the unorganised labour in India.

II

Organisations Working for Unorganised Labour

Labour organisations comprise of all types of organisations/institutions that work for the betterment of labour in social, economic, political, cultural and other fields. They include a wide variety of socio-economic, cultural, welfare, philanthropic and governmental organisations. In the present study only those organisations which work for the economic betterment of unorganised labour are covered. For the purposes of this study the concept of economic betterment include activities that are aimed at (i) mobilising unorganised labour for fighting against exploitation, harassment at place of work by officials, and negotiating for prices/rates/earnings; (ii) providing training and other ways for income generation; and (iii) getting greater access to social security benefits.

The evolution of the labour movement in India has been characterised by the welfare/reformist/philanthropic organisations working for labour in the initial phases followed by the emergence of trade unions in the advanced phases and

finally the present times where a wide variety of organisations are working for labour, predominantly for unorganised labour. Some of the principal forms of such organisations are briefly described below.

Trade Unions

Trade unions are defined as continuous associations of workers, generally registered under the Trade Unions Act 1926, working for the economic betterment of workers. In India organised labour is effectively mobilised by trade unions. Of course trade unions differ in size, from industry to industry and from region to region. There are local independent unions, those affiliated at regional levels and the all-India federation of trade unions. Almost all central and regional trade unions have separate/special arrangements for mobilising unorganised labour and working for them. In Mumbai there are also several unions led by independent leaders. Generally unions exclusively working for unorganised labour are independent unions, though many of them have political contacts.

The Self-Employed Women's Association (SEWA) of Ahmedabad is an excellent example of a trade union doubling up as voluntary agency to help poor women. It works on Gandhian lines and for it unionising is not merely a struggle or a confrontation. It also means responsible and constructive organising for nation building. The means adopted are important: they should be clean, pure and principled. SEWA is also a good example of how flexible and versatile can a trade union be. Having over 50,000 women workers in urban and rural areas as its members, it has been highly effective in mobilising them.

It has set for itself very high standards for performance by working for positive answers to questions like:

- a) Is there an increase in the employment of members?
- b) Do they get more income?
- c) Do members get nutritious food?
- d) Is there an increase in their assets?
- e) Is there an increase in their organised strength?
- f) Are our members becoming individually and collectively more self reliant? And so on.

SEWA was instrumental in getting the Convention on home-based workers passed in the ILO. In 1981 its membership was about 6000 which shot up to 54,236 in 1993 and included home-based workers like weavers, potters, beedi and popad rollers, hawkers and vendors, cart-pullers and construction workers.

Non-governmental Organisations

NGOs are another important type of organisations working for unorganised labour. Generally registered under the Public Trusts Act or Societies Registration Act, the NGOs function quite independently. The Annapurna Mahila Mandal (AMM) in Mumbai is an excellent example of a well diversified NGO working for poor women and self-employed. (See 'case studies' for more details) The main advantage for the NGOs is that they do not have the obligation for working only for the economic betterment of labour. They have more freedom of operation. Further they do not have a negative image of a 'militant organisation' or ideologically based trade unions. They are considered more flexible and goal oriented with clarity of purpose and commitment.

Cooperatives

Cooperatives mobilise more the self-employed. The success story of the Amul Milk Cooperative in Gujarat is world known. A large number of small farmers were mobilised into a cooperative which brought tremendous benefits to them.

Labour Boards

Labour Boards are tripartite organisations ensuring the welfare of unorganised labour in some services. They are considered highly effective in states like Kerala and Maharashtra. Labour boards collect dues from the employers and pay wages and social security benefits to the workers. Headloaders and other unskilled workers working in ports, godowns, shops and markets are covered by the labour boards.

Such labour boards have proved to be a most effective organisation for rendering necessary assistance to several types of unorganised labour in urban areas, especially where the workers work in a limited area. The functioning of the labour boards in both Maharashtra and Kerala needs to be studied in detail so that more sections of labour can be covered under such boards.

Government Organisations

Government and its supported organisations help unorganised labour in training, marketing and other services. For example, the Khadi and Village Industries Commission (KVIC) helps in marketing products of rural artisans and the self-employed in urban areas. Special entrepreneurship development organisations train workers and help them in moving to the category of "Self-employed". There are special such agencies for women. The Small Industries Service Institutes (SISIs) in different states offer a large

number of vocational and technical courses for the educated unemployed and for disadvantaged sections. Similarly there are special vocational training institutions for women.

Political Parties

Political parties too promote their own organisations, trusts, etc. that help workers in getting training, finance and business opportunities. They mobilise the unemployed unorganised youth and help them in getting access to self-employment schemes like those for auto-rickshaw drivers, PCO stall operators, etc.

Educational Institutions

Educational institutions like the universities and colleges have also helped the unorganised labour in getting training and access to facilities like finance. They have helped to promote group activities like setting up of production centres where workers come together and undertake income generating activities. For example, the SNDT Women's University runs a production centre in Gujarat where women workers are mobilised and trained for employment and self-employment.

Associations

Associations are generally of the self-employed, registered or unregistered. Individual member is quite independent and association serves as a meeting place or rallying point. It can also take up common issues with appropriate authorities. For example in Mumbai there is the India Bakers' Association (IBA) which protects individuals baker's interests like availability of flour or *maida* at a reasonable price. Otherwise members pursue their individual baking business. Similarly there is the Bombay Tiffin Box Suppliers Association (BTBSA) which helps individual

'dabbawalas' in facing common problems and in reaching lunch boxes to people working in offices.

Religious Organisations

Religious organisations promote NGO-like organisations to cater for certain sections of unorganised labour, for example, the child labour, ragpickers, etc. Though their objectives are more philanthropic and welfare oriented, they do mobilise labour in the process and help them in activities of income generation. For example, in Mumbai the 'Bandra East Community Centre' (BECC) established through the efforts of a group of priests, is an NGO working for slum and pavement-dwellers and street children, among others. Apart from a large number of educational and community service programmes, the BECC runs youth programmes like training in auto-rickshaw driving, tailoring classes for women for self-employment, and training for typing.

Apex Organisations

There are also some apex organisations which cut across different types of labour organisations. They coordinate and help labour organisations that work for the disadvantaged and underprivileged sections including unorganised labour.

The National Centre for Labour (NCL) is one such organisation. In May 1995 many organisations working for unorganised labour joined together and formed the NCL with a view to consolidate and coordinate the activities of the various organisations working for the unorganised labour. At that time it was pointed out that less than one percent of Indian labour force was organised. The issues that were proposed to be taken up by the NCL included minimum wage for unorganised labour, dealing with

contract labour system, review of forest policy and laws that adversely affect tribal labour, child labour problems, women workers' problems, dalit workers' issues, legal and social protection to home based workers, community control over natural resources, foreign capital and technology in fisheries adversely affecting fishermen, legislation for agricultural and construction workers, representation to unorganised labour in tripartite forums and recognition of NCL as a national federation. It was resolved that the NCL would fight for issues like right to a national minimum wage, for social security, for access and control over natural resources and representation in all appropriate bodies. The NCL described itself to be a non-party, non-religious, non-caste and non-communal organisation and felt that adequate attention should be paid to the issues of communalism and Dalit upsurge.

Society for Service to Voluntary agencies (SOSVA) is another organisation which assists other NGOs in identifying suitable projects and in preparing project proposals for government schemes. It provides technical assistance and expert services for the NGOs. It has established Centre for Promoting Voluntary Action (VOLACT) which functions at Pune and Mumbai. The activities supported are for general social development benefiting weaker sections including unorganised labour.

Conclusions

As the above description shows there are a wide variety of organisations working for unorganised labour. If we take a limited view of industrial relations, collective bargaining and wage and working conditions, the trade unions of course are more prominent. However, if other activities like fighting against

exploitation and harassment by officials, promoting mutual help especially among the self-employed and tripartite actions to regulate and protect workers' interests are considered then other types of organisations also assume significant importance. The activities of different types of organisations including trade unions in Mumbai city form the focus of the next chapter.

III

Mumbai Labour Market

Unorganised Labour in Mumbai

The origin of unorganised labour in Mumbai can be traced to the growth and development of the city itself. Upto the middle of 19th century, maritime trade remained pivotal to Mumbai's growth. Later Mumbai entered the industrial age. It effectively started with the establishment of the first textile mill in 1854. From this beginning, the cotton textile industry has been the main component of Mumbai's industrial structure. Cheap labour was available from Konkan and other regions of Maharashtra. Soon other industries like chemical and petro-chemical, pharmaceutical, tyre, automobile industry etc. also emerged.

The industrial development of Mumbai created three categories of labour classes. One was the organised sector industrial labour which was comparatively better paid and protected by statutory provisions. The second was a sort of middle class covering skilled, educated and professionals working in offices, better paid and enjoying a higher standard of living. The third was the unorganised labour which emerged to satisfy the needs of both the organised industrial labour and the middle class. This

heterogenous group included the domestic servants, the self-employed who provided a number of services like washing clothes, hair-cuts, sale of milk and vegetable, and petty commodity producers like the 'mochis' (cobblers). Thus unorganised labour in Mumbai is a product of industrial development and commercial expansion of the city.

The sectoral employment distribution in Mumbai is given in Table 2 of Appendix I. It can be observed that the share of primary sector employment has been continuously falling from about 2 per cent of the employment to 0.7 per cent in 1991. It should be noted that the cultivators were small land holders and agricultural labourers majority of whom constituted the unorganised labour. This fall in the primary sector employment is in keeping with the development of industries in the earlier period upto the 1970s and expansion of services sector later when, as a matter of policy, industries were discouraged in the city. The consequent pace of urbanisation turned Mumbai into a composite urban entity.

Details of informal employment since 1951 is given in Table 3 Appendix I. The employment of unorganised labour or informal employment which was about half of the total employment in 1960s sharply began to rise during 1970s due to the industrial policy of discouraging the growth of large industries. The informal employment rose to 66% by 1991. This trend appears to be continuing even after 1991 during the period of ongoing economic reforms. The focus of this study on labour organisations working for unorganised labour appears amply justified in view of the predominant position of unorganised labour in the city.

An earlier study undertaken by the Ambedkar Institute of Labour Studies AILS in (1996) has found that the labour market in Mumbai is in transition with some jobs declining and new jobs emerging. Studies have also indicated a shift to more informal and less organised employment with expansion of services sector. Another study by Arvind Shrouti and Nandkumar, (1994) found that during the 1980s and early 1990s there were significant job losses, to the extent of 43 per cent of unionised category of workers, in 21 selected companies in the Mumbai-Thane region. The reduction in job was achieved through strategies like ban on recruitment, sub-contracting, parallel production, Voluntary Retirement Schemes (VRS), flexibility in labour use, introduction of new technology, and shop floor restructuring. According to another study by the Maniben Kara Institute (1994), many of the workers who opted for VRS could not get alternative employment and many of those who embarked on self-employment also failed in their efforts. Industrial sickness has also affected the employment situation adversely. All such developments are bound to result in the expansion of unorganised labour market.

A significant development that should be noted here is that within the organised sector framework there has emerged a large sector of unorganised labour. This sector consists of a large number of casual and contract workers working in industries along with organised labour. These casual and contract workers were engaged at low wages and employers now are not willing to give them the same wages and other benefits as being given to the organised workers even though both organised and unorganised labour are working side by side. Ironically, the organised labour in most cases are reluctant

to make sacrifices that are necessary to promote the interests of unorganised labour working along with them. It must, however, be conceded that even if organised labour embarks on strong action on behalf of unorganised labour, the employers always have other strategies like those mentioned earlier. Thus the large unorganised labour in the organised sector continues to co-exist with organised labour.

Sample Survey

Mumbai has a wide variety of informal activities. Similarly the labour organisations working for the upliftment of unorganised labour, directly or indirectly, also constitute a wide variety. Therefore with a view to get a substantial insight into the organisational effort being undertaken to meet the needs of the unorganised labour, a sample survey was undertaken during the second half of 1999.

A systematic and scientific sample was attempted but could not be derived. There is no database as yet that gives the details of the organisations working for unorganised labour. From the office of the Maharashtra Government's Commissioner of Labour, whose staff was extremely cooperative, it was not possible to derive any population details of trade unions. (In fact it was argued that the moment a trade union of unorganised workers registers with the Labour Commissioner, the labour is deemed to have been organised!) As stated earlier this study covers unions which are working for unorganised labour where there is no clear employer-employee nexus and labour does not enjoy the benefits that organised labour enjoys. From the Office of the Labour Commissioner we could gather that there were about 1700

unions in Mumbai. However most of these unions covered organised labour in factories and other establishments. We made list of about 45 unions covering unorganised labour like hawkers, rag-pickers and autorickshaw operators. In the field we also met some unions that had not registered themselves with the Labour Commissioner's Office.

The Charity Commissioner's Office keeps records of NGOs registered under the Societies Act and Public Trust Act. From the Mumbai Charity Commissioner's Office we could get a Directory of NGOs published in 1976. We were also told that the list contains all types of organisations and it would be difficult to get only those organisations that work for the economic betterment of unorganised labour.

In view of the difficulties of getting accurate details on the number and nature of labour organisations working for unorganised labour it was decided to go in for a purposive sample of 100 labour organisations taking as much care as possible to ensure that the sample was representative.

An interview schedule was prepared to get details of organisations working for the unorganised labour. This was translated into Marathi, the local language. Along with this, a small schedule was also prepared for the beneficiaries or contract workers who were engaged at low wages and whose employers are not willing to treat them at par with the organised workers even though both organised and unorganised labour are working side by side members to ascertain their opinion about the organisation working for them. But it was extremely difficult to get the beneficiaries and hence this idea was dropped. The

schedule for labour organisations was pilot-tested and the interviewers were briefed for the operations. It had come out in an earlier survey undertaken by the author's department that the Trade Unions, NGOs, Cooperatives, Labour Boards, and Associations of different types were the organisations working for the unorganised labour. It was therefore decided to look for such organisations based on the list obtained from the Office of the Labour Commissioner, from the Directory of NGOs published by the Office of the Charity Commissioner (1976) and based on our own data-base especially with regard to the organisations like associations, labour boards, etc.

Table 1 gives the various types of organisations actually covered in the sample. It should be noted that the sample proportion has no relation to that of universe as the sample was based on accessibility of organisations under given constraints.

TABLE 1
Type of Labour Organisations

Type of organisation	Number
Trade Unions (TU)	49
Labour Boards(LB)	11
NGOs	26
Cooperatives(Coop)	04
Associations and Others (AOT)	10
Total	100

Trade unions were the single largest organisation working for unorganised labour, which contradicted the general perception that trade unions are not active in the unorganised sector. Although compared to the vast size of the unorganised labour unions' contribution may not be adequate. The next important

type was the NGOs. Labour Boards were the next largest but it must be borne in mind that there are not many labour boards in Mumbai and we covered them in a greater proportion because it appeared to be the most effective form to mobilise the unorganised labour. There were only a few cooperatives. Associations and other organisations like government agencies, autonomous bodies constituted the remaining part of the sample. However it must be mentioned here that the categories of NGOs and associations are overlapping as several associations, registered and unregistered, functioned as NGOs. Cooperatives covered mostly the self-employed.

Table 2 below gives the classification of the organisations on the basis of the size of membership.

The largest number of organisations were in the membership category of 1000-9999. This category, along with the size category of 100-499, had organisations of all the types.

TABLE 2
Organisations Based on Size of Membership

Membership Range	TU	LB	NGO	COOP	AOT	Total
0—99	6	-	13	-	3	22
100—499	4	1	5	2	2	14
500—999	5	-	2	1	3	11
1000—9999	16	7	4	1	2	30
10000—99999	14	3	1	-	-	18
100000 and above	4	-	1	-	-	5
Total	49	11	26	4	10	100

Among the organisations, trade unions were large in number, almost half of the sample. Two-third of them had membership of over one thousand each. Again, out of eighteen organisations having a membership of over 10,000, fourteen were trade unions. Of the five organisations having a membership of over one lakh, four were trade unions. On the other hand, NGOs were comparatively smaller organisations. Out of 36 organisations having a membership of less than 500, half were NGOs.

Trade Unions

There were 49 trade unions in the sample indicating that unions are a prominent organisation mobilising the unorganised. As stated earlier, this is contrary to the view normally held that unions have neglected the unorganised labour.

There were four unions having a membership of over one lakh each. Two were connected to an all India trade union federation but not a recognised one. Both the unions are led by one independent leader, George Fernandes. The concerned all-India trade union federation was led by a trade union leader who was earlier very prominent in the Mumbai trade union movement but is now based in the north leading a small political party. The remaining two unions were affiliated to a leading trade union federation but one of them was functioning quite independently. The leader of this latter union narrated how quarry and horse-stable workers in Mumbai were mobilised and how these workers are today getting much higher wages. He also explained how employers resorted to malpractices and how political parties exploit workers. He pointed out that political parties used the unions for their political purposes while his union has formed a political party

to promote the interest of the workers. Thus all the unions had political connections. These unions also had organised workers under them.

There were fourteen unions in the 10,000—99,999 size category. Of these only two unions had membership of over 50,000. Rest had membership varying between 10,000 and 50,000. There were sixteen unions in the membership category of 1000-9999 constituting the largest group. Nine unions had membership between 100 and 999. The remaining six were very small having a membership of less than 100.

As regards the type of workers mobilised, 22 unions were general unions mobilising all types of unorganised labour like domestic, construction, hotel, small scale industries, chemical, engineering and municipal contract workers. There were also some organised workers. The important individual category of unorganised labour covered by unions was of the 'hawkers'. Nine unions were of the hawkers. Some of them were quite large and some were networking with the other hawker unions. Seven unions were mobilising auto-rickshaw drivers. Five unions covered transport or *mathadi* (headloaders) workers. Two unions worked for the hotel workers. The engineering workers, chemical workers and security guards were covered by one union each.

As regards party/national affiliation, 18 unions were affiliated to six recognised trade union federations. Seventeen unions had no political party affiliations. Seven unions were affiliated to one central trade union organisation but not a recognised one. Five unions were affiliated to a regional federation. One independent union was affiliated to another all India

independent federation. Another union was affiliated to a state political party. Independent unions were generally of a smaller size with some reporting a membership of less than 100. Some were mobilising hawkers in a particular area. Some were general unions mobilising general workers. Unions affiliated to recognised union federations were much larger and better managed and as such were much more effective.

Cooperatives

There were only four cooperative organisations in the sample. Two cooperatives were of weavers. They were over forty years old and were independent. Both were in the same area of South Central Mumbai. All weavers were self-employed and cooperatives helped them in marketing and in getting their interests protected through collective representation before government bodies. They also received help in selling their products at exhibitions, etc. One was a cooperative of *dhobis* (washermen). It was a large cooperative of about 5000 self-employed *dhobis*. It was founded only recently in 1994 mainly to fight for the interests of *dhobis* who were not provided with adequate water by the Municipal Corporation but were made to pay high rent for the stone and space used for beating cloth while washing. They were also asked to vacate the place. Therefore the washermen cooperative was formed mainly to protect their economic rights to space and facilities that they had been enjoying for a long time. In other matters the *dhobis* managed their affairs independently. The last was a cooperative formed by stall holders of vegetable and miscellaneous items which was established in 1975 when their rights were affected on account of the construction of a flyover. Because of their joint struggle they were given alternative stall in the nearby

market. The cooperative helped them to have a collective identity and represent them before the State Government authorities. The cooperative movement was also indirectly present in some large NGOs. For example, the Annapurana Mahila Mandal, a large organisation of women, has a large cooperative credit society giving loans and mobilising savings from thousands of Annapurnas (members).

Associations

This category includes associations, government supported institutions and other organisations not clearly classified. There are ten institutions in this category. These are organisations of unorganised labour or self-employed and their functions are similar to those of NGOs. One is a rickshawmen's association mainly helping their members in solving their problems with the traffic authorities and undertaking activities like offering educational facilities to the children of rickshaw pullers. Another is a association of hawkers helping them to deal with the police and fighting for legal status and permanent place for their business. There is also a semi-powerloom weavers association which helps its members to get licences and permits from the government. Another association is that of tiffin box suppliers which has been working for over 45 years for the betterment of their members who carried food from home to office in lunch boxes. It is a large association with about 5000 members. A fruit sellers association (in a particular area near the railway station) helped its members in getting protection against harassment from government, municipal and police officials. The bakers' association having about 200 bakers as its members, took up the question of getting flour or maida at moderate prices with the government. The remaining organisations are

of the government or government supported bodies mainly concentrating on vocational training to the unemployed poor. The Shramik Vidyapith Dharavi (SVD), for example, concentrated on educational and training programmes for “socio-economically backward and educationally disadvantaged group of urban population” such as “illiterate/semiliterate, unskilled/semiskilled, SC/ST, women/girls, oppressed and destitutes, migrants, slum/pavement dwellers and working children.”

Another government established institution was the Mahila Arthik Vikas Mahamandal (MAVIM) with the aim of empowering women and making them economically self-reliant. Its activities included awareness camps, employment and self-employment training, and Entrepreneurship Development Programmes (EDP). It also acted as an intermediary to get finance and other facilities. Similarly, the Maharashtra Centre for Entrepreneurship Development (MCED) set up as a joint venture of SICOM, MSFC, MSSIDC, MIDC, MELTRON and MITCON with the support of the Government of Maharashtra concentrated on giving information technology courses at moderate rates and also promoting self-employment and entrepreneurship among the youth. (SVD, MAVIM, MCED are covered in the case studies.) Finally there is the Child Welfare Association of India which concentrates on having educational, entertainment and vocational courses for children including girls and tribal children.

Labour Boards

There were eleven labour boards with most of them having a membership between 1000 and 10,000. Three of them were larger with membership between 10,000 and 15,000. Together

they cover unprotected workers in cotton market, metal and paper trade, cloth and shops market, goods market (loading and unloading), clearing and forwarding in docks and railways, iron and steel market, grocery and shops market, khoka making timber market and vegetable markets. One of the boards also covered the security guards.

Labour boards appear to be functioning effectively. Being a tripartite institution, there is greater coordination to address the problems of unorganised and unprotected workers. Few workers covered by the boards who were contacted were all praise for this arrangement. But there were criticisms as well.

NGOs

The non-governmental organisations (NGOs) are those registered under Public Trusts and Societies Registration Acts and are working with specific aims generally limited to a particular target group. NGOs constitute a heterogeneous group but here the focus is on those NGOs that work for unorganised labour.

There were 26 NGOs which were covered in the sample survey and were the second largest group after the trade unions. They were found in all membership categories. The largest was the Annapurna Mahila Mandal having over 150,000 women members. Next largest was the Shree Mahila Grih Udyog Lijjat Papad(Lijjat) with about 40,000 women members. A large majority (18) of the sample were having membership below 500. As regards the target groups, several NGOs were working for unorganised labour in general. Five NGOs were working for women and hawkers. Three were working for children. Other worker groups covered were jewellery workers, hotel

workers, boot polish youth, domestic workers, autorickshaw drivers, prostitutes and their children, khadi self-employed, disabled and blind.

There were also NGOs established by educational institutions. One prominent example is the 'Nirman' promoted by the Nirmala Niketan's College of Social Work, Mumbai which has been working for the construction workers. The teacher associated with the project pointed out that there is no single or simple answer to the mobilisation of unorganised labour. Nirman, established in 1986, initially attempted the welfare approach of humanitarian work for the construction workers in Mumbai and its suburbs. This did not go far to help construction workers. It then formed the Nirman Mazdoor Sanghatana, a trade union. Now it has gone further to undertake educational and developmental activities with the help of employers and the government.

Women's Organisations

There were six women's organisations mobilising women in self-employment. Out of these five were NGOs and one was an organisation set up by the government. The largest of them was the Annapurna Mahila Mandal whose membership was over 1.5 lakhs. Another large organisation was the Shree Mahila Grih Udyog Lijjat Papad which had a membership of over Rs. 40,000 self-employed women working for it and which was functioning like a business organisation with a turn over of over Rs. 100 crores per annum. There was also the Mahila Arthik Vikas Maha mandal (MAVIM) which is working for the empowerment of women through vocational training courses and help for self-employment.

Organisations for Children

There were five organisations working mainly for children. They included the NGO "Child Relief and You (CRY). There was also the Child Welfare Association organising programmes for children and the Hamara Club which work for the street children. The Campaign Against Child Labour was working for the child workers and their welfare.

Other Organisations

Prerna is working for the prostitutes and their children. Another organisation is NASEOH which is working for the handicapped labour providing training, and helping them to get employment and self-employment. There was also the Blind Men's Organisation which is working for the blind including blind workers and blind self-employed hawkers. There were also purely government established organisations like the Maharashtra Centre for Entrepreneurship Development (MCED) and Shramik Vidyapith, Dharavi (SVD) which were providing vocational training courses for the poor unemployed youth.

Geographical Spread

The labour organisations as a whole were found to be spread throughout the city of Mumbai. There were 22 organisations in the city's business area, 23 organisations in the suburbs of the Western Railway, 42 organisations in the suburbs of the Central Railway and three in the eastern part of the city. The fact that one could get organisations all over the city shows that mobilisation efforts are being undertaken throughout the city.

Age of the Organisations

The following table (Table 3) gives the year of establishment of the organisations.

It is interesting to note that organisations working for unorganised labour have been in existence for a long period. As far back as 1928 there was a weavers' cooperative. However, organisations before independence were very few, only six in the sample. Four of these were trade unions. Twenty of the sample organisations came into existence during 1948-69, twenty-four during 1970-79, twenty-six during 1980-89 and twenty-four during 1990-98. Most organisations came to be established after the 1970s. But the growth rate appears to be stagnant pointing towards the need for vigorous efforts in this direction.

As regards different types of organisations, some interesting observations can be made. Trade unions have been generally more active after independence but during 1970-79 they appeared to be less active as can be seen from the Table. This could perhaps be due to the impact of the emergency period. The labour boards were all established during the period 1970-85 mainly as a result of the passing of the Mathadis Act by the Government of Maharashtra in 1969. But after 1985 not a single board has been established though there has been a demand for such boards, especially for construction workers. The NGOs have been active during the 1970s and after.

Objectives and Activities

The responses to the questions relating to the organisation's objectives and the main activities were very rewarding. It brought out the need for education and training of the leaders. Many

TABLE 3
Year of Establishment of Organisations

Period of Establishment	Type of Organisation					Total
	TU	LB	NGO	COOP	AOT	
1947 and before	4	-	1	1	-	6
1948—1969	12	-	2	1	5	20
1970—1979	6	9	6	1	2	24
1980—1989	13	2	9	-	2	26
1990—1998	14	-	8	1	1	24
Total	49	11	26	4	10	100

were workers themselves who knew about their jobs but possessed limited knowledge about other things. In the sample survey, all the organisations stated that their main objective was to promote the interests of labour to the extent possible. Their main activities reflected the following objectives:

- To organise the unemployed labour to improve their lot;
- Work for their economic betterment in terms of larger earnings;
- Fight the exploitation of workers;
- Implement government schemes or enable workers to get benefits of such schemes;
- Fight for some form of social security for their members; and
- Other activities that promoted the welfare of workers.

More than half the organisations (58) stated that they were undertaking activities that promoted the economic welfare of workers. Fifteen organisations stated that their main aim was organising the workers. Nine organisations stated that they

worked for the economic betterment like increased earnings for their members. Seven organisations stated that they were helping members to fight against exploitation. Six organisations said they were fighting to get some social security for their members. Five organisations stated that they were helping members to get advantage of the government schemes. Thus, since working for the economic welfare of the unorganised workers was the common objective of all organisations, no interpretation is given in terms of individual type of organisations.

Problems Faced by Unorganised Labour

Respondents could not say much about the problems of their organisations except that they lacked funds and that the governmental authorities were not responsive. The problems faced by workers and self-employed differed widely depending on the nature of their occupations and type of work. General labourers complained about non-implementation of Minimum Wages and of job security. They said they had neither 'definition' nor identity like organised workers. They are treated like illegal persons.

The hawkers complained bitterly about government/police harassment, corruption and lack of permanent rights for hawking and use of specific places. Dhobis complained about eviction attempts and high rents charged by the Mumbai Municipal Corporation. Bakers complained about high prices of flour. Tiffin suppliers wanted more luggage space in trains. In labour boards political parties were criticised for lack of commitment. Trade union leaders complained that the government officers (especially inspectors) did not work according to laws but against them. The taxi and auto drivers

complained of unhelpful attitude of traffic police. Some 'left' trade unions looked at the workers' plight as a structural problem in the society. Among the various organisations, large trade unions and those with wider affiliation had a grasp of problems of unorganised labour in general in the country while others were aware about their target group only.

Unorganised Labour and Reforms

The responses of organisations on the impact of ongoing economic reforms was very limited. Before we take up these responses, the New Economic Policy may be stated in a few words.

The Government of India embarked on the new economic policy from July 1991 onwards. This policy is generally referred to as the New Economic Policy (NEP). The NEP includes in itself changes in industrial policy, fiscal policy, monetary policy, trade policy, exchange policy, labour policy and other development policies. The general aim of these series of policies is to transform the Indian economy from a sheltered, controlled, public sector dominated, high cost and inefficient economy to a more free, market oriented, private sector dominated, efficient and competitive economy.

The impact of these reforms has been mixed and generally adverse from the point of view of labour. The positive impact includes higher growth rate, rise in foreign direct investment, rise in foreign exchange reserves, fall in the rate of inflation, the expansion of the financial sector and a consensus on the reforms about their irreversibility. However, there are significant negative aspects which include poor quality of employment generation, stagnant exports, industrial sickness, series of scams, inadequate

response from bureaucracy, slow pace of reforms, uneven spread in the country and the absence of a clear labour policy.

Thirty-four organisations did not respond stating that their business was as usual. Some of them were not even aware of the change in policies. Of the remaining, a majority (46) stated that the policies had an adverse impact on their members. A minority of organisations (20) stated that the reforms had a favourable impact on them.

The positive impact was stated mainly in terms of rise in demand for the product and services, more employment and increase in earnings. Five organisations said that their members experienced all these benefits. The remaining had experienced one or two of these benefits. Ten trade unions mobilising *mathadis/hamals*, hotel workers, hawkers, taxi drivers and autorickshaw drivers stated that their business and earnings had gone up. The *mathadis/hamals* benefited because of increase in trade due to globalisation. In case of hotel workers, the benefits went only to those employed in five star hotels. More business activity also benefited the taxi and auto drivers. In case of hawkers, the impact was not uniform depending on the products that they traded and the area where they did their business. Six of the NGOs also stated that the impact on their members was favourable. Two of these were women's organisations specialising in the manufacture and sale of food items and giving self employment to the poor women. One NGO mobilising the handicapped stated that severe competition due to the NEP resulted in the organisation becoming highly professional and quality conscious because its products were being sold to highly reputed companies who were facing competition due to the NEP.

Several labour organisations of all categories said that reforms had a negative impact. Out of 46 organisations, more than half were trade unions. The negative impact was in terms of fall in employment, earnings and demand. There were other effects also. Twenty four of the trade unions, more than half of the organisations, said that the impact was negative. Of the 24 unions, 16 stated that reforms reduced both employment and earnings. Some unions also said that the reforms expanded the unorganised or informal sector. Seven NGOs and eight Labour Boards said that the impact was negative for their members. Generally it was stated that globalisation increased competition which in turn increased sickness and closures reducing employment. High competition also reduced workers' earnings and many of them who were thrown out of organised sector landed in the unorganised sector. Thus the NEP had adverse effect on labour.

Finances of Organisations

Responses to questions on finances of the organisations elicited least response. Most organisations were reluctant to give any details of their income and expenditure except in vague terms like the major source of income and expenditure. It appeared that several organisations did not have any systematic records of finances and refused to give any specific details. As regards source of funds, many of the organisations, especially the trade unions relied mainly on subscription and to some extent on donations. NGOs relied more on donations. As regards expenditure, the staff salary and legal expenditure were the main items. The magnitude too varied depending on the size of the organisation's membership. However, while most of the organisations complained about inadequate funds, there were also organisations which had surplus. From the financial details

given, the range of income expenditure varied from a few hundred rupees to about Rs. 90 lakhs per annum.

Suggestions given by Organisations

While all had suggestions specific to their target groups, trade unions, especially large and affiliated had general suggestions also. Hawkers groups were very vocal and offered many suggestions. These include place for business, valid permits/licences, hawkers' zones, pitch licence, a Commission for hawkers and a national policy on hawkers on the lines of 'the Ballagio International Declaration of Street Vendors'. For construction workers, a Labour Board was suggested. *Dhobis*, weavers and bakers wanted their specific problems (stated earlier) to be solved. Auto and taxi unions wanted governments to bring down inflation and control prices of fuel and auto parts.

The general suggestions included effective enforcement of minimum wage, change in economic and social behaviour towards unorganised labour, compulsory basic education, action against corruption, eliminating unemployment and government action for controlling inflation.

Conclusion

A variety of labour organisations were working for unorganised labour in Mumbai. Trade unions were most prominent and among them unions with higher central or regional affiliation were having greater awareness and knowledge about unorganised labour and had more systematic approaches. But smaller independent unions needed support. The Labour Boards were found to be effective for *mathadis* and workers appeared to be satisfied with its functioning in general. NGOs were successful in mobilising women and raising their economic and social status.

Cooperatives did not appear to be highly effective though they were in the field for a long time. Similarly, associations and other organisations also seemed to have only limited success. An unfortunate aspect of the working of these organisations is that there appears to be no coordination and cooperation among them eventhough they all work for unorganised labour. This highlights the need for some apex organisation that can bring all such organisations together and serve as a common platform.

IV

Case Studies

In the foregoing analysis it was noted that some of the organizations are trail-blazers in their fields. Some such typical organizations are presented here as case studies. One mobilizes women and undertakes socio-economic activities while another concentrates only on business activities for women. Another organization helps poor children and child labour. Labour boards which we consider as a very good model for unorganised labour are together presented as a case study. In this manner every case study highlights some special aspects. The objectives and activities of the organization are as stated in their publications and/or as told by the office bearers. However it should be noted that these case studies are not in depth. In-depth studies demand individual observational/evaluatory studies that would need a separate special effort.

Annapurna Mahila Mandal

The Annapurna Mahila Mandal (AMM) is a classic example of what poor women can achieve if they combine and organise themselves. The background to the formation of the AMM was the poor plight

of women textile workers who were thrown out of jobs and took up self-employment of providing food to mill workers (hence the name Annapurna). But then they were exploited by the money-lenders and traders who supplied them inputs for food preparation. Then these poor women were caught in a debt trap. In 1975 during the international year of the women the AMM was formally registered as a charitable trust and society under the dynamic leadership of Mrs. Prema Purao who continues to lead the poor women. At present AMM's membership exceeds one and a half lakhs and this could perhaps be one of the largest organisations in the world mobilising poor women including self-employed.

The AMM's objectives include

- a) working for the social, educational, economic and moral upliftment of women
- b) enabling poor women to get assets
- c) helping women financially, and
- d) to promote independence, self-reliance and leadership among women.

The AMM's major activities or programmes include

- a) providing training in food processing for self-employment,
- b) striving for the empowerment of women in all fields-social, economic, cultural and political,
- c) providing easy credit facilities for income generating activities and
- d) fighting against all forms of exploitation of women and for implementation of protective legislation for working women.

The AMM's performance speaks for itself. Its membership has grown to cross the one lakh mark. Its cooperative credit society

has granted loans to more than one lakh members amounting to a total of over 27 crores of rupees. The cooperative provides credit for self-employment and its micro credit programme offers a number of services and resources including 'saving, training, networking and peer support'. An outstanding feature is its pension scheme for women. A woman has to contribute only Rs. 50 per month for five years which will amount to Rs. 3000 which will be kept as a fixed deposit ensuring a pension of Rs. 800 per month after 25 years, keeping the accumulated corpus of about Rs. one lakh intact.

The AMM also runs a food-making training canteen. The canteen sells food over the counter and sends out lunch boxes. This has recently been converted into a 'marketing platform' called 'Purna-anna' (complete food) wherein a wide variety of food items, ready-to-serve as well as other cooking items are sold. The entire system of accounting and billing has been computerised.

The Mandal has a socio-economic welfare centre spread over 1.5 acres at Vashi, New Bombay called Annapurna Nagar where destitutes are rehabilitated through vocational training in fields like sewing, handicrafts, catering etc.; income generating activities like catering to corporate business houses, running a stall at a nearby railway station and running a mobile canteen are undertaken; a working women's hostel is built and managed; a multi-purpose medical centre is run; legal aid is provided; a housing society is completed; and several schemes of education and training for women and children are implemented.

With such diverse and comprehensive services spread at different places in Mumbai and its suburbs covering 54 work

centres, the AMM shines as a standing testimony to what can be done to organise the poor women of unorganised sector.

Labour Boards

The Maharashtra Government enacted The Maharashtra Mathadi, Hamal and other Manual Workers (Regulation of Employment and Welfare) Act for regulating the employment of unprotected manual workers employed in certain employments in the State of Maharashtra. It was first of its kind in the country. It was felt expedient to regulate the employment of unprotected workers such as *Mathadi* (Head-Loaders), Hamal and others engaged in certain employments, to make better provision for their terms and conditions of employment, to provide for their welfare, and for health and safety measures where such employments require these measures; to make provision for ensuring an adequate supply to, and full and proper utilization of such workers in such employments to prevent avoidable unemployment; for these and similar purposes, to provide for the establishment of Boards in respect of these employments. This Act extends to the whole of the State of Maharashtra.

In Mumbai, we covered different Labour Boards which aim at protecting and safeguarding the unprotected workers in different fields. Since these Labour Boards cover a wide variety of unorganised labour and since Mumbai appears to have the largest number of Labour Boards, an attempt has been made to give some details of these Labour Boards. Maharashtra is the first State in the country to have Labour Boards for regulating the employment of unprotected manual workers employed in certain employments. The Labour Boards so far have succeeded in providing protection to unorganised

workers employed in Railways, security guards, vegetable vendors and cloth sellers; workers employed in Dock, Iron & Steel, Transport, cotton industries, Khoka and Timber and grocery markets or shops.

Labour Boards carry on various activities for economic and social betterment of registered unprotected workers. They run medical dispensary exclusively for these workers and for their family members. Boards are able to procure land from the government and workers are encouraged to form a society so that low-cost housing could be provided to them. One such low cost housing is being constructed in Kandivali, Mumbai for these registered unprotected workers. Several such proposals are pending before the State and Central Government. The following are the various Labour Boards:

i) **The Railway Goods Cleaning and Forwarding Unprotected Workers (Regulation of Employment and Welfare) Scheme 1976:**

The objects of this scheme are to ensure an adequate supply and full and proper utilization of unprotected workers employed in railway yards and goods-sheds and in private railway sidings of establishments; in connection with loading, unloading, stacking, carrying, weighing, measuring, or other work including work preparatory or incidental to such operations by employees who are not employed by Railway Authorities, for efficient performance of work and generally for making better provisions for the terms and conditions of employment of such workers and to make provisions for their general welfare.

ii) **The Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act 1981:**

This Act ensures an adequate supply and full and proper utilization of security guards in factories and establishments, and generally for making better provision for the terms and conditions of employment of such workers. The Maharashtra State Government may by means of one or more schemes provide for the registration of employers and security guards in any factory or establishment and provide for the terms and conditions of employment of registered security guards and make provision for the general welfare of such security guards.

iii) **The Vegetable Markets Unprotected Workers (Regulation of employment and welfare) Scheme 1985:**

The objects of the Scheme are to ensure an adequate supply and full and proper utilization of unprotected workers employed in vegetable markets and other establishments in the trade in connection with loading, unloading, stacking, carrying, weighing, measuring or such other work including work preparatory or incidental to such operations for efficient performances of work and generally for making better provisions for the terms and conditions of employment of such workers and make provision for their general welfare.

iv) **The Cloth Markets or Shops Unprotected Workers (Regulation of employment and welfare) Scheme 1971:**

The objects of this Scheme are to protect unprotected

workers employed in Railways, security guards, vegetable vendors and cloth sellers; workers employed in Dock, Iron & Steel, Transport, cotton industries, Khoka and Timber and grocery markets or shops.

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iii) **The Vegetable Markets Unprotected Workers (Regulation of employment and welfare) Scheme 1985:**

The objects of the Scheme are to ensure an adequate supply and full and proper utilization of unprotected workers employed in vegetable markets and other establishments in the trade in connection with loading, unloading, stacking, carrying, weighing, measuring or such other work including work preparatory or incidental to such operations for efficient performances of work and generally for making better provisions for the terms and conditions of employment of such workers and make provision for their general welfare.

iv) **The Cloth Markets or Shops Unprotected Workers (Regulation of employment and welfare) Scheme 1971:**

The objects of this Scheme are to protect unprotected

unprotected workers employed in Khoka and Timber markets or shops or such other works.

x) **The Grocery Markets or shops Unprotected Workers (Regulation of employment and welfare) Scheme 1970:**

The object of the scheme are to ensure and adequate supply and full and proper utilization of unprotected workers employed in, -

- a) Grocery markets or shops in connection with loading, unloading, stacking, carrying, weighing, measuring, (filling, stitching, sorting, cleaning) or such other work including work preparatory or incidental to such operations;
- b) Markets and other establishments, in connection with loading, unloading, stacking, carrying, weighing, measuring, (filling, stitching, sorting, cleaning) of soda ash, coaster, lime, color chemicals, chemical products including fertilizers, gunny bags, coir rope, ropes mats, hessian cloth, yarn, oil cake, husk *chuni* and *chhala*, or such other work including work preparatory or incidental to such operations carried on by workers, not covered by and other entries in the schedule, for efficient performance of work and generally for making better provisions for the terms and conditions of employment of such workers and make provision for their general welfare.
- c) Onion and potato wholesale markets in connection with loading, unloading, stacking, carrying, weighing, measuring, (filling, stitching, sorting, cleaning) or such other work including work preparatory or incidental to such operations.

- d) Factories and mills manufacturing grocery products if such employment is connected with loading unloading, stacking, carrying, weighing, measuring, (filling, stitching, sorting, cleaning) or such other work including work preparatory or incidental to such operations carried on by workers covered by entry 5 in the schedule to the Act.
- e) Railway yards and goods sheds in connection with loading, unloading, stacking, carrying, weighing, measuring, (filling, stitching, sorting, cleaning) or such other work including work preparatory or incidental to such operations by workers who are not employed by the Railway Authorities.
- f) Factories and mills manufacturing colour chemicals, chemical products including fertilizers, in connection with the loading unloading, stacking, carrying, weighing, measuring, (filling, stitching, sorting, cleaning) or such other work including work preparatory or incidental to such operations carried on by workers covered by entry 5 in the schedule to the Act.

The number of workers who are registered with Labour Boards are quite different from the number of the workers who are actually deriving benefits from these Boards. The main reason for this reverse trend is largely due to closure of the shops and in some cases, establishments are moving out of the city. Further, liberalization and globalisation of the economy have also made the conditions of these establishments worse.

Labour Boards have also suffered due to flexibility of the scheme and one such flexibility is that the Maharashtra State Government

may exempt any establishment or part of any establishment or any scheduled employment as it deems fit. This opens the floodgates of corruption and political favours. In the last five years alone there are all time high exemptions of such establishments particularly in Security Boards. Last but not the least, in many cases officers of these Boards have to tackle anti-social elements who are very active in these employments.

Labour Boards cover male and female unprotected workers. Despite several constraints workers who are registered with the Labour Boards are far better off than even those who are employed in the organized sector of the economy. These Boards provide bonus, medical help, housing facilities, Provident Fund and many other benefits to these registered unprotected workers. On the whole Labour Boards in Mumbai act as a guardians of the registered unprotected workers but there is still much ground to be covered before the goal is achieved. The State Government should extend the coverage of these schemes in other related establishments such as construction workers, domestic workers and should also constitute separate Labour Board for unprotected women workers.

It is our observation that the workers once covered by the Board are better-off on many counts than even those working in the organized sector. The institution of Labour Boards is also found in Kerala. This setup is able to take care of the scattered nature of work, large number of small employers, and unorganised nature of labour market. This institutional mechanism can be tried in case of other categories of unorganised labour are in other states also. In case of multiple employers like those of domestic workers, there can be boards based on localities or specific areas.

However, the system and functioning of Labour Boards need deeper study. In the present study, unions organising the *mathadis* outside the Labour Boards were also found. Experts dealing with labour boards pointed out that the system is not working effectively as the scenario is changing. The organised *mathadis* working under the Labour Boards exploit the unorganised *mathadis* and prevent them from getting registered under the Boards. There were also several malpractices like some *mathadis* getting higher wages, political interference and corrupt practices in the registration of workers. In several cases the union representatives in the Boards are party to such malpractices. As a result, membership in several Boards has come down. All these facts highlight the need for evaluatory studies and appropriate actions, so that Labour Boards can function effectively to protect and serve the needs of unorganised labour like the *mathadis* and others.

Domestic Workers Movement

The Domestic Workers Movement (DWM) has been responding to the issues and concern of domestic workers since 1985. The DWM works at several levels: with the workers themselves, it seeks to educate them about their rights; with the general public, it seeks to increase awareness of the concerns of domestic workers; with government and other official bodies it lobbies for protection and other benefits for these workers. Domestic workers are one of the most exploited groups of unorganised workers. A Sister of the Bombay Houseworkers' Solidarity highlighted the plight of domestic workers by narrating the experiences of several victims. She emphasised that domestic workers must be registered and it must be ensured that they get standard wages and other amenities. Since there are no specific laws relating to them, employers can hire and fire them as they

please. Therefore domestic workers remain victims of unmitigated injustice, and are totally powerless and voiceless. They are treated as objects and non-persons.

The Domestic Workers Movement empowers domestic workers and stands for the following:

- i. All domestic work has dignity
 - ◆ it is an indirect participation in production
 - ◆ it contributes to the quality of life
- ii. The personal dignity of each domestic worker is ensured by
 - ◆ being in contact and creating for them 'a place to go'
 - ◆ crises intervention and counselling
 - ◆ helping in their formal and non-formal education
 - ◆ providing a space and occasion to meet each other
 - ◆ evoking their cultural expressions through annual get-togethers and celebrations
- iii. Together with the workers, it struggles for justice
 - ◆ for work contracts, just wages, work hours, rest and leave
 - ◆ for their recognition as 'works'
 - ◆ for a legislation for domestic workers (Conditions of Service Bill)
 - ◆ for a public awareness of their dignity and their rights.
- iv. Empowering domestic workers is a priority
 - ◆ through leadership training
 - ◆ group and collective solidarity
- v. Networking both at the national and international level
 - ◆ with domestic worker organizations and support groups
 - ◆ with other associated groups like women's groups, human rights groups, migrant workers' rights groups, etc.

The DWM has also finalized a draft bill (The Domestic Workers Bill, 1996), which, if enacted, can ensure the betterment of domestic workers.

In India, the domestic workers are not legally recognized as workers and thus have no rights. They are almost slaves - utterly dependent on the benevolence of their employers. It is necessary to ensure that all domestic workers are registered with an appropriate authority and are provided with benefits like wages at standard rates, weekly holidays, etc. There must be watchdog committees to ensure proper implementation of legal provisions for these workers. The DWM is helping these workers in the unorganised sector and now the workers are becoming more assertive and conscious about their rights and dignity.

Republican Hawkers' Union

In recent times many NGOs, unions and organisations dealing with hawkers problems are coming together to instill a sense of confidence among hawkers and improving their conditions. The Republican Hawkers Union (RHU) attempts to bring all hawkers organisations together and promote their solidarity.

Hawkers and vendors are the most regulated but the least acknowledged. Their contribution to the national economy has seldom been computed. Among the major items vended by the hawkers are vegetables, fruits, biscuits, various cooked foods, embroidered and ready-made garments. Despite their contribution to the economy, hawkers are considered a nuisance and obstruction by the agencies of the state, the general public and even those who use the services of the hawkers.

In reality hawkers and street vendors move from crises to crises in their daily lives as they face multifarious problems. Municipal authorities harass vendors by forcible eviction, demands of illegal gratification or bribes, destruction of their goods and wares, demands for free goods, verbal abuse and physical manhandling or beating. The local authorities and law officers insist that no family member except the one in whose name the license is issued will vend or carry on the hawking business. Mandatory attendance in Courts for alleged offences under the criminal law compels the hawkers to lose the day's earning. Illiteracy of hawkers and vendors help the corrupt and baton-wielding law officers get away because it becomes difficult to identify them. In the same context, lack of access to legal services and courts, add to the problems of hawkers and vendors.

The RHU promotes awareness among hawkers by spreading information about their rights as stated in the Bellagio International Declaration of Street Vendors. (Appendix 3)

At present hawkers are gaining ground in their movement. They are now more organised and are winning several cases in the courts and are on their way to get justice from the Government.

Maharashtra Centre for Entrepreneurship Development

Maharashtra Centre for Entrepreneurship Development (MCED) is promoted by the Government of Maharashtra and is a joint venture of SICOM, MSSIDC, MIDC, MELTRON and MITCON. The main objective of MCED is to provide information and courses about personality development, business opportunities, market survey, various schemes of

assistance from the Government and financial institutions, sources of raising funds and Government Rules and Regulations, and finally how to prepare a project report. These programmes are conducted by professionally committed highly qualified trainers from MCED.

The MCED also arranges for training at nominal fee to all those interested in self-employment and entrepreneurship. Its Head Office is in Aurangabad. In its first phase of development, the MCED set up training centres in all districts of Maharashtra. It is now covering all taluka places also. In Mumbai it has fourteen training centres where computer and information technology is offered. It concentrates on motivating the poorer section of the society.

Child Relief and You

The Child Relief and You (CRY) is committed to the cause of deprived section of Indian children. In the last 18 years CRY has supported 228 child development initiatives disbursing Rs.14 crores, bringing hope into the lives of over 7,00,000 children.

CRY support to initiatives of NGOs working to restore freedom to children (1998-99) in Mumbai were:

I. Apnalaya

- ♦ Training Centre
Provides training programmes for *balwadi* teachers and para-professionals in the field of education.
- ♦ Chickoowadi Centre
A child-focused slum development programme for the

community who were brought to Mumbai to build the Bhabha Atomic Research Centre.

II. Avehi Public Charitable (Educational Trust)

- ◆ Develops prototype modules for learning for children of 8-12 years studying in non-formal education centres and municipal schools and trains teachers to use the programme.

III. Child Line

- ◆ Responds to children in difficult circumstances, mainly street children, through 24 hour free telephone service and appropriate referrals to NGOs working with street children. Also sensitizes and collaborates with the Mumbai Police, Mumbai Municipal Corporation, Hospitals and Railway authorities on the issue.

IV. Experimental Theatre Foundation (ETF)

- ◆ ETF uses the medium of theatre to motivate children and parents towards education and eradication of child labour. Focus is on child garage workers and is working towards functional literacy. Runs non-formal education centres and uses street theatre, workshops and camps to motivate and educate children.

V. Jaag

- ◆ Works towards restoring the basic rights of marginalised urban tribals in Mumbai, specially with regard to land issues.

VI. Mobile Creches

- ◆ Conducts an integrated day-care programme including creches and pre-primary education for the children of

migrant construction workers and training centres for *balwadi* teachers.

VII. Pratham

- ◆ Ensures that every child in Mumbai in the age group of 3-10 years will be in pre-school / school and learning within a period of 3 years. Initiation of grassroots work in rural areas as a part of the National Alliances to implement the fundamental right to education.

CRY has now become a movement for children's rights with operations in Mumbai, Delhi, Calcutta, Chennai and Bangalore.

Shramik Vidyapeeth, Dharavi

Shramik Vidyapeeth, sponsored by the Ministry of Human Resource Development, Government of India is an institution of non-formal polyvalent adult education catering to the needs of the deprived sections of urban community. There are 42 Shramik Vidyapeeths all over the country. Shramik Vidyapeeth, Dharavi, (SVD) was established in June 1984 as a voluntary organization registered under the Societies Registration Act of 1860.

The main objectives of Shramik Vidyapeeth are to:

- i) enrich the personal life of learners by providing opportunities of adult education, physical culture and recreation;
- ii) improve their occupational knowledge and technical skill for raising their efficiency and increasing productive ability;
- iii) organize programmes of vocational and technical training with a view to facilitate mobility of the learners;

- iv) widen the range of their knowledge and understanding of the social, economic and political systems in order to create in them critical awareness about the environment and to enable them to play a more effective role as a member of the family, society and as a citizen;
- v) promote national goals, such as secularism, national integration, small family norms, protection and conservation of environment and women's equality; and
- vi) serve as the focal point for urban and non-formal education programmes including literacy, post literacy, continuing education and education for all.

At present Shramik Vidyapeeth is envisaged to be an institution of continuing non-formal education for deprived section of urban community such as men, women and youth, employed, self-employed, prospective workers and their family members as well as unemployed youth. Its primary responsibility is to explore, innovate and to work out alternatives trying new methodologies and thus meet the needs of different target groups through programmes of education and training.

Mahila Arthik Vikas Mahamandal

Mahila Arthik Vikas Mahamandal (MAVIM) is a Maharashtra Government undertaking. Established in the year 1975, its main aim is to make women economically independent. MAVIM's main activities include the following:-

- i. MAVIM's Women's vocational counselling centre helps women to find out opportunities for self employment.
- ii. MAVIM provides marketing facilities by organising exhibition-cum-sales.
- iii. MAVIM allots food selling centres, telephone

communication centres, common facility service centres to women's organisations all over Maharashtra.

- iv. MAVIM organises entrepreneurship awareness programmes and entrepreneurship development programmes for women in every district of Maharashtra.
- v. MAVIM organises vocational training programmes in various fields like electronic assembling, beauty culture, bakery, catering, home management under Nehru Rozgar Yojana.

MAVIM is also planning to establish MAVIM GHAR which will include telephone communication centre, common facility centre, food selling centre and other consumer items.

MAVIM helps women in many such fields. It basically acts as a mediator so as to assure economic help for women.

Bombay Urban Industrial League for Development

The story of the Bombay Urban Industrial League for Development (BUILD) is the story of a group of men and women who motivated by deep Christian faith, held their eyes beyond the horizon and held hands with others in the struggle for human dignity, freedom, justice and peace. The traditional approach of charity of Christian churches and social groups could not challenge or change the exploitative and unjust system prevailing especially in the developing countries like India. It was initiators like BUILD in the early 1970s who did the spade work in bringing socio-political dimension into work of Social Action Groups by encouraging, organising, conscientising the discriminated and the exploited to get united at the local level against their oppressors.

The rapid urbanization and industrialization in the 1960s and 70s led to migration of millions of rural poor to the cities like Mumbai for employment and livelihood and resulted in the growth of slums and shanty towns. The poor who came for better opportunity for survival, live on pavements, make-shift tents and the slums without any proper basic amenities. These inhuman conditions of Bombay slum dwellers led to the opening of BUILD in the year 1973.

At present the BUILD is conducting the following programmes:

i. Nurture and Communication

- ♦ Training workshops for clergy for social involvement
- ♦ Legal aid, strategies, awareness programmes for social activists
- ♦ Interfaith dialogues, networking to promote peace and harmony
- ♦ Ecumenical activities for justice
- ♦ Women's seminars
- ♦ Youth (Xian) leadership trainings, social awareness programmes
- ♦ Magazines like 'Aawaz'
- ♦ Pamphlets / Posters for women's awareness or occasional needs like voters' awareness.
- ♦ Supporting, networking with other Christian secular, like-minded groups on different issues like environment, women, slum redevelopment housing, sanitation, etc.
- ♦ Publication of relevant theological and social issues.

ii. Community Organization/Conscientisation/Mobilization

- ♦ Slum awareness programmes

- ♦ *Balwadi*, developmental programmes for slum children to initiate education
- ♦ Organising Mahila Mandal in slums/addressing other women's issues
- ♦ Training and organising slum youth in leadership
- ♦ Addressing slum people's basic amenity problems
- ♦ Supporting, networking with other like-minded groups
- ♦ Publishing awareness materials like 'Masha' magazine
- ♦ Participation in Government schemes for social, slum development.

iii. Advocacy and Networking

- ♦ Administration and supporting of the two Units
- ♦ Networking, promoting justice concern with other groups
- ♦ Co-ordination to / with WIFSAR, INSAF and other partners of BUILD
- ♦ Organising National, International, Ecumenical and development seminars.

From a very small beginning and surviving many difficulties BUILD today stands as a symbol of the Church's involvement in the struggle for justice and peace and more for the deprived sectors of the society.

Bombay Young Men's Christian Association

Bombay YMCA has changed the lives of men, women, and young children through its various innovative educational, sports and training programmes. Some present activities of BYMCA includes:

- ♦ Progressive swim instructor workshop
- ♦ Public Lecture series on social issues
- ♦ Night study centre for children

- ♦ Rehabilitation of under-privileged women
- ♦ Vocational training
- ♦ Publication of Newsletter *Onward*.

In the recent past BYMCA has helped unorganised workers through its various activities aimed at the betterment of the lives of downtrodden people irrespective of caste, creed and religion.

Samarthan

Samarthan is a registered public trust. It raises the voice of the people of different fields. It raises the issues of child labour, child education, rural people's problems, domestic workers, unorganised workers, public distribution system, women's rights, human rights and police reforms, etc. The main objectives/activities of the Samarthan are to:

- i. understand the problems of the rural people and raise them at the rights platform, that is Gram Panchayat, State level or even at Central level
- ii. give publicity to the people's problem through media
- iii. initiate discussions on different aspects of peoples problems
- iv. take up matters with the members of legislature (MLAs).
- v. take up such problems with the State Government and deal with the problems
- vi. fight cases whenever necessary in the courts
- vii. publish information regarding social problems and democratic system.

Samarthan in the recent past has developed a good rapport with the unorganised people by raising their issues at different platforms. For example, it published a peoples charter during the recent mid-term parliamentary elections.

Youth for Unity and Voluntary Action

The Youth for Unity and Voluntary Action (YUVA) is a voluntary organisation engaged in social work since 1984. It is independent of the government and has no political or religious affiliation. YUVA works for the upliftment of the oppressed and the marginalised in urban and rural areas. The present activities of YUVA include:

- i. Upliftment of street children
- ii. Upliftment of the oppressed people
- iii. Publication of the magazine *Anubhav* and various other titles
- iv. Organising seminars
- v. Creating awareness among the youth
- vi. Medical aid to children
- vii. Emotional counselling to slum children
- viii. Conducts educational programme
- ix. Trains youth from the slums and pavement and equip them with sufficient skills.

YUVA is doing good work in the unorganised sector of the economy an creating mass awareness among the people.

Prerna

Prerna is an NGO working for the sex workers (prostitutes) and more for their children. It is an affiliate member of ECPAT (End Prostitution, Child Pornography and Trafficking in children for sexual purpose) International, Bangkok. It also networks with other NGOs to help the prostitutes and their children.

The activities of Prerna include nightcare centre (NCC), Educational Support Programme (ESP), Non-Formal Education (NFE), Institutional Placement Programme (IPP) and Balwadi for

the children of prostitutes and Anti Trafficking Initiatives. Thus Prerna aims at rehabilitation of women and children who are victims of commercial sexual exploitation.

The objectives of the Prerna, among other things, are to help the prostitutes and for prevention of prostitution:-

- i. eliminate second generation prostitution in order to
- ii. prevent child prostitution;
- iii. prevent trafficking of women and children for prostitution and pornography;
- iv. work towards proper rehabilitation and reintegration of the victims of commercial sexual exploitation (CSE);
- v. provide an optional dignified life to the children of prostitutes through comprehensive social work intervention in their situation. More particularly, to give inputs like education, shelter, health, nutrition, recreation, vocational training, personality development, value education, counselling, etc;
- vi. create awareness among the prostitutes of their human and civil rights and to empower them with the general civic facilities;
- vii. encourage and empower the victims of CSE to establish their human rights including their right to get treatment for HIV/AIDS problem;
- viii. take up active advocacy work on behalf of the victims of CSE wherever required;
- ix. work for a proper social perception over the situation of the victims of CSE;
- x. undertake capacity building and facilitate a broader social involvement in the situation of the victims of CSE—more particularly encourage other NGOs to take up RLA intervention work;

- xi. make consistent efforts for effecting appropriate changes in the legislation, policy and programmes pertaining to trafficking and prostitution;
- xii. undertake research and documentation and provide consultations in the field of CSE;
- xiii. undertake sensitization and training programmes for governmental and non governmental agencies to further the cause of the victims of CSE;
- xiv. set up and run a cleaning house of information in the field of CSE;
- xv. establish and run a network of organizations working for the cause of the victims of CSE;

Thus Prerna in Mumbai is reaching to a large number of women and children belonging to a thoroughly neglected section of the unorganised sector of the economy.

‘Naka’ Labour Market

‘Naka’ refers to a street corner or a junction. ‘Naka Labour Market’ refers to a labour market for construction workers at prominent street corners or junctions at various places in Mumbai. Construction industry is a very old one and is highly labour intensive. It is a casual labour market where workers, both skilled and unskilled, assemble in the early mornings seeking work. Naka market is an excellent example of the functioning of the informal or unorganised sector. There is ease of entry into the market, where even newly migrated workers from rural areas and outside state workers can enter for work. Those who do not get work in formal sector or are thrown out of it can also find place. Competition is open and intense but anthropological factors like village network,

community connections, etc. also play an important role.

In Mumbai it is estimated that there are about 200 such labour markets with a total workforce estimated to be between one to two lakhs, the fluctuation in employment depending on the season. Such markets have been in existence for decades, perhaps for over a century.

In a survey of one such naka market near Andheri railway station 186 naka workers—154 men and 32 women—were covered. (Devashtali, Veena, 1997) Workers start coming to the place from about 6.45 a.m. The number of workers reach the highest about 8.30 a.m. Males predominate as reflected in the survey. More details of the survey are given below.

About 60 per cent of the workers are from Maharashtra and 25 per cent from the neighbouring States of Karnataka and Andhra Pradesh. The remaining are from northern States especially from Uttar Pradesh. Thus a large section of workers, including workers from neighbouring districts of Maharashtra, are migrants. Naturally in Mumbai they reside in places like the footpaths, railway stations, offices and religious places. Few have the luxury of having their own houses.

About 90 per cent of the workers are in the age group of 16-45 years, with the age group of 26-35 constituting the single largest group (38 per cent of total). More than half (55 per cent) were found to be illiterates while 40 per cent had different years of school education. Most of them own or share land in their native places and therefore have strong native ties. But obviously the land is of poor quality compelling them to seek jobs outside.

Women come to the city as a result of marriage or due to personal difficulties.

A special feature of the 'naka market' is its impersonal character and pattern of working. The market functions in the morning between 6.45 to 9.30 a.m. Direct employers never come, leaving the job of recruitment to contractors and subcontractors who arrive in the mornings and negotiate with workers. Where more workers are needed by a contractor, groups of workers having a common level take up the job. However, considerations like age, joblessness for some days at a stretch and sickness are also considered while choosing workers for jobs. Workers initially set high demands like Rs. 200 wages per day for skilled workers, but lower it as time passes and opportunities become difficult. All workers may not get work on all week days. Majority get work for 3-4 days a week. System of over-time payment is also prevalent. Many workers complain of cheating like not getting paid for return travel, etc.

Surprisingly, very few workers here had met with accidents. Those who had, said that they were paid for the day and a lump sum of money for treatment. But many complained of frequent illness and their inability to get treatment as hospital timings interfered with work. Women are always paid less. There is no trace of any social unity for any worker.

A sad practice in the market is the frequent quarrelling between naka workers and the small staff/shop/hotel owners in the area for space. Both need the same space and place in the busy hours of the morning for their jobs and income generation. It is a sad example of poverty dividing the poor. Out of sheer necessity

for survival, both sections have learnt to carry on both their fights as well as their work and operations!

Such naka markets and workers have been in existence for decades but remain unrecorded. Though the markets appear to be competitive, large supply of labour result in lower wages and poor working conditions. Employment widely fluctuates with monsoon season being the worst time for jobs. No data or records are kept, no registration of workers is made, and the organisation, in spite of a large number of workers found in the market, takes up their mobilisation and organisation. Construction workers as a group have begun receiving the attention and have become the focus of several NGOs and policy-makers, but naka markets remain invisible and less attended. Some social intervention could certainly be beneficial to them.

Mumbai Swarnakar Sangh

'Swarnakars' are goldsmith or workers who handle gold for making jewellery and yet are poor! Their job skills may be one of the rarest skills that get them little remuneration while the gold merchants and jewellery shop owners make the maximum profit.

The Mumbai Swarnakar Sangh (MSS) has several features that makes it unique. It was registered as a trade union in as far back as 1963. It is affiliated to the All India Swarnakar Sangh (AISS). Both unions have no political affiliation and function independently. The MSS has a membership of about 25,000 including a few (about 70) female members. In spite of having a trade union for such a long time, most goldsmiths have remained poor and currently are going through a hard time. The union also functions as an association of goldsmiths. The rate of

subscription of 0.50 paise per month remains unchanged even today.

The MSS was formed when the Government of India, soon after the Chinese conflict in 1962, promulgated the Gold Central Order which dealt a body blow to the goldsmiths as the order reduced the purity of gold in ornaments/jewellery leading to a fall in demand for such products. It was mainly to face this hardship that the union was formed. As a result of their relentless struggle, the government changed its policy but the main change came around 1990 that liberalised all dealing in gold.

Though the jewellery industry is flourishing, benefits do not percolate to goldsmiths. The jewellery merchants and a few rich goldsmiths who can invest heavily in gold and in machinery to mould gold, have benefited and are enjoying a good turnover and sales. The vast majority of goldsmiths remain poor. They also suffer from eye and lung ailments.

According to the union leaders, when the swarnakars were facing problems they were actively participating in the union activities. The union also used to render a number of services to the members. The union used to supply wax used in the industry to members at reasonable prices. It also used to give certificates to members certifying their caste. It maintained registers to keep records of their work. When the government liberalised the Gold Control Order, the goldsmiths did not feel the need to actively participate in the union's activities. At present the union has limited activities like honouring the senior members of the profession, encouraging the education of children of members, etc. It

also continues to issue certificates to members to get excise/duty concessions.

The union's membership continues to fluctuate. According to the leaders, this may be because of the very low subscription rates of Rs. 6 per annum. Many members paid this subscription for several years at one time, clearing the arrears.

The union office leaders were bitter that the gold merchants who employed the goldsmiths in their shops showed no consideration to the problems faced by the goldsmiths, though the later were very cooperative and responsive, the needs of their employers. An instance of their rendering cooperation was narrated by one of the office-bearers. Earlier the gold merchants used to pay only 50 paise to goldsmiths for drawing a strip of wire or flat thin bars. But the government treated this as a manufacture and charged Rs. 250 for the same quantity of gold involved. The merchants made very strong representations to the government and in their struggle the goldsmiths were of great help. They took with them all their equipment and convinced the government (Finance Minister) levying Rs. 250 for a job for which workers charged only 50 paise was grossly unfair. The government later discontinued such a levy. But the gold merchants who benefited enormously from this, did not show their gratitude to the goldsmiths, let alone helping them or passing on some part of their gains.

Economic reforms also seem to have affected them adversely. The use of high technology in the industry as a result of reforms has reduced the job opportunities. For example, where earlier

every piece was made artistically by a goldsmith, now dies are made which reduce the need for more workers.

The leaders were also lamenting that younger generation was not interested in taking active part in the union and preferred to remain content with meagre earnings. There was no social security and workers, most of them poorly educated, were not interested in uniting and fighting for better terms and conditions of work and earnings. Many workers were not interested in getting their children educated because they felt it would only add to the unemployment. The level of awareness for the need to fight unitedly was very low. Their general attitude of fatalism, apathy make any social intervention extremely difficult.

Shri Mahila Griha Udyog Lijjat Papad (Lijjat)

Lijjat is a classic example of economic success of women as a group. It is an NGO engaging organisation in business. It is also a successful example of group entrepreneurship. Its members are women from both rural and urban areas. No qualification or special technical skills are needed to become a manager. Traditional skills of rolling papad is enough. It aims at making women self-reliant and self-confident. Lijjat believes in the philosophy of 'Sarvodaya' and in the organisation the concept of trusteeship is in the process of implementation.

On 15 March 1959 in Girgaon, Mumbai seven ladies held a simple function and then rolled 4 packets of papads and Lijjat was born. In 1966 the Chairman of the Khadi and Village Industries Commission (KVIC) visited the organisation and got it recognised by the KVIC. In 1968 it decided to expand its activities. It went

on adding more and more products like khakara, masala, vadi, waffers, bakery products, Sasa detergent powder, cake and liquid soap. It has set up its own printing press, flour mill, dal mill and polypropylene divisions.

Today Lijjat is a household name not only for *papads* but also for a variety of other products. It not only markets its products throughout India but also exports. Its annual turnover is over Rs. 110 crores and exports are over Rs. 6 crores. The UK, USA, Middle East, Singapore, Hongkong and Japan are its export markets. About 40,000 women who work at home, are its members. It has expanded and has 52 branches and 31 divisions spread all over India. Its head office is in Mumbai where there are over 15 branches spread all over the city. Its accounts are maintained on a daily basis and profit or loss is shared among its members.

Duplication of its products by unscrupulous businessmen and high taxes are its main problems but obviously Lijjat is facing them effectively.

The organisation's logo proclaims it as a "Symbol of a women's strength."

It helps women in getting self-employed. Its philosophy is stated in a few sentences. Lijjat is a voluntary organisation of sisters which does not accept charity or grants but believes in running its business wisely. It is a family of sisters and its workplace is their place of worship. There is no discrimination on the basis of religion, caste, creed, or class. Any woman can join or leave it anytime. Every kind of work is treated as equally important. All the members are

joint owners. Its management principles and uncompromised quality consciousness are applied in conjunction with sound business. Its principles can lead the organisation "towards a brighter and happier tomorrow and a pride and joy of fulfilment." On these principles Lijjat keeps marching from success to success.

Conclusion

The above case studies reveal that there are many roads to success. But each institution covered is a standing testimony of sustained and committed efforts and strong will to succeed. They together prove that mobilising and uplifting different categories of unorganised labour is possible given a strong political will to do so.

V

Summary and Conclusions

Objectives of the Study

The present study has focused on labour organisations working for the unorganised labour in Mumbai. The objective has been to examine the type of labour organisations that work for Mumbai unorganised labour, with special reference to trade unions, the nature of their activities and their contribution to society's development. Emphasis has been on the activities for economic betterment though it is difficult to demarcate so clearly such activities. It is hoped that the findings of the study will be useful for formulating policies and programmes for unorganised labour within the country especially in the urban areas.

Labour Organisations

It has been found that a variety of organisations—trade unions, NGOs, labour boards, cooperatives, associations and others—work for unorganised labour in Mumbai. Though their objectives include economic betterment, their activities, programmes, organisational structure and methods of functioning differ widely, offering on the whole, a wide choice of alternatives to mobilise and work for unorganised labour.

Thus attending to the interests of unorganised labour appears possible on a large scale today.

As far as the effectiveness of the organisations are concerned, trade unions appeared to be most effective in mobilising the unorganised. Out of the total workers mobilised by all the organisations in the survey of about 15 lakhs, over 12 lakhs were mobilised by the trade unions. Of course, this number may be an overestimate because some unions also mobilised organised workers. Besides, some unions have workers in Thane-Belapur belt whose membership may also be included. But even after allowing for all these factors, the number mobilised by the unions appear highly significant.

The next were the NGOs who mobilised over 2 lakh workers. Out of them if the Annapurna Mahila Mandal and Lipat Papad are taken out, the contribution of others in mobilising the unorganised labour are not significant. But many NGOs undertake other activities like education, training, awareness generation and facilitating roles which are not quantifiable. Therefore, their active role should be considered more in the provision of services than mobilising. Next important organisation was the Labour Boards. These Boards had mobilised about 70,000 method workers in different markets. They have been more effective than even trade unions in getting economic benefits to workers but they are a tripartite organisation. If these institutions can be expanded to cover maximum types of unorganised labour, it would be most desirable. Cooperatives appeared to be not much effective. Other organisations too had a limited role in the mobilising and concentrated on rendering other, of course valuable, services to the unorganised labour.

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It must be noted that the trade unions while successful in mobilising, did not appear effective in solving the basic problems of unorganised labour like hawkers and construction workers. From this it can be inferred that different organisations and arrangements for different categories of labour may be needed.

Both the unorganised labour and the organisations face a number of problems which are overlapping and interconnected. These have been stated below.

The unorganised labour on the whole has been adversely affected by reforms. Increase in competition, globalisation etc. have reduced the demand for the services that unorganised sector used to render earlier.

The labour organisations were highly reluctant to give financial data and it appeared that many of them do not keep upto date financial records. As a result, very little financial data could be obtained which again may have only limited reliability.

The organisations were of the opinion that the role of the government is important in the provision of 'basic facilities' and 'social security'. Their other suggestions have been discussed elsewhere in the report.

Need to Organise Unorganised Labour

An analysis of the status and position of the unorganised labour shows that their basic problem is the lack of organisation among them. The following facts highlight the need for organising these workers:

- i. In developing countries like India the unorganised sector is bound to continue and grow for several decades to come. It is not a short-term/temporary phenomenon. Besides, due to globalisation organised sector employment may not increase much and therefore the unorganised sector has to grow. Hence it is very necessary to mobilise and organise labour in this sector.
- ii. Several ILO studies have brought out the development potential of this labour. A well-designed human development strategy for the benefit of this section of labour can help in raising the level of productivity in the country.
- iii. The national objectives of equity and elimination of poverty demand that such workers are enabled to gain access to institutional finance and other facilities for self-employment. Organising this sector can help this process.
- iv. Helping the self-employed can enable them in developing themselves and upgrading themselves into fullfledged entrepreneurs so as to play a significant role in the development process.
- v. Today the Indian trade union movement is at a crossroads. On the one side there is a threat to its membership and a lack of interest in the emerging professional and allied workforce in unions on the other. Taking up the challenge of organising the unorganised can be beneficial to the trade union movement itself, for the unorganised labour and the society.
- vi. The New Economic Policy initiated in 1991 has come to stay. While in the long run its benefits may percolate to all, in the short period unorganised labour will be adversely affected. Organising them can enable them to fight for their cause unitedly.

Problems of Unorganised Labour

Unorganised labour constitutes a set of heterogeneous groups. These groups can be classified into wage earners, self-employed and petty traders or micro entrepreneurs on the basis of the nature of their employment and earnings. The groups can also be classified on the basis of occupations or nature of jobs, as hawkers, auto and taxi drivers, construction and naka workers. We could consider them also as agricultural workers, urban workers, women workers, child workers and handicapped workers. Of course these groups are overlapping. On the basis of the present study and on observations of unorganised labour market in Mumbai, the problems of the unorganised can be summarised as follows:

A. Problems in case of wage earners

- i. Not getting minimum wage.
- ii. Problem of low productivity jobs, that is, work requiring little education and skills (e.g., rag pickers, construction workers, domestic workers, child labour).
- iii. Lack of education and training of workers. Lack of formal/informal institutions suited for them.
- iv. Workers in small scattered units (e.g., in small shops and hotels).
- v. No clear occupational classification and therefore no uniform labour law. Poor working conditions, lack of safety measures, lack of sanitation.

B. Problems in case of self-employed and petty owners

- i. Absence of clear employer-employee relations (autorickshaw drivers)
- ii. No easy access to credit, training, licence etc. (hawkers and stall owners)
- iii. Lack of productive assets.

C. Problems of some specific groups

- (a) *Hawkers/Dhobis*
 - (i) High charges/rent
 - (ii) No permanent place/threat of eviction
 - (iii) No easy permits
 - (iv) Harassment of police/municipal staff
- (b) *Auto/Taxi Drivers*
 - (i) High price of fuel
 - (ii) High prices of auto parts
 - (iii) Harassment by traffic authorities
- (c) *Domestic Workers*
 - (i) Low wages
 - (ii) Strenuous jobs
 - (iii) Many employers
 - (iv) No standard working hours, difficult to determine wages
 - (v) Difficulty in implementing legislation.
 - (vi) Problem of self-respect, always under suspicion.
- (d) *Child Workers*
 - (i) No independence
 - (ii) Exploitation
- (e) *Women Workers*
 - (i) Male bias
 - (ii) Exploitation
 - (iii) Low wages
 - (iv) Difficult to organise and to get organised.

D. General problems concerning all

- i. Low and uncertain wages and jobs, irregular payments, commission agents.
- ii. Lack of social security, including security of employment.

- iii. Lack of organisational and social power.
- iv. Long working hours, odd times and heavy work-load.
- v. Poor implementation of labour laws.
- vi. Total exploitation (economic 'lepers').

E. Problems faced by organisations

- i. Similar goals, different approaches and no coordination.
- ii. No common efforts for common issues like education, training and skills and social security.
- iii. Government/authorities' unhelpful attitude and lack of commitment.
- iv. Suggestions given by organisations not given due attention.
- v. Ways to organise and help unorganised labour in Mumbai

Studies on unorganised labour always raise the question: Is it possible? Is it possible to organise the vast, amorphous, poor and less educated unorganised labour?

The task appears daunting. It is true that there are enormous and complex constraints. The solution lies in realising that it has to be done if the country has to progress. It may take a long time but a beginning must be made and the prevailing environment of globalisation and technological change presents both a challenge and an opportunity. During the reform period of the 1990s, India's growth rate went up and it is time to concentrate on its distribution on the basis of equity and long-term national efficiency. All organisations concerned with the welfare of unorganised labour must become aware of the problems in all their dimensions, develop a unity of purpose, exhibit willingness to sacrifice and demonstrate a clear willingness to organise and work for unorganised labour. It should be noted that all the above

efforts will be consistent with the Directive Principles of State Policy of the Constitution of India.

The following are some of the ways in which the interests of unorganised labour can be attended to:

- i. *Multi-organisational framework needed:* It was noted earlier that different organisations can be used to mobilise and help unorganised labour. Central trade union federations have a very important role to play here. For wage employed, trade unions and Labour Boards, wherever possible, should be established, for example, for construction workers a Labour Board that uses the naka labour markets deserves serious examination. Associations and cooperatives may be more suitable to the self-employed and petty owners. NGOs will be ideal to deal with the disadvantaged sections like child labour, women workers and the handicapped.
- ii. *Steps to organise:* Building up a data base that can be readily used is imperative.
 - a) A wardwise survey of unorganised labour in different sectors based on census primary data without compromising private confidentiality would be the first step.
 - b) A mechanism for the registration of this labour must be determined. An organisation similar to the employment exchanges may be ideal as they can also help in proceeding further in the matter of helping this labour. A board for unorganised labour suggested by the Indian Labour Law Association can also be considered.

- c) Plans, programmes and mechanisms for specific sections of unorganised labour may be devised. The present organisation of Labour Boards is worthy of consideration in this regard.
- d) Alternative organisational innovations like involvement of NGOs, cooperatives etc. may be considered to organise labour at the grassroot level.
- e) Implementing the programmes in a time bound target oriented manner will be the next step in helping the labour.
- f) Finally there should be periodic evaluation of the entire strategy and suitable modifications can be made based on experience and feedback.

It should be noted that there are some pre-requisites for the success of the organisational efforts. Initially a multi-faceted approach by attempting to solve the various problems faced by a certain category of unorganised labour may not be possible. What is needed is that the workers concerned must be sensitised by making them aware of the value of getting organised. The workers must be convinced that the subscription they pay will ensure increasing returns but in the long run. If this is realised then both funds and membership can be secured. Educating the workers about their rights and responsibilities is also essential in order to avoid raising very high expectations.

- iii. *Resources for the efforts:* Funding for all these efforts must be tripartite with exemptions for workers and self-employed in very deserving cases based on 'means tests'. There is a basic and imperative need for the government to substantially raise the expenditure on social sector from

current level of three per cent of the total budgeted expenditure. In developed countries, it goes as high as 30 per cent which shows the gap to be covered. The National Renewal Fund also needs a thorough transformation in favour of unorganised labour. There can also be suitable levy/cess/tax on corresponding large industries wherever possible and identifiable. For example, cigarette industry can be taxed to provide social benefits to *bidi* workers and construction industry can be taxed to benefit construction and naka workers and so on.

- iv. *Role of Government:* From the responses of the organisations and based on our study, the following are the expectations from the government. The government should endeavour to work for the following:
 - (a) effective enforcement of labour laws;
 - (b) special efforts to ensure minimum wages to all sections of unorganised labour;
 - (c) education and training facilities for unorganised labour at nominal cost in government institutions;
 - (d) controlling inflation, especially the prices of essential commodities;
 - (e) to ensure job security, there should be employment guarantee scheme covering all labour;
 - (f) reducing to minimum, if not elimination, of corruption among government officials at all levels and places;
 - (g) wherever possible, the government should also try to build ancillary or link relationships between organised sector and labour on the one side and unorganised sector and labour on the other;
 - (h) positive and favourable behaviour and attitude on the

part of government staff is very essential. They should be requested to keep in mind what the UNDP has stated that 'economic development should be the means and human development should be the goal';

- (i) the government should ensure that its schemes reach the appropriate target groups;
- (j) the government should attend to the protections of different categories of labour in phases starting with larger groups; and finally;
- (k) the government should consider the suggestions given by various organisations for improving the lot of unorganised labour stated in the report earlier. For example, there should be watchdog committees to prevent exploitation of labour.

However, under the prevailing environment of reforms, governments seem to be keen on withdrawing their role in favour of bipartism and market forces. Therefore if one expects governments to play a significant and substantial role, then it is necessary for the various labour organisations to lobby with the governments that unorganised labour is a major part of the social sector which by way of consensus is accepted as a priority sector even under the present regime of economic reforms.

- v. *Role of Trade Unions:* Trade Unions can play a significant role in organising the unorganised labour as they had done soon after independence. Since the conditions have now changed and unorganised labour is a massive section of the labour force, it is necessary that unions adopt innovative ways. For example, there are a large number of schemes for unorganised labour like the self-employment schemes,

Entrepreneurship Development Programmes (EDPs), and schemes for urban unemployed where unions can act as facilitators in implementing such schemes which would also raise their membership in course of time. Active members of large trade unions can play an important role in this area. To hold members together activities like sports, celebration of festivals must be encouraged. All trade unions together can carry out a national campaign for a social security net for all labour that covers not only food, clothing and shelter but also health and education. Workers must be made aware of the need and significance of getting organised.

At present the Indian trade union movement is at a crossroads. With the government withdrawing its role from the field of active intervention and new economic policies affecting the entire labour force, now is the time for the movement to shed its political slavery, unite together and turn the movement to cover all labour. This can be a great rallying point for the movement. As a central union leader put it, the unions must function with the clear goal of social transformation.

- vi. *The Government of India has constituted the second Labour Commission:* A major issue referred to the Commission is the formulation of measures for the benefit of unorganised labour. The Commission should undertake to examine the problems of unorganised labour in a disaggregated form and suggest separate measures for different sections of labour. It should also suggest simple model labour legislation for the unorganised labour. The ILO has already emphasised the need for paying adequate attention to unorganised labour and at present is

concentrating on sections like the child labour. On the ILO pattern in India too the government, the business and labour organisations must come together. At the apex level a Board for unorganised labour as suggested by the National Labour Law Association should be accepted and acted upon. Such a Board must be a tripartite body with adequate scope for monitoring, feedback, and effective administration.

Thus a concerted effort will be needed to raise the status and position of the unorganised labour in cities like Mumbai.

Appendix I

TABLE I

Economic Classification of Workers as Per Population Census 1991

Class of workers	India	Maharashtra	Mumbai	Mumbai as % of India	Mumbai as % of Maharashtra
Cultivators	11070200000	10172000	3402	0.0031	0.0334
Agricultural Labourers	74598000	8313000	2521	0.0034	0.0303
Other Primary	6041000	472000	17122	0.2834	3.6275
Mining and Quarrying	1751000	115000	5683	0.3246	4.9417
Manufacturing (Household)	6804000	498000	50997	0.7495	10.2404
Manufacturing (other than household)	21867000	3598000	1212966	5.5470	33.7122
Construction	5543000	802000	145539	2.6256	18.1470
Trade and Commerce	21296000	2657000	855297	4.0162	32.1903
Transport, Storage & Communication	8018000	1160000	388794	4.8490	33.5167
Other services	29312000	3219000	752411	2.5669	23.3741
Total Main Workers	285932000	31006000	3434732	1.2012	11.0776
Marginal workers	28199000	2904000	64610	0.2291	2.2249
Total new workers	524437000	45011000	6426549	1.2254	14.2777
Total Population	838568000	78921000	9925891	1.1837	12.5770

India Excluding J & K
Maharashtra- Excluding information of 33 villages of Dhule district where census was not conducted

SOURCE: Economic Survey of Maharashtra 1998-99. Table No. 4 & Table - 2 : Sectoral Distribution of Employment in Mumbai (1931-1991)

TABLE 2
Sectoral Distribution of Employment in Mumbai (1931-1991)
(percentage)

Sector	1931	1961	1971	1981	1991
Primary	2.0	1.5	1.1	1.3	0.7
Secondary	31.0	44.4	45.4	44.8	39.5
Tertiary	67.0	54.1	53.5	53.9	59.8
Total	100.0	100.0	100.0	100.0	100.0

SOURCE:

1. Meera, Kosambi 1986, p.59.
Figures for 1931 are for Mumbai city (without suburbs)
Tertiary sector also includes 23% in insufficiently described occupation including industry
2. For other years - *Socio-Economic Review of Greater Bombay (1993-94)*, Table 3.3. (BMC)

TABLE 3
Formal and Informal Employment in Mumbai

Year	Population	Total Emp- loyment	Formal Emp- loyment	Informal Emp- loyment	Informal as a % of Total Employment*
1951	29,66,902	13,04,000	6,60,000	6,44,000	49.4
1961	41,52,056	16,86,668	8,82,000	8,04,668	47.7
1971	59,70,575	21,98,098	11,11,000	10,87,098	49.5
1981	82,43,405	29,02,199	12,74,000	16,28,199	56.1
1991	99,25,891	34,99,342	11,82,000	23,17,342	66.2

$$* \frac{\text{Col.5}}{\text{Col.3}} \times 100$$

SOURCE:

1. K.N. Prasad (1997), Statement 1.4, p. 34 (for col. 1, 2 and 3)
2. *Socio-Economic Review of Greater Bombay (1993-94)*, p. 32 (for col. 4)
3. K.K. Chowdhary p. 806 (for col. 1, 3 and 4 only, for 1951 only)

Concept of Unorganised Sector in India

The position of labour and self-employed in the unorganised sector and the concept of unorganised or informal sector in the Indian context can be better grasped by understanding their features which are given below. It should be noted that the distinction between the labourers, self-employed and owners of tiny enterprises is very marginal. The labour market in this sector is characterised by:

1. Ease of entry
2. Unskilled and untrained labour
3. Poorly educated or illiterate labour
4. Large scale presence of child and women labour
5. Absence of trade unions and scattered nature of workforce
6. Absence of clear employer-employee relationship
7. Labour possessing skills learnt outside the formal educational system
8. Many of the labourers living below the poverty line
9. Presence of a large section of migrants
10. Inequalities within the sector.

The self-employed and petty units are further characterised by:

11. Open competition
12. Small capital
13. Little use of imparted technical skills of equipment
14. Use of local materials

15. Illegal and unauthorised status of many units
16. Recycling of waste materials
17. Many in the sector unable to articulate and define their needs and problems
18. Units unregistered, unorganised and heterogenous
19. In many cases links with the formal sector units
20. Producing and offering a wide range of goods and services

It is thus rightly stated that "in India this (unorganised or informal) sector cuts across various crafts or industry, conglomerates like cottage and household industries, khadi and village industries, handlooms, handicrafts, coir, sericulture etc. set up all over the country in rural, semi-urban environments".
(NPC, 1985)

Appendix III

Bellagio International Declaration of Street Vendors

The Bellagio International Declaration of Street Vendors brings out the facts:

- that in the fast growing urban sector there is a proliferation of poor hawkers and vendors, including those who are children;
- that because of poverty, unemployment and forced migration and immigration, despite the useful service they render to society, they are looked upon as a hindrance to the planned development of cities both by the elite urbanites and the town planners alike;
- that hawkers and vendors are subjected to constant mental and physical torture by the local officials and are harassed in many other ways which at times leads to riotous situations, loss of property rights, monetary loss; that there is hardly any public policy consistent with the needs of street vendors throughout the world and calls upon the government to form a National Policy for hawkers and Vendors by making them a part of the broader structural policies aimed at improving their standards of living, by having regard to the following:
 - give vendors legal status by issuing licenses, enacting laws and providing appropriate hawking zones in urban plans



- provide legal access to the uses of appropriate and available space in urban areas
- protect and expand vendor's existing livelihood
- make street vendors a special component of the plans for urban development by treating them as an integral part of the urban distribution system
- issue guidelines for supportive services at local levels
- enforce regulations and promote self-governance
- set up appropriate, participative, non-formal mechanisms with representation by street vendors and hawkers, NGOs, local authorities, the police and others
- provide street vendors with meaningful access to credit and financial services
- provide street vendors with relief measures in situations of disasters and natural calamities
- take measures for promoting a better future for child vendors and persons with disabilities.

It urges **Follow-up Actions** as suggested below:

By Vendors

- Influence policy-makers to be responsive to street vendors, most of whom are poor, especially in the context of the changing role of cities in the global economy;
- strive for respect and recognition for our honest business practices;
- develop mutually supportive linkages with the formal sector;
- organize into unions, associations and cooperatives,
- on the local as well as national level,
- raise political visibility to increase the influence of vendors in their democratic process.

By Vendor's Associations

- Form national and international federations of street vendors;
- work to secure licenses for all vendors, so that they are able to have legal status;
- develop social security programmes to benefit vendors in accordance with the economic resources of the association;
- develop training and workshops to reduce fear of the police and to sensitize the police,
- educate vendors about their rights and duties to the public,
- initiate legal and functional literacy programs for vendors,
- attract investments and finance to build markets with the appropriate structures these markets should be managed by vendors association,
- set up commissions run by vendors that
 - 1) monitor the observation of city by-laws concerning vendors, by vendors themselves;
 - 2) monitor the observation of city by-laws concerning vendors, by the police.
 - 3) functions as a civil prosecutor against those who break the law.
 - 4) promote the issues affecting vendors in the media, and through the dissemination of information on vendors to the general public; and
 - 5) link with Chambers of Commerce, business associations, and community boards, and participate in drafting action programs that benefit vendors

By City Government

- Recognize that vendors are an integral part of the urban environment and are not to be treated as criminals

- increase the allocation of public resources and infrastructure in supporting vending and hawking activities;
- Increase focus on the situation of special groups who are vendors such as children, the people with disabilities, the old and others;
- promote tripartite mechanisms at the city level to include representatives of consumers, municipal authorities and vendors (with dispute resolution as part of its responsibilities);
- recognize the impact of natural disasters, conflicts and wars on vendors, and provide appropriate relief measures within the national framework;
- engage in urban planning which takes into account the need of street vendors as producers and distributors of goods and services;

By International Bodies

Pass UN and ILO Conventions on the rights of street vendors.

Collaborate with other international bodies, including the FAO and World Bank, to pass resolutions on the rights of street vendors.

A : Type of Unorganised Workers/Self-employed Covered in the Sample Survey

Workers

General unskilled workers

Mathadis-	Cotton Market	
	Cloth Market	
	Grocery Market	
	Iron & Steel Market	
	Metal & Paper Market	Goods
	Transport	
	Dock Labour	
	Railways	
	Timber/Khoka Making	

Hotel Workers

Child Workers

Women Workers

Construction Workers

Transport Workers

Security Guards

Handicapped

Self - employed

In Food- Ready

Products Processed

Auto - drivers

Taxi - Drivers

Hawkers-

Vegetable

Fruit

Flower

Plastic

Food

Toys

Domestic Workers
Ragpickers
Stall Owners
Boot Polish Youth
Naka Market workers
Weavers
Tiffin box suppliers
Handcart pullers
Dhobis
Prostitutes
Swarnakars (Goldsmiths)
Blind (Hawkers)

B : Some of the Workers/Self-employed not Covered.

Child Workers in Hotels
Newspaper boys
Barbers
Beauty Parlours
Film / Theatre / Hall workers
Milk delivery workers
Icecreamwalas
Chamars / Mochis
Fishermen
Agricultural workers
Tailors
(Professional) cooks
Quarry workers
PCO operators
Xerox operators
Creche/ Baby sitting.

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