



E-shram portal for the welfare of unorganised sector workers in India

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Abstract

Informal sector is characterized as consisting of units engaged in the production of goods and services with primary objectives of generating employment and income to the person concerned. These units typically operate at low level of organization, with little or no division between labour and capital as factors of production and on a small scale. Labour relations, where they exist are based mostly on casual employment, kinship or personal or social relations, rather than contractual arrangements with formal guarantees. In India, the term 'Informal sector' is used as a synonym for unorganized sector.

The Ministry of Labour and Employment has developed e-shram portal for creating a national data base of unorganised workers. It was launched by Union Minister of Labour and Employment Bhupender Yadav and Minister of State Rameshwar Teli on August 26, 2021. Optimum realisation of employability and to extend the benefits of the social security schemes is the foremost objective of e-shram portal. Any worker who is unorganised and aged between 16 to 59 is eligible to register on the e-shram portal. E-shram portal became a powerful tool to bring all the unorganised workers together. It paves the way for implementing the government welfare schemes for unorganised workers more effectively.

Keywords: e-shram portal, unorganised workers, employability, social security schemes

Introduction

The term informal sector was first initiated by Kieth Hart (1970) in a study on urban Ghana. He describes the informal sector as that part of the urban labour force, which falls outside the organized labour market. The concept has been further refined by the Mission of International Labour Organization (ILO-1972), which studied the employment situation in Kenya within the frame work of the world employment programme. The study reveals that the informal sector has characteristics like easy entry for the new enterprises; reliance's on indigenous resources, family ownership, small scale operations, unregulated and competitive markets, labour intensive technology and informally acquired skills of workers.

In India, the term 'Informal sector' is used as a synonym for unorganized sector. The National Commission for Enterprises in the Unorganized Sector (NCEUS) set up by the Government of India in September 2004, states that, unorganized workers consist of those working in the unorganized enterprises or households, excluding regular workers with social security benefits and the workers in the formal sector without any employment or social security benefits provided by the employers. Unorganised sector plays a major role in Indian economy providing gainful employment opportunity for millions of people and also contributing significant share to the nation's output. The NCEUS Report 2009 reveals that unorganized sector constitute 93.00 per cent of total workforce in India. Azim Premji University report 2021, on State of Working India estimated India's informal workforce is around 41.56 crores.

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Objectives

The main objective of the paper is to analyse the benefits of the e-shram portal to the unorganised sector workers in India. Following are the specific objectives of the study.

1. To analyse the unorganised workers in India.
2. To understand the objectives of e-shram portal.
3. To study the benefits of e-shram portal to the unorganised workers.
4. To analyse the various social security schemes under e-shram portal.

Methodology

The paper is developed on the basis of review of literature and secondary data. Analysis of related issue is carried on the basis of secondary data collected from the important sources pertaining to e-shram portal. Discussions on significance of informal employment, e-shram portal registration, benefits of e-shram portal and social security measures for informal sector workers are attempted.

Unorganised workers in India

The NCEUS Report 2009 reveals that unorganized sector constitute 93.00 per cent of total workforce in India. The study on 'conditions of work and promotions of livelihood in the unorganized sector report', states that the world's second fastest growing economy is being largely driven by workers in this sector.

India's informal sector is the largest in the world. It employs about 91 per cent of the country's total workforce and contributes more than 45 per cent to the country's Gross Domestic Product (GDP).

Share of formal /informal sectors across broad sectors to GVA (Gross Value Added)

Table 1

Industry	2011-12		2016-17		2017-18	
	Formal	Informal	Formal	Informal	Formal	Informal
Agriculture, forestry and Fisheries	3.2	96.8	2.8	97.2	2.9	97.1
Mining and Quarrying	77.4	22.6	77.4	22.6	77.5	22.5
Manufacturing	74.5	25.5	76.4	23.6	77.3	22.7
Electricity, gas, water supply and other utility services	95.7	4.3	95.0	5.0	94.7	5.3
Construction	23.6	76.4	26.6	73.4	25.5	74.5
Trade, repair, accommodation and food services	13.4	86.6	13.4	86.6	13.4	86.6
Transport, storage, communication and services related to broadcast	53.0	47.0	53.7	46.3	52.3	47.7
Financial services	90.7	9.3	88.1	11.9	88.1	11.9
Real estate, ownership of dwelling and professional services	36.9	63.1	46.8	53.2	47.2	52.8
Public administration and defence	100	00	100	00	100	00
Other services	58.8	41.2	52.7	47.3	52.1	47.9

Sources: National Accounts Statistics 2019

The significance of informal sector is clearly visible in the above table. More than 95 per cent of GVA (Gross Value Added) in agriculture sector is the contribution of informal sector. The share of GVA in construction, trade, repair, accommodation and food services is relatively higher from the informal sector. Hence, the informal sector employment plays a crucial role in Indian economy.

E-Shram Portal

E-Shram, built at an estimated cost of Rs 704 crore, was launched by the union government on August 26 to register 38 crore unorganised sector workers. Unorganised workers include migrant workers, construction workers, domestic helps, street vendors, waiters, beauticians, handicraft makers, fisher folk and agricultural labourers among others. Registration is without charge at common service centres, labour facilitation centres and state seva kendras and through self-registration.

Eligibility for the registration on e-shram portal

Any informal sector worker between 16 years -59 years is eligible to register on the portal. With registration, workers would get a Universal Account Number card. For the registration workers must have an Aadhaar – linked mobile number and bank account. If a worker does not have an Aadhaar –linked mobile number, he/she can visit the nearest common service centres and register through Biometric authentication. As far as farmers are concerned, only agricultural labourers and landless farmers are eligible for registration in the e-shram portal. Other farmers are not eligible.

Objectives of e-shram portal

Following are the important objectives of e-shram portal

1. Creation of a centralized database of all unorganized workers, including Construction workers, Migrant workers, Gig and Platform workers, Street Vendors, Domestic Workers, Agriculture Workers, etc., to be seeded with Aadhaar.
2. To improve the implementation efficiency of the social security services for the unorganized workers.
3. Sharing of information in respect of registered unorganised workers with various stakeholders.
4. Portability of the social security and welfare benefits to the migrant and construction workers.
5. Providing a comprehensive database to Central and State Governments for tackling any national crisis.

Benefits of e-shram portal

The Ministry of Labour and Employment has started the e-shram portal for the welfare of unorganised sector workers in India. The following are the benefits of e-shram portal:-

1. Data base of 38 crore unorganised sector workers will be prepared through e-shram portal.
2. The database will be seeded from Aadhaar.
3. The labourers, street vendors, domestic workers are linked together through this portal.
4. Details like name, address, educational qualification, type of skill, family related information etc. is entered on the portal.
5. Various facilities will be provided to the workers through the e-shram portal.
6. Ministry of Labour and Employment will provide the unique identification card for who applies for the e-shram portal.
7. They will get a 12 digit unique number on the e-shram card (Universal Account Number).
8. The card will help to get the benefits of various schemes provided to the workers.
9. E-shram portal will help the government in launching and operating various schemes for the workers.

Various Social Security Schemes under E-shram Portal

E-shram portal helps in the successful implementation of the social security schemes for the welfare of unorganised sector workers in India. Following are the important social security welfare schemes implemented through e-shram portal:-

1. Pradhan Mantri Shram Yogi Maandhan Yojana

It is scheme meant for old age protection and social security of unorganised workers. Under this scheme, a minimum pension of ₹ 3000 is provided to the beneficiary after the age of 60 years. If the beneficiary dies then 50 per cent of the pension share is provided to the spouse of the beneficiary. To get the benefit of this scheme, the beneficiary will have to pay the premium which will be between ₹55 to ₹200. 50 per cent of the premium amount will be deposited by the beneficiary and 50 per cent will be deposited by the central government.

2. National Pension Scheme for Shopkeepers, Traders and Self Employed person

This scheme is meant for old-age protection and social security of retail traders, shopkeepers and self-employed persons whose annual turnover is not exceeding ₹1.5 crores. Under this scheme a minimum pension of ₹3000 is provided to the beneficiaries after the age of 60 years. To avail benefit of this scheme beneficiary has to pay a premium of ₹55 to ₹200. 50 per cent the premium is deposited by the beneficiary and 50 per cent is borne by the central government.

3. Pradhan Mantri Jeevan Jyothi Bima Yojana

This scheme is implemented by the department of financial services. The benefit of this scheme is provided by the bank. This scheme is available to the people in the age group of 18 to 50 years having a bank account who give their consent to join or enable auto- debit. Aadhar would be the primary KYC for the bank account. On the death of beneficiary due to any reason ₹200000 is provided to the beneficiary's nominee.

4. Pradhan Mantri Suraksha Bhima Yojana

Under this scheme, if the beneficiary dies due to an accident or the beneficiary becomes completely disabled, then an amount of ₹200000 is provided. If the beneficiary is not completely disabled, then financial benefit of ₹100000 is provided.

5. Atal Pension Yojana

A pension of ₹1000 to ₹5000 is provided to the beneficiary under this scheme. A lump sum amount of pension is also provided under this scheme to the beneficiary's spouse after the death of the beneficiary. Atal Pension Yojana formerly known as Swavalambana Yojana is a government backed pension scheme in India primarily targeted at the unorganised sector workers.

6. Public Distribution System

The public distribution system in the country facilitates the supply of food grains, with a network of more than four lakhs fair price shops claiming to distribute annually. Through this scheme 35 kg rice or wheat is provided to the beneficiaries per month. 15 kg of food items are provided to the family living above poverty line.

7. Pradhan Mantri Gramin Awas Yojana

Under this scheme financial assistance of ₹1.2 lakhs is provided in plain areas and ₹1.3 lakhs in hilly areas for the construction of houses. This rural housing scheme is social welfare programme created by the Indian government to provide housing for the rural poor in India.

8. National Social Assistance Programme

This is a pension scheme. Through this plan, a premium of ₹300 to ₹500 has to be paid per month. Under this scheme, a pension of ₹1000 to ₹3000 is provided.

9. Ayushman Bharat Pradhan Mantri Jan Arogya Yojana

Through this scheme health insurance up to ₹500000 is provided to every family without paying any premium.

10. Health Insurance Scheme for Weavers

Health insurance is provided to the weaver through scheme.

11. National Safai Karmachari Finance and Development Corporation

Financial assistance is provided to the safai karmachari through this scheme.

12. Self-Employment Scheme for Rehabilitation of Manual Scavengers

Under this scheme skill training will be given to the manual scavengers and their dependents free of cost. Apart from this, a stipend of ₹3000 will also be provided by the government.

Conclusion

Unorganised sector workers constitutes large share in the total workforce of the nation. E-Shram portal became database of workers in the country's unorganised sector. It is a key step towards achieving targeted delivery mission of the central government. It will act as a game changer for the social security of millions of unorganised workers. With the help of e-shram portal, the central government is aiming to register 38 crores unorganised workers including construction labourers, migrant workforce, street vendors and domestic workers among others.

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