

**A STUDY ON LABOUR FORCE OF UNORGANIZED SECTOR: SPECIAL REFERENCE BY ANDHERI  
REGION**

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**Abstract:**

*The goal of the study on Andheri's unorganized labor force is to comprehend the employment patterns, working conditions, and difficulties that workers involved in unofficial and unregulated economic activity in this region face. The majority of workers in Andheri are employed in the unorganized sector, which includes people in home-based businesses, small businesses, street vending, domestic work, and other unorganized jobs. The unorganized sector plays a vital role in the socio-economic fabric of any region, employing a significant portion of the workforce. This study aims to explore the dynamics of the labor force in the unorganized sector, with a special focus on the Andheri region. By understanding the unique challenges and opportunities in this sector, we seek to contribute valuable insights for policymakers, researchers, and stakeholders working towards enhancing the well-being of the unorganized sector.*

**Keywords:** *Unorganized Sector, Home-Based Businesses, Small Businesses, Street Vending, Domestic Work, Socio-Economic Fabric.*

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**Introduction:**

The phrase "informal economy" is not well-known. The phrase "unorganized sector" or "informal sector" was previously used to refer to workers who are not covered by labor laws. However, subsequent research by academics from different nations and The International Labour Organization acknowledged that a nation's economy benefits from the informal sector as well. Furthermore, there exists a robust correlation between the formal and informal sectors. The informal sector receives the majority of the formal sector's outsourcing work. The formal sector struggles to survive on its own because it is primarily focused on profit. They can locate inexpensive labor in the unorganized sector. It is therefore evident that the work overlaps. The unorganized sector refers to that part of

the economy where employment relationships are not regulated or protected by the government. It consists of enterprises and workers that are not covered by formal labor laws, lack job security, and often operate on a small scale. The unorganized sector is characterized by its informal nature, with limited access to social security benefits, job stability, and legal protections. More than 90% of the total workforce in India is engaged in the informal economy. The informal sector in India suffers from a low productivity syndrome, compared to the formal sector. The unorganized sector workers do not receive sufficient attention from the trade unions. The unorganized workers do not receive adequate and effective labor laws and standards. The Unorganized Sectors' Social Security Act (2008) is an eyewash that has neither the capacity to address nor the

inbuilt provision to provide solutions to the needs of the unorganized sector. (Ministry of Labour and Employment)

Nearly 90% of workers are unemployed nationwide, according to a pattern that is largely consistent across the majority of the nation's most important states. A significant portion of the unorganized sector workforce—roughly 65%—works in agriculture, indicating the importance of the rural sector in the unorganized economy. It is commonly known that, in comparison to the formal sector, India's informal sector experiences low productivity. The sector's main characteristics are poor living and working conditions and lower real wages. In addition, the industry is defined by a high degree of seasonality in employment (particularly in the farming sector), a high percentage of contract and casual work, unusual work arrangements and organizational structures, a lack of social security and welfare laws, a rejection of worker rights and social standards, the denial of minimum wages, and so forth. Workers in the informal sector are more vulnerable and have less bargaining power due to a lack of human capital (education, skill, and training) and a lower level of worker mobilization. As a result, the industry has developed into a low-cost, competitive means of absorbing labor that cannot be found elsewhere, and any attempt to regulate it and place it within a more effective institutional and legal framework is seen as detrimental. Numerous individuals in our "global" cities, like Bangalore, which are presenting themselves as the new faces of a prosperous and dynamic India, depend on manual labor as their primary source of income. A very different story is told by the housemaids, security guards, construction workers, garment workers, cobblers, beedi workers, agarbati workers, drivers, and many others. Over the past 25 years, their incomes have not increased at the startling rate that their employers have. In fact, after accounting for inflation, their incomes

have frequently decreased, plunging them further into poverty. (kumar, 2014)

#### Review of literature:

1. (Baliga, 2023) : In the article author focused Hawkers' unions, demanding the scrapping of the Brihanmumbai Municipal Corporation's (BMC) decision to approve a list of 32,000 street vendors, who can carry out their trade.
2. (Jeddy, Sep 26, 2023 ) : This article explains anti-social elements are forming mathadi unions for extortion. Mathadi leaders have become contractors out to make money by fraud. Fake mathadis are hurting us badly. However, little action is being taken. The APMC market here is in a dilapidated state and housing is a major issue for the mathadis. We want it near the market where CIDCO is developing houses.

#### Objectives:

1. To determine the size and composition of the labor force in the unorganized sector in Andheri.
2. To analyze the types of occupations and industries prevalent in the unorganized sector.
3. To assess the working conditions, wages, and income levels of workers in the unorganized sector.
4. To identify the challenges faced by workers in terms of job security, social protection, and access to services.
5. To evaluate the role and contribution of the unorganized sector to the local economy.
6. To suggest policy recommendations and interventions aimed at improving the conditions of the labor force in the unorganized sector

#### How the unorganized sector is important for the economy:

1. **Employment Generation:** The unorganized sector is a major source of employment, especially in developing economies. It absorbs a large portion of the labor force, providing opportunities for those

- who might otherwise face challenges in entering the formal job market.
2. **Inclusivity:** The unorganized sector is inclusive, often offering employment opportunities to individuals with diverse skill sets, education levels, and backgrounds. It can provide a means of livelihood for people with limited formal education or specific vocational skills. Informal apprenticeships are a common way for people to learn on the job in the unorganized sector. This "learning by doing" method promotes inclusivity by letting people gain skills through real-world application as opposed to formal schooling.
  3. **Contribution to GDP:** Despite its informal nature, the unorganized sector makes a substantial contribution to the gross domestic product (GDP). Activities such as street vending, small-scale manufacturing, and services contribute to the overall economic output. For example, in Andheri, there are so many small-scale businesses running as the hairpin industry, chemical industry, pen industry, diamond industry, vada-pav seller, idli seller, poha seller, and thepla industry.
  4. **Entrepreneurship and Innovation:** Many small and micro enterprises in the unorganized sector are driven by entrepreneurial initiatives. These enterprises often exhibit a high degree of innovation and adaptability, contributing to economic dynamism and fostering entrepreneurship.
  5. **Cushion Against Unemployment:** The unorganized sector can act as a cushion during times of economic downturns. People who lose jobs in the formal sector may find opportunities in the unorganized sector, helping to mitigate the impact of unemployment. Opportunities for seasonal and part-time employment are common in the unorganized sector. People who are trying to make
  6. ends meet during uncertain economic times might take up temporary or part-time jobs in the unorganized sector.
  7. **Local and Rural Development:** In many cases, the unorganized sector is deeply rooted in local and rural economies. Cottage industries, traditional crafts, and agricultural activities often fall within the unorganized sector, contributing to the economic development of rural areas.
  8. **Affordability and Accessibility:** Goods and services produced in the unorganized sector are often more affordable for the general population. Additionally, the sector's decentralized nature ensures that products and services are accessible to a wide range of consumers.
  9. **Flexible Labor Markets:** The unorganized sector is characterized by flexible labor markets, allowing for quick adjustments to changes in demand. This flexibility can be advantageous in responding to market fluctuations and adapting to economic conditions.
  10. **Diversity of Economic Activities:** The unorganized sector encompasses a wide range of economic activities, including agriculture, construction, trade, and services. This diversity contributes to economic resilience and sustainability.
- Data Collection:**
- Primary data:**  
The sample size is 50, and it's collected by questionnaire, questions are closed as well as open. Primary data will be collected through surveys, interviews, and focus group discussions with workers, employers, and relevant stakeholders in Andheri.
- Secondary data:**  
The secondary data was collected from Newspapers, magazines, and ResearchGate, secondary data from government reports, labor market surveys, and other

relevant sources will be analysed to provide a comprehensive understanding of the labor force in the unorganized sector.

#### **Responses of the respondent:**

With the help of a questionnaire get a lot of information most people are between 18 – and 35 years. They have less education and their earnings are satisfactory. Vegetable vendors face the problem of price fluctuation because of seasonal fluctuation and waste of vegetables because of a lack of storage system.

#### **Limitation:**

Because of the lack of time, this study has a limited area covering only Nagardas Road, J.B. Nagar, and Pump House which is the area of the Andheri Region. Covered unorganized areas are the hairpin industry, chemical industry, pen industry, diamond industry, vada-pav seller, idli seller, poha seller, and thepla industry.

#### **Significance of the Research:**

This study emphasizes the unorganized sector's significance in giving a diverse workforce job, which advances knowledge of the sector's place in the local economy. It provides context-specific insights by concentrating on Andheri, which can assist local policymakers, NGOs, and other stakeholders in creating focused interventions.

#### **Findings:**

The study on the labor force in the unorganized sector in Andheri is expected to provide valuable insights into the employment dynamics, working conditions, and challenges faced by workers in this sector. The findings will contribute to a better understanding of the socio-economic realities of this important segment of the workforce, enabling the formulation of policies and interventions aimed at improving their livelihoods, job security, and social protection. Furthermore, the study will generate empirical evidence and recommendations that can guide stakeholders in developing strategies to promote a more inclusive and sustainable labor market

in Andheri, ensuring better working conditions and opportunities for workers in the unorganized sector. I talked to Mahasachive of Azad Hawkers' Union, according to him street vendors played a very important role for economic development and made life easier for the consumer. For those who entered the unorganized sector before 2014, the government is working to provide the license.

#### **Conclusion:**

With an emphasis on the Andheri area specifically, this study has explored the complexities of the labor force in the unorganized sector. The results show a dynamic and varied landscape, providing insight into the opportunities, difficulties, and socioeconomic circumstances that unorganized laborers in this area must contend with. Policymakers should consider implementing measures to enhance social security benefits for workers in the unorganized sector, providing them with financial stability and protection. Initiatives for skill development and training can empower unorganized sector workers, enabling them to access better opportunities and contribute more effectively to the local economy. This could involve collaboration between government bodies, NGOs, and local businesses. This study serves as a foundation for further research and policy discussions aimed at improving the conditions and livelihoods of the labor force in Andheri's unorganized sector. The complexities revealed underscore the need for holistic and inclusive approaches to foster sustainable development and economic growth in the region.

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