



Analysis of skill enhancement of unorganised sector in thane district

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Abstract

Skill enhancement is considered as a panacea to socioeconomic problems. Some skills in unorganized workers not only provide self-employment, but help in correcting regional disparities and more equal distribution of wealth. Skill enhancement and development among informal or unorganized sections, that is, scheduled tribes and other backward class, is the need of the hour in the present context of, privatization. The disinvestment policies of the government have adverse effects on generation of employment opportunities, in the public sector. Obviously, the most affected people are from scheduled tribes and other backward castes. The socioeconomic backwardness of scheduled castes and tribes, VJNT/NT, other backward classes and ultra poor from upper classes can be found in their dependence on agriculture, illiteracy, lower awareness levels, incidence of poverty, and underemployment. Researcher attempted in this paper to probe into the research question such as whether there is an association between demographic characteristics and skill development of people from unorganized groups? The study inferred that there was an association between gender, social status, marital status, education, occupational background, skill development programme except age of the respondents. The study suggested that special SDPs should be framed to train disadvantaged group in unorganized sector. In addition, necessary support of finance, infrastructure, and marketing should be extended to the unorganized workers adequately and timely.

Keywords: skill enhancement, skill development, unorganised workers, employment

1. Introduction

The social environment in India has been changing gradually. Spread of education, industrialization, reservation policy, legal protection, and democratic values etc. are the factors instrumental for enhanced social and occupational mobility of informal sector in India. Research studies have shown that skill enhancement and development depends on the factors such as, family background, occupation, assets, money, sex, education, knowledge, and caste. In order to understand the level of skill development among the respondents from unorganized workers in Thane District specially in Murbad Taluka, the responses were collected in this paper regarding the skill set and skill enhancement, that is, creative thinking, business planning, decision making, organization, communication and team building, risk management, adaptability, resources management, and marketing.

1.1 Unorganised sector in India

An existence of vast majority of unorganized labour in India is a common phenomenon. Based on that distinctiveness, India government has classified unorganized workforce exclusively in four categories 1. In terms occupation like leather workers, waiver, fisheries, bidi maker, construction workers, workers of different industry like oil mill, paper mill, saw mill etc. bricks maker, landless agricultural labour. 2. Nature of employment, Contract, Casual and bonded labour 3. Special distressed categories- Head and shoulder loaders, Scavengers, variety of labour works. 4. Service categories – Hotel boy, Midwives, Air hostesses, barbar, masseur etc. Apart from aforesaid category handicraft artisans, Cobblers, Handloom weavers,

physically handicapped self employed persons, Lady tailors Rikshaw pullers, Carpenters, Tannery labour, Power loom workers and urban poor, Truck and Auto drivers also come under the unorganized labour class. As far as statistical information is concerned, it has been observed that maximum numbers of unorganized labours are available in the agricultural sector (around 50 percent) as compare to other sectors like home based workers, workers in various types factory and building & construction industry. The most significant issue to be seriously noted as per the report of National Sample Survey Organization that from 2000 onwards number of casual workers are haphazardly increasing and the strength of regular workers are decreasing in India. Furthermore, according to the survey of NSSO, 30 percent of unorganized workers are always on the move, for them Justice T S Thakur of the Supreme Court emphasized on the need of proper implementation of welfare schemes by the central as well as state governments both.

National Commission for Enterprises in the Unorganised Sector provides definition of unorganised sector as follows:

Unorganised Sector

“The unorganised sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis with less than ten total workers”.

Unorganised workers

“Unorganised workers consists of those working in the

unorganised enterprises or households, excluding regular workers with social security benefits, and the workers in the formal sector without any employment/social security benefits provided by the employers”.

Definition of unorganised sector and unorganised workers under the unorganised workers’ social security act, 2008: 11

‘Unorganised Sector’ means an enterprise owned by individuals or self employed workers and engaged in production or sale of goods or providing service of any kind whatsoever, and where the enterprise employs workers, the number of such workers is less than ten.

Definition of unorganised worker

Unorganised worker means a home-based worker, selfemployed worker or a wage worker in the unorganised sector and includes a worker in the organised sector who is not covered by any of the acts mentioned in schedule II of the Act. From the analysis of definitions, it is clear that the unorganised sector is a term that eludes definition as the sector is too vast and varied to confine within a conceptual definition.

1.2 Characteristics of unorganised workers

1. It is in general a low wage and low earning sector.
2. Women constitute an important section of the workers in this sector.
3. Family labour is engaged in some occupations such as home-based ones.
4. Economic activities, which engage child labour, fall within this sector.
5. Migrant labour is involved in some sub-sectors.
6. Piece-rate payment, home-based work and contractual work are increasing trends in this sector.
7. Direct recruitment is on the decline. Some employees are engaged through contractors. An increasing trend to recruit workers through contractors is visible in areas of home-based work. There is a sort of convergence of home-based work and engagement in work through contractors.
8. If some kinds of employment are seasonal, some others are intermittent. As such, under-employment is a serious problem.
9. Most jobs are, for the greater part, on a casual basis.
10. Both employed and self-employed workers can be found in a number of occupations.
11. Workers are not often organised into trade unions. The self-employed are seldom organised into associations. There is not much recourse to collective bargaining.

1.3 Importance and causes of unorganised workers in thane district

The activities in the informal sector account for a substantial share of total employment in the developing countries - ranging from the third to two-thirds or more, particularly in urban areas. National level data on employment and income generated in the informal economy is generally not available. India is one of the few exceptions where it has recently estimated the informal sector by National Sample Survey Organisation. Globalisation measured in terms of trade and capital flows between

countries and technological changes believe to have played an important role. A faster growth of employment in the unorganised or informal sector is often referred to as an evidence of the employer’s unwillingness to expand employment in large sized factories in which the protective labour laws are applicable. They instead farm out work to smaller units. Hence, there is no doubt that employment has grown faster in the informal segment and its share has sharply increased over the years. Further, the intensified competitions among firms have resulted in driving down the labour-cost. These costs are lower in informal economy, due to non compliance with labour regulations such as minimum wage, social security contributions and other welfare provisions. Apart from that, improvement in technologies are also have contributed to such informalisation as we do not possess required skills and training for the employment in the organised sector. A further distinction is often made within the informal sector between those who operated from their residence, and other micro enterprises. Not all those operating from their residence or whom are truly independent enterprises, taking risks and making decisions; many, especially women, are paid for their work by the employer, sub contractor, agent or middlemen and hence consider as “home workers” or “disguised wage workers”. The tendency to engage workers outside the factory premises on a sub contracting basis is widely seen in the process of informalisation and interpreted as a means by which employers disown responsibilities for their welfare envisaged in the labour standards. Another factor that has developed the unorganised sector is non-availability of modern sector jobs even to those women and men who live in urban places and have some education and skill. The employment opportunities in the modern sectors are rare due to technological development in these sectors. These sectors are capital intensive rather than labour intensive. Thus, a large number of unemployed men and women are attracted by the unorganised sector as entry is easy there and it provides income, though insufficient, to the family. The meagre income that they get is precious for their own and for their survival.

1.4 Thane district brief profile

The history of Thane and many important old trade centre in the district such as Sopara, Kalyan and Vasai, shows that from before the Christian era the creeks, forests and hills of the district were traversed by important trade-routes passing through the important *ghats* of Sahyadris. Independence and economic planning, however, brought forth momentous changes in the general economy of the district, the most prominent among which was the distinct progress of industrialisation in the Thane-Kalyan belt. Industrialisation gave rise to new classes in the society such as technocrats, managerial cadres, industrial workers and salesmen who constitute distinct economic groups. The income earnings of these economic classes are very much higher than their rural counterparts who are engaged to agriculture and allied activities. The population density of the district as per census 2001 was 850.71 per square kilometre (2,203.3/sq mi) and as per census 2011 the same is 1,157 per square kilometer (3,000 /sq mi). It had a sex ratio of 858 females for every 1000 males as per census 2001 which has increased to 880 females for

every 1000 males, Literacy rate of Thane district is 80.67 as per census 2001 which has increased to 86.18 % as per census 2011. The cotton and non-cotton power looms are mainly located at Bhiwandi, Thane and Kalyan. Fisheries constitute an important industry in Thane district. It is carried out in sea as well as in creeks and estuaries on the western coast. Marine fishery predominates over inland fishery in the district and provides employment to about 75% of the persons engaged in the fishing industry.

Table 1: Talukawise break up of Tribal Population of Thane District

S.N.	Taluka	Toatal Population	Tribal Population	Percentage
1.	Bhivandi	9,45,582	73,419	7.76
2.	Shahapur	2,73,304	89,997	32.93
3.	Murbad	1,70,267	38,518	22.62
4.	Kalyan	12,76,614	34,894	2.73
5.	Ulhasnagar	4,73,731	3,533	0.75
6.	Ambarnath	3,66,501	26,341	7.19
7.	Thane	24,86,941	48,739	14.74

(Source: www.slideshare.net/priteeg/taluka-population, census 2011)

1.5 Skill enhancement

Skills and knowledge are driving forces of economic growth and social development for any country. Countries with higher levels and better standards of skills adjust more effectively to the challenges and opportunities in domestic and international job markets. The first industrial policy in the country was notified in 1956, Science and Technology policy in 1958, Housing Policy in 1988 and National Labour Policy in 1966. The first National Policy on Skill Development was notified in 2009. In the aftermath of this policy, National Skill Development Corporation (NSDC) was established in 2009 to promote private sector participation via innovative funding models. NSDC has tied up with more than 211 training providers, many of whom have started scaling up their operations, to offer short term training programmes. They also supported and incubated 37 Sector Skills Councils (SSCs) which are intended to facilitate much needed participation and ownership of industry to ensure needs based training programmes. National Skills Development Agency (NSDA) which was created in June 2013 has been working with State governments to rejuvenate and synergise skilling efforts in the States. National Skills Qualification Framework (NSQF) skilling and education outcomes with the competency based NSQF levels. These efforts build on the legacy vocational training infrastructure of Industrial Training Institutes and polytechnics which have now grown in number to approximately 12,000 and 3,200 respectively.

2. Review of literature

A study conducted by Rajarathinam (2001) on Dalit Unorganized workers are hailing from the village areas of Tirunelveli of Tamilnadu District. He mainly conveyed about the poor socioeconomic condition of of Dalit Majdoor. Mathew Joseph, Nirupama Soundararajan, Manisha Gupta and Sanghamitra Sahu in their research paper Impact of Organized Retailing on the Unorganized Sector discussed on how unorganized sectors are being benefited by the limited numbers of retailers of the mini and megacities. They have also recommended few policies that will strengthen the

relationship between large retailers and small suppliers.

T. S. Papola in his research paper concerning to informal Sector: Concept and Policy discussed about various disadvantages of informal sectors and conveyed to reduce their problems they suffer, and also told to increase the absorption capacity of in- migrant works into the city to enhance their productivity and to develop working condition of workers.

Silvia M. D. Mendoncae Noronha (2005): In his thesis of “Migrant Construction Workers in Goa” discussed about migrant labours working especially construction company, it has also been observed that maximum number of workers are engaged in constructing company. The author made an endeavour to find out the socio- economic of workers and its impact on economic situation of Goa.

Elizebeth Hill in her Women in the Indian Informal Economy: Collective Strategies for Work Life Improvement and Development conveyed that resource based approach which is inappropriate in informal sectors.

Neha Mittal (2012) in her Research Paper Women Workers In ‘Unorganized Sector: Socio-Economic Perspective’ has discussed about the problems of women worker. They working for a long hour’s every day, chaotic working conditions, very low wages and above all they keep on working without proper social security measure. Tony Jacob in his research Paper “The Unorganized Sectors in India” has described minutely about their problems and challenges regularly because of seasonality nature of job. Workers are suffering from the indebtedness and bondage especially in the rural area. The do not even get proper guidance of Trade Union.

Ashima Majumdar (2013) led a study named as “Social Security System and the Informal Sector in India: A Review”. As per her view India's government managed social security since 1947, effective very negligible for the laborers of unorganized sectors whether in India maximum labour force comes under the informal sectors. This article surveys about monitory condition of the workers i.e. they do not have savings to keep themselves secure in a problematic situation. She also tried to convey that absence of standardize saving of this type of workforce mark on the efficiency of the whole Indian economy.

3. Statement of the problem

Skill development and enhancement among unorganized workers in Thane District having no-business background is a new area of research. There has been a phenomenal growth in micro enterprises run by self-help groups of poor members. In recent years, artisans, craftsmen, farmers, and unemployed people belonging to the lower strata of the society, that is ST, and other backward class people are joining entrepreneurship. intended to probe into the research questions as to understand the skills enhancement and development among the sample respondents and find out the association between demographic characteristics and skill enhancement of the sample respondents in Murbad Taluka of Thane District..

4. Objectives of the study

1. To study the nature and importance of unorganised workers in India.

2. To understand the skill enhancement elements in unorganised sector.
3. To identify the association between demographic variables and skill enhancement/ development among the unorganised workers.
4. To study the problems and issues of workers working in unorganised sector.
5. To suggest some policy measures to improve the skill enhancement among the unorganised workers in Thane District.

5. Research methodology

5.1 Scope, Universe, and Period of the Study

The study is confined to unorganised workers belonging to tribal areas from ten villages of Murbad Taluka from Thane District, that is, Mal, Dhasai, Deogaon, Kudavali, Saralgaon, Masale, Shiravle, Shiravli, Dongarnhave and Korawle. The study survey was conducted during 2016-17 with the help of a well designed questionnaire.

The study attempted to focus on the development of entrepreneurship among the disadvantaged group people with no background of business.

5.2 Data Sources

The study is based on both types of data, that is, primary data and secondary data. The primary: data were tapped by requesting the respondents to participate in the study by filling up the questionnaires and partly from the interactions with the respondents. The secondary data were collected from reports, books, and journals. The data were systematically compiled, tabulated, and analyzed with tools such as simple percentage and average.

5.3 Sample Size

Sample size is decided on the basis of percentile method of the

6. Results and discussion

6.1 Demographic profile of Murbad taluka

Table 3: Taluka–Murbad

Village	number of household	male	females	Population	sex-ratio	male literacy	female literacy	S.T	S.C
Mal	696	1,512	1,611	3,123	1065	77.25%	52.12 %.	52.51%	1.31%
Dhasai	679	1,574	1,479	3,053	940	89.74%	77.01 %.	12.11%	4.91%
Deogaon	608	1,413	1,232	2,645	872	91.08%	78.13 %.	6.69%	14.66%
Kudavali	544	1,285	904	2,189	704	88.40%	70.13%	16.35%	10.59%
Saralgaon	463	1,059	998	2,057	942	95.14%	83.37 %.	9.86%	14.34%
Masale	435	1,023	1,010	2,033	987	74.40%	56.87%	44.31%	0.00%
Shivale	412	975	977	1,952	1002	89.17%	75.81%	2.30%	15.72%
Shiravali	392	968	923	1,891	954	79.79%	57.79%	30.67%	2.59%
DongarNhave	353	924	903	1,827	977	90.73%	66.87%	12.80%	6.13%
Korawale	356	898	895	1,793	997	86.17%	67.47 %.	0.22%	1.00%

6.2 Opinion of the Respondents about their Skill Enhancement and Development

Table 4

S.N.	Skills in Unorganised Workers	Low (1)	Medium (2)	High (3)	Total
01.	Creative Thinking Skills (I am always search of new ideas and new methods of doing work)	42	78	30	150
02	Decision Making Skills (I can understand the priorities and take quick decisions)	51	82	17	150
03	Organising Skills (I can organise and utilize human, financial, material resources effectively)	39	57	54	150
04	Communication Skills (I can communicate effectively with people in and outside the organisation)	49	56	45	150

sampling. Following table is showing the sample size.

Table 2

S.N.	Name of Villages (Fully Tribal Area)	Number of Respondents
01.	Malgaon	38
02.	Dhasai	12
03.	Deogaon	07
04.	Kudavali	16
05.	Saralgaon	10
06.	Masale	24
07.	Shiravle	05
08.	Shiravali	20
09.	Dongarnhave	13
10.	Koravale	05
	Total	150

5.4 Hypotheses

- H01:** There is no association between age and skill development level of the respondents.
- H02:** There is no association between gender and skill development level of the respondents.
- H03:** There is no association between cast category and skill development level of the respondents.
- H04:** There is no association between marital status and skill development level of the respondents.
- H05:** There is no association between educational and skill development level of the respondents.
- H06:** There is no association between occupational background and skill development level of the respondents.
- H07:** There is no association between training and skills development of unorganised workers

05	Team Building and Motivational Skills (I can build a devoted and motivated team)	58	24	68	150
06	Risk Management Skills (I am aware about business risk and I can manage it)	67	42	47	150
07	Adaptability Skills (I am always ready to adopt new things and adopt to change in positive manner)	65	38	47	150
08	Marketing Skills (I can promote my product and sell them effectively)	47	67	36	150
	Total	418	444	344	1206
	Total Score	418	888	1032	2338
	Percentage to Total Score	17.87	37.99	44.14	100

6.3 Opinion about Skill Enhancement and Development

In order to understand the level of skill enhancement and development among the respondents, the responses were collected regarding the entrepreneurial skills, that is, creative thinking, business planning, decision making, organization, communication, team building, risk management, adaptability, resources management, and marketing. The observation indicates that the skill enhancement and development among the respondents varied due to education, family background, occupational background, and other variables.

6.4 Opinion of the Respondents about their Skill Enhancement and Development

The opinion of the respondents are classified having low skill development level, medium skill development level, and high skill development level.

6.5 Interpretation of the Results on the Basis of Hypotheses Testing

To investigate into the association between demographic variables, that is, age, gender, marital status, caste category, education, occupational background, and entrepreneurial skill development level of the unorganised workers. The research studies have suggested that demographic characteristics and skill development have a strong association.

7. Conclusion and implications

The major conclusion of the study is that there is a significant association between demographic characteristics such as, gender, education, social status, occupational background, and marital status and entrepreneurial skill development of unorganised workers. However, the study found no significant association between age and skill development of unorganised workers. In order to enhance the participation and share of unorganised workers in vocational activities, vocational education needs to be imparted at the school level. In addition, necessary support of finance, infrastructure, and marketing should be extended to the enhancement of skills among unorganised workers adequately and timely. In spite of the policy measures and welfare schemes, there is under-representation of unorganised workers in the business sector. They are coming up from socio - economically disadvantaged groups having no or less access to the resources. Therefore, it is the need of the hour to create a conducive socioeconomic environment to enhance the skills of unorganised workers in the business sector. In this regard, it is suggested that financial inclusion programmes should be implemented effectively; every worker irrespective of caste, creed, and religion must have easy access to financial services and basic facilities required for skill development in starting ventures should be provided promptly by the concerned agencies.

8. Limitations of the study and directions for further research

The present study focused on only skill enhancement and development of unorganised workers in Murbad Taluka of Thane District. The study was confined to understanding the association between demographic characteristics and level of skill development of unorganised workers in Murbad Taluka of Thane District only. Further studies can be undertaken for analyzing the qualities of skilled workers and unskilled workers in Murbad Taluka and other district of Maharashtra and other state of the country.

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