



Munich Personal RePEc Archive

# **Migrant Workers in Kerala: A Study on their Socio-Economic Conditions**

Dilip Saikia

Darrang College, Tezpur, Assam, India

2010

Online at <https://mpa.ub.uni-muenchen.de/68462/>

MPRA Paper No. 68462, posted 21. December 2015 05:15 UTC

# **Migrant Workers in Kerala: A Study on their Socio-Economic Conditions**

**Dilip Saikia**

Assistant Professor of Economics, Darrang College, Assam – 784001, India

E-mail: dilip.gu@gmail.com

## **ABSTRACT**

This paper examines the socio-economic condition of the migrant workers in Kerala. We analyse the income, consumption and savings pattern, and nature of work of the migrant workers in the Trivandrum district, based on data from a sample of 166 migrant workers. While existing studies provide evidences for short distance migration to Kerala from nearby states like Tamil Nadu and Karnataka, we find evidence for long distance migration from states like West Bengal and Assam in recent years. We find that informal information networks through migrant workers from native place plays important role in migration of workers to Kerala. Poor economic conditions in the native place and high wage rate and better employment opportunities in Kerala have been identified as the main reasons of migration to Kerala. Though there is barely any change in the nature of employment of the migrants even after migration, there has been a shift from the low-income brackets before migration to high-income brackets after migration. Notwithstanding the improved income level the living condition for most of migrant workers is deplorable, most of them live together in either poor rented houses or work sites with one room shared by many, without proper provision of hygienic sanitation.

**Key Words:** internal migration, Kerala, reasons of migration, remittances.

## **1. INTRODUCTION**

The outmigration of labour from Kerala to other states in India and to the Gulf countries and the role of remittances sent by its emigrant workers in the state economy is well known (Zachariah et al., 2001; Kannan and Hari, 2002). Today more than 10 percent of the state's population lives outside the state (Kannan and Hari, 2002). Zachariah et al. (2001) estimate that in 1998 there were 33 international migrants for every 100 households in Kerala. As per the Kerala Migration Survey 2007, conducted by Centre for Development Studies, Trivandrum, the number of Kerala migrants living abroad was 1.85 million (Zachariah and Rajan, 2008).

The labour out-migration from Kerala has always been seen as one of the major sources of economic and social transformation of Kerala economy. The foreign remittances to Kerala accounted a significant share of State Domestic Product (SDP), which averaged at

21 percent during 1991–92 to 1999–2000 (Kannan and Hari, 2002). Zachariah and Rajan (2004) estimate that in 2004 remittances accounted 22 percent of GDP and increased Kerala's per capita annual income by Rs. 5678. They also estimate that foreign remittances to the state was about 1.74 times of the revenue receipts of the state, 1.8 times of the annual expenditure of the Kerala Government, 7 times of what the state received from the Central Government as budget support and 19 times of the receipt from marine export.

Migration has also significant labour market effect. The major impact of the labour market is the reduction of unemployment through migration of unemployed youths and non-agricultural labourer. The Kerala Migration Survey 2007 observes that the unemployment rate in Kerala has declined to 12.2 percent in 2007, a 40 percent reduction from its level 19.1 percent in 2003 (Zachariah and Rajan, 2007, 2008). Looking back to the history, we can notice that labour out-migration did not create any major problems in labour market in Kerala in the early phase, but in the last two decades Kerala's labour market has faced certain problems. The continuous large scale out-migration of labour has created severe scarcity of semiskilled and un-skilled workers in almost all spheres of the state. This has led to an inevitable rise in the wage rate in the state. At the same time, the foreign remittances has created real estate and construction sector boom in Kerala, leading to huge demand for certain categories of workers such as carpenters, welders, plumbers, drivers, electrician, motor mechanics and other craftsmen. The shortage of construction and other workforce in Kerala resulted in-migration of workers from other states to Kerala, and thus, started the era of replacement migration to Kerala after a break of about 60 years since the 1960s. In this regards Rajan and James (2007) assert "Emigration of workers from Kerala, demographic contraction of the supply of young workers brought about by the rapid demographic transition in the state, the higher wages charged by Kerala workers, the ability of Kerala workers to sustain themselves with remittances from relatives, the reluctance on the part of Kerala workers to do dirty and hard physical work - all these have stimulated the era of replacement migration in Kerala".

Today, the presence of migrant workers in Kerala's labour market is so visible that language spoken in many of the large-scale construction sites is often not Malayalam, but Tamil, Hindi, Bengali, Assamese or Nepali. Initially migrant workers in Kerala were from the neighbouring districts of Tamil Nadu and Karnataka, and they were mostly seasonal and short-duration (especially daily and weekly) migration. However, in recent years Kerala is witnessing large inflow of migrant worker from different states of the country, such as Assam, West Bengal, Bihar, Uttar Pradesh and Orissa. As per the Census 2001, total number of migrants (by place of birth) from other states in Kerala recorded at 412849, which is 1.3 percent of Kerala's total population. The largest number of migrants in Kerala is from Tamil Nadu (67.8 percent) followed by Karnataka (13.49 percent), Maharashtra (4.47 percent), Andhra Pradesh (2.29 percent), Pondicherry (2.12 percent), Uttar Pradesh (1.43 percent) and West Bengal (1.03 percent). Among the districts of Kerala, Ernakulam district received the highest inflow of migrants (13.56 percent), followed by Idukki (12.85 percent) and Trivandrum (11.77 percent) (Surabhi and Kumar, 2007).

Against this background, the present study attempts to examine the socio-economic conditions of the migrant workers in the Trivandrum district of Kerala. More precisely the paper examines the nature of work, wages and income level, savings and consumption

pattern, living conditions, sources and reasons of migration to Kerala, and the flow of remittances and its impact on local economy.

## **2. DATA AND METHODOLOGY**

The paper is based on primary survey data on the migrant workers in the Trivandrum district of Kerala, India. The selection of the Trivandrum is based on the concentration of migrant workers in different construction sites of the district. We have taken the help of the local people to find out the construction sites where the migrant workers have been working and the places where they have been living. Data has been collected by visiting both the places (either working sites or residence) whichever found convenient. In case of conducting interviews in the working sites we discussed with the employer/contractor under whom the workers have been working to identify the workers who would like to give their interview and schedule the most convenient date and time for interview so that their work would not be affected by the process of interview. In case of conducting interviews in the residing areas, we have visited their dwellings mostly in the evening between 6–8 pm, after they returned from work.

The survey has been carried out during September–October, 2008. We have collected information for the previous one week as well as for the previous month from the date of the survey on various migration particulars such as the process of migration, the reasons of migration, sources of information, their past and present occupational pattern and wage levels, the cost and benefit of migration, etc. A total of 166 migrant workers have been interviewed by using a pre-tested semi-structured questionnaire.

The analysis carried out in this paper is descriptive. The socio-economic condition of the migrants has been explained by analysing various migration characteristics such as demographic characteristics, nature of work, skill level, wages and income level, living conditions, consumption pattern, and remittances, etc.

## **3. FINDINGS**

### **3.1 Characteristics of the Sample Migrants**

Table 1 provides descriptive characteristics of the sample migrants. The sample is comprised of relatively young migrant workers. The average age of the sample migrant is 26.42 years, with about 57.8 percent of migrants are below 25 years. All the sample migrants are male and about 96.4 percent of migrants are Hindu. The Schedule Caste (SC) dominates the sample (47 percent) while about 32 percent migrants don't know their caste. About 63.9 percent of the migrant workers are unmarried, while 34.9 percent are married.

About 16.3 percent of migrants are illiterate, 29.5 percent have primary education and 53.6 percent have secondary education and one has graduation degree. On the eve of migration to Kerala about 12.7 percent migrants were unemployed and another 4.2 percent were students, whereas about 36 percent were employed in the informal sector, 27 percent were self-employed in agriculture and 20 percent were self-employed in the non-agricultural sector (Table 1).

Since poor economic condition is one of the major reasons for large scale migration, we asked the migrant workers about the economic status of their family. Table 2 reports the socio-economic characteristics of the migrant family. The average family size is 5 persons, with more than three fourth of the migrants have a relatively smaller family size of bellow 6 persons. For about 24 percent of the respondent he is the only earning member in the family, while 58.4 percent have less than two earning members, and 16.87 percent have more than three earning members in their family. About 53.6 percent of the migrants have no dependent children in their home, whereas about 13.3 percent migrants have one, 33.1 percent migrants have more than two dependent children at home.

**Table 1. Characteristics of the Sample Migrants**

	Frequency	Percent
<b>Age composition</b>		
15–20	42	25.3
21–25	54	32.5
26–30	33	19.9
31–35	14	8.4
36–40	12	7.2
41 +	11	6.6
Total	166	100
<b>Migrants by castes groups</b>		
General	12	7.2
OBC	13	7.8
SC	78	47.0
ST	10	6.0
Do not know	53	31.9
Total	166	100.0
<b>Migrants by religion</b>		
Hindu	160	96.4
Muslim	6	3.6
Total	166	100.0
<b>Marital status</b>		
Never married	106	63.9
Married	58	34.9
Widowed	1	0.6
Separated	1	0.6
Total	166	100.0
<b>Educational level</b>		
Illiterate	27	16.3
Primary Education	49	29.5
Secondary Education	89	53.6
Graduate	1	0.6
Total	166	100.0
<b>Occupation before migration</b>		
Students	7	4.2
Unemployed	21	12.7
Employed in informal sector	60	36.1
Self-employed in agriculture	45	27.1
Self-employed in non-agricultural sector	33	19.9
Total	166	100.0

**Table 2. Economic Conditions of the Migrant Households**

	Frequency	Percent
<b>Family size</b>		
< 3	25	15.1
4 to 6	104	62.7
7 to 8	29	17.5
> 9	8	4.8
Total	166	100.0
<b>Number of dependent children in the family</b>		
0	89	53.6
1	22	13.3
2	34	20.5
> 3	21	12.7
Total	166	100.0
<b>Number of earning member (excluding the migrant)</b>		
0	41	24.7
1–2	97	58.4
3–4	24	14.5
> 4	4	2.4
Total	166	100.0
<b>Outstanding debt of migrant's family</b>		
No Debt	97	58.4
< Rs. 5000	15	9.0
Rs. 5001–Rs. 15000	24	14.5
Rs. 15001–Rs. 30000	21	12.7
Rs. 30001–Rs. 45000	5	3.0
> Rs. 45000	4	2.4
Total	166	100.0
<b>Agricultural land holdings (in bigha)</b>		
No Land	57	34.3
< 2 bigha	36	21.7
2 bigha – 5 bigha	43	25.9
> 5 bigha	30	18.1
Total	166	100.0

The average monthly household income (excluding the migrant) is Rs. 2280. About 23 percent migrants have no earning members in their home and 14 percent migrants reported their family income as subsistence level. On the average, the monthly family income is more than Rs. 2500 for less than one third of the migrants.

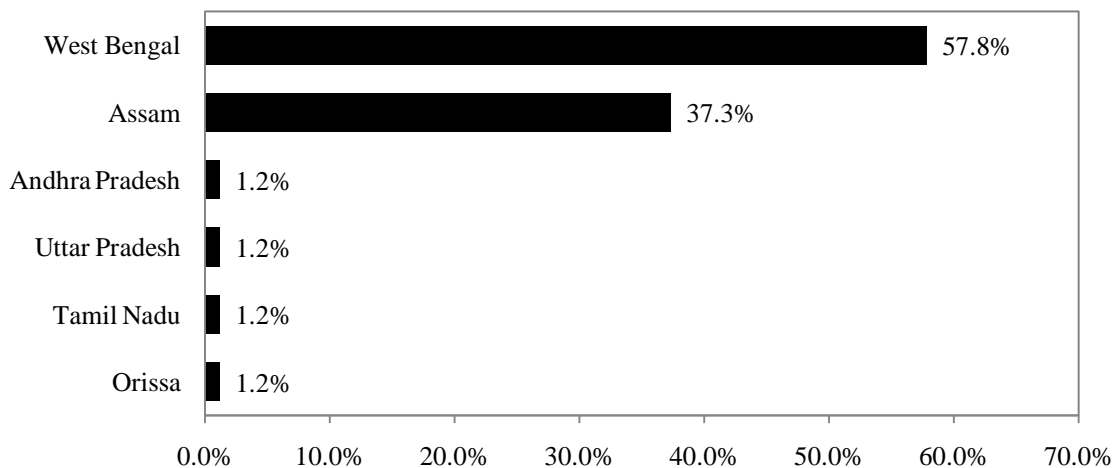
Poor financial condition and high debt burden might force people to migrate in search of work and earn money to repay the debt. We found that about 58.4 percent migrants have no debt in their home, while the rest have some amount of debt. The average debt at home per migrant is Rs. 7500. Informal moneylenders are the major sources of borrowing, followed by family/relatives; whereas the coverage of the banking system is very low (only 8.69 percent migrants with debt have borrowed money from commercial banks).

Looking at the asset position of the migrant households it is found that the average land holding of the migrant's household is 3.05 bigha. About 34.34 percent migrants have no agricultural land at home, whereas 21.69 percent have land less than 2 bigha, 26 percent have between 2–5 bigha and 18 percent have more than 5 bigha of agricultural land at home. We also found that 13 migrants have no homestead land.

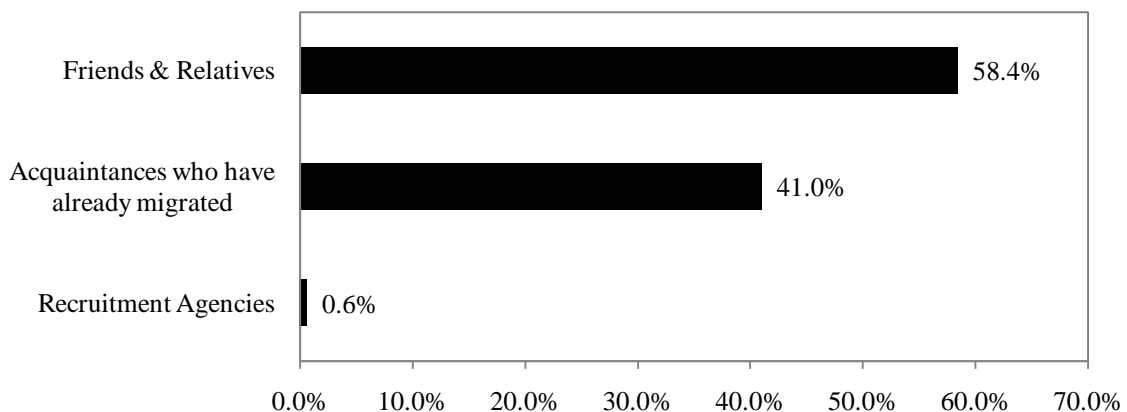
### 3.2 Sources of Migration

Figure 1 provides the details about the native state of the sample migrants of our study. Migrants from West Bengal constitute more than half (58 percent) of the sample, while another 37.3 percent of sample migrants are from Assam. Thus, about 95 percent of the migrants in our sample are from the two states of West Bengal and Assam, while Andhra Pradesh, Uttar Pradesh, Tamil Nadu and Orissa each have one migrant worker in our sample. This, however, does not imply that the migrant worker in Trivandrum is dominated by West Bengal and Assam. The concentration of migrants from West Bengal and Assam in our sample is because the area that we have surveyed is fully dominated by migrants from these two states. This is not surprising, because migrants from the same place prefer to stay in the same locality. This is evident from the fact that the workers migrated to Kerala through information and help either from their friends and relatives (58 percent) or acquaintances (41 percent) who have already migrated to Kerala (Figure 2). This suggests that informal networks play important role in migration of workers to Kerala.

**Figure 1. Distribution of Sample Migrants According to the Native State**



**Figure 2. Sources of Information of Migration Opportunities**

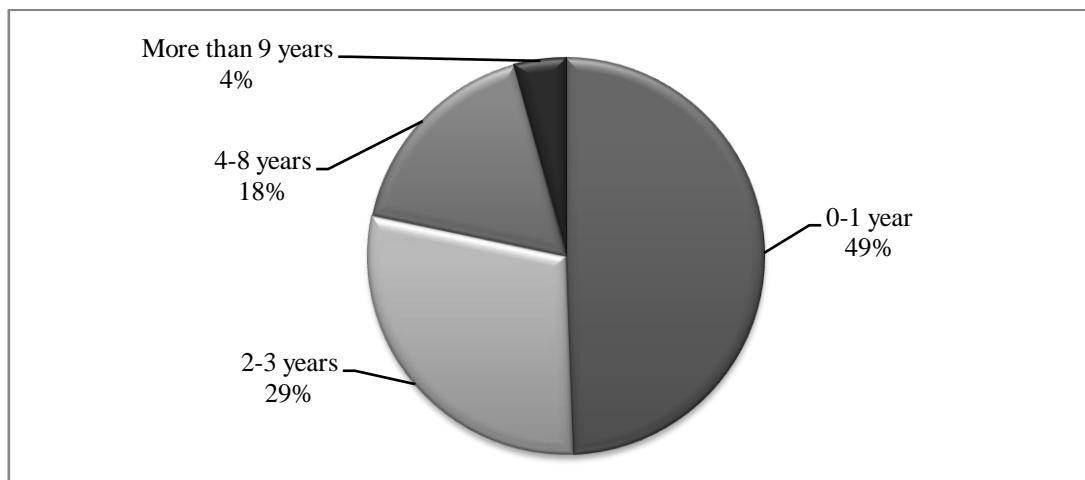


### 3.3 Migration History

We have collected information about the workers' migration experience to other places before migrating to Kerala. It is believed that if the migrants have earlier migration experience it will be easy for them to migrate to another place and also assimilate with the new conditions. We found that about two third of migrants migrated to Kerala for the first time, whereas the rest have earlier migration experience to states like Karnataka, Delhi, Rajasthan, Gujarat, Goa and Jammu & Kashmir. Two of the migrants have also experience to migrate to other countries like Nepal and Bhutan. About two third of the migrants have first migrated after 2006, 23.49 percent migrants have first migrated in between 2001–2005 and 11.43 percent have first migrated before 2000.

Figure 3 reports the number of years that the migrants have been living on Kerala. About 50 percent migrants have migrated to Kerala within one year, 28 percent migrated within 2–3 years, 17.5 percent migrated within 4–8 years and 4.2 percent migrated before 9 years. However, those who migrated to Kerala long back have not entirely been in Trivandrum, but they also moved to other districts of Kerala such as Ernakulam, Idukki, Palakkad, Kasargod, Kollam, Aleppey, etc. for work.

**Figure 3. Number of years Living in Kerala**



### 3.4 Reasons of Migration to Kerala

Several overlapping factors have been identified behind migration of the workers. The major reasons of migration are the poor economic condition and low wages in native region. About 76 percent migrants reported the reason of migration as getting employment/better employment, another 46 percent reported as meeting household expenditure and 33.73 percent reported as accumulation of savings (Table 3). The other reasons reported by the migrants are to repay debts, financing education of dependents and marriage of dependents. This suggests that migration is possibly for the creation of outside support system for livelihood. Further, dominance of economic reasons also suggests that it is primarily the differences in economic opportunities between different states that pushed for migration of workers to other states.



**Table 3. Reasons of Migration**

	Frequency (percent)
Get employment/better employment	126 (75.90)
Meeting household expenditure	77 (46.39)
Accumulate savings	56 (33.73)
Repayment of Debt	12 (7.23)
Marriage of dependents & Financing education of dependents	14 (8.43)
Purchase of land/ Construction of house	1 (0.60)
Total	166 (100)

Note: Figure in the parenthesis represents the percentage. The summation is higher than the reported total because of multiple responses.

When asked about the specific reasons for migrating to Kerala, about 90 percent migrants reported that they migrated to Kerala specifically because of higher wage rate in Kerala, whereas 12.65 percent migrants reported availability of work and another 7.83 percent reported better working condition in Kerala as the main reasons for migrating to Kerala (Table 4). A few workers, who have earlier experience of migration to other places, reported that they consider Kerala is a more secure place than other places.

**Table 4. Reasons of Migration to Kerala**

	Frequency (percent)
High wage rate	150 (90.36)
Availability of work	21 (12.65)
Better Working condition	13 (7.83)
Accumulation of Savings & repayment of debt	6 (3.61)
Relatives and Acquaintances working in Kerala	10 (6.02)
Others (e.g. no job, Kerala is secure place than other places, etc.)	6 (3.61)
Total	166 (100)

Note: Figure in the parenthesis represents the percentage. The summation is higher than the reported total because of multiple responses.

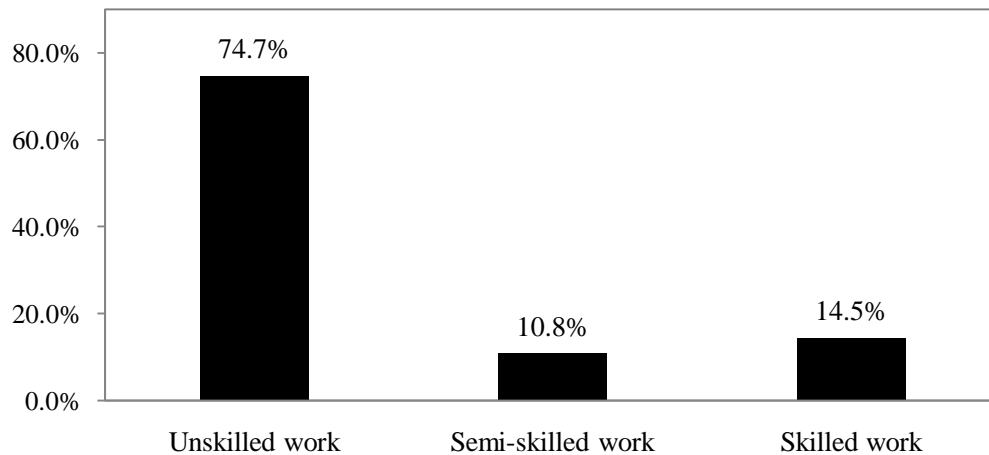
### 3.5 Occupation and Skill Level <sup>1</sup>

Before migration to Kerala, about 83 percent of the migrants were employed (Table 1). Of these workers, only about one fourth of them were engaged in activities where some kind of skill is required. As Figure 4 reveals that before migration about 74.7 percent workers were engaged in unskilled activities, 10.8 percent were engaged in semi-skilled activities and 14.5 percent were engaged in skilled activities.

There has, however, been barely any improvement in the nature of works after migration. All the migrants are engaged in temporary works. None of them have registered to any employment agency. Instead, they have engaged in some kind of informal agreement with contractors in various construction sites. About 90.4 percent migrants are engaged in such work agreements. The remaining 9.6 percent migrants, who don't have any work agreement, either went to different work places in search of work or they used to stand in

some market places from where somebody picked them up for work. About 12.65 percent migrants are working as mason in various construction sites and 71 percent are working as their helper. The other activities that the migrants are engaged are bricks maker, casual worker, carpenter & painter, truck helper, etc. (Table 4).

**Figure 4. Migrants by Skill Level before Migration**



**Table 4. Occupation of the Migrants after Migration**

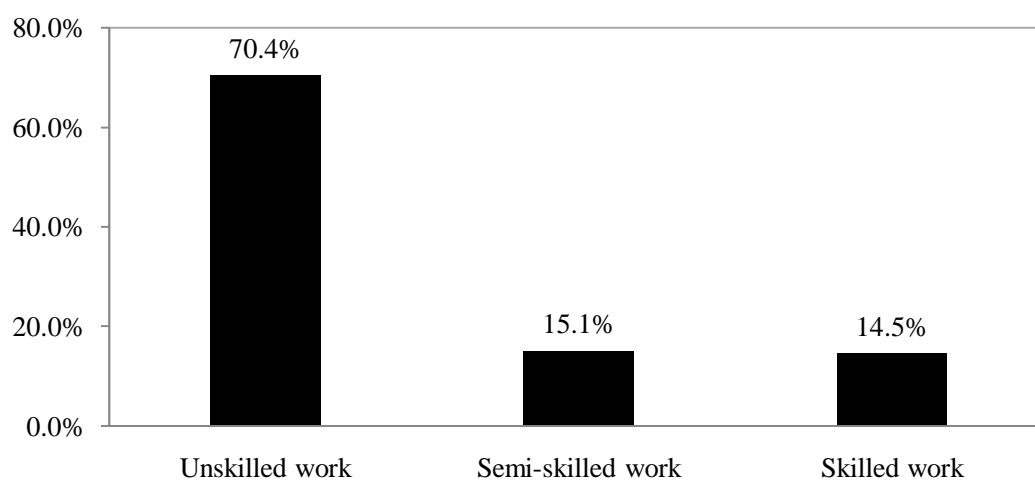
Activity type	Frequency (percent)
Bricks maker	8 (4.82)
Construction mason	21 (12.65)
Construction helper	118 (71.08)
Casual worker	10 (6.02)
Truck helper	4 (2.41)
Carpenter & Painter	5 (3.01)
Total	166 (100)

Note: Figure in the parenthesis represents the percentage.

The skill level of the migrants has not improved even after migration. About 70.4 percent workers are engaged in unskilled activities, while about 15 percent workers are engaged in semi-skilled and skilled activities each (Figure 5). Table 5 shows the mobility of the skill level of workers after migration. It is obvious that of the 20 workers engaged in skilled activities before migration, 10 are still working in skilled activities, but 2 of them are working in the semi-skilled and 6 are working in unskilled activities. Similarly, of the 15 workers engaged in semi-skilled activities before migration, 7 are still working in the semi-skilled activities, one moved upward to skilled activities and 7 moved downward to unskilled activities after migration. Again, of the 103 workers engaged in unskilled activities before migration, 9 moved upward to skilled activities, 12 moved upward to semi-skilled activities and the remaining 82 are still working in unskilled activities after migration. Of the 28 migrants who were unemployed and students before migration, 22 are working in unskilled activities, 2 in semi-skilled activities and 4 in skilled activities. Thus, there are both upward and downward mobility of the workers in nature of work they engaged after migration.

However, a larger proportion of workers in each type of skill level remained in the same skill level after migration.

**Figure 5. Migrants by Skill Level after Migration**



**Table 5. Skill Level before and after Migration**

Before Migration	After Migration			Total
	Skilled	Semi-skilled	Unskilled	
Students & Unemployed	4 (14.3)	2 (7.1)	22 (78.6)	28 (100.0)
Skilled	10 (50.0)	4 (20.0)	6 (30.0)	20 (100.0)
Semi-skilled	1 (6.7)	7 (46.7)	7 (46.7)	15 (100.0)
Unskilled	9 (8.7)	12 (11.7)	82 (79.6)	103 (100.0)
Total	24 (14.5)	25 (15.1)	117 (70.5)	166 (100.0)

Note: Figures within bracket shows the row percentage.

### 3.6 Wages and Income

The income level of the migrants before and after migration is reported in Table 6. Before migration about 13.7 percent migrants have monthly income less than Rs. 1000 and for another 36 percent have less than Rs. 2000. For 42.4 percent migrants the monthly income was between Rs. 2000–3499, whereas only for 8 percent migrants the monthly income was more than Rs. 3500.

After migration, the migrants received an average daily wage of about Rs. 232, with maximum of Rs. 350 and minimum of Rs. 100. This is more than three to four times higher than the wage rates in their native places. The average number of working days for the migrants is 24 days per month, with maximum of 30 days and minimum of 15 days. Since most of the migrants are engaged in temporary activities the mode of payment for about 72 percent migrants is daily basis and for another 21 percent is weekly basis.

The average monthly income of the workers after migration is Rs. 6000. For more than two third of migrants the monthly income is more than Rs. 5000 after migration as against only 2.2 percent before migration. Only about 3.6 percent migrants earned less than Rs. 3500 per month, but higher than Rs. 2000 (Table 6).

A comparison of the income level before and after migration is worthwhile at this point to infer whether migration really makes difference in the financial well being of the migrants. But such a comparison is difficult as information on income before migration is not available for all the migrants, and as some migrants had migrated before 15–17 years, so comparing their income at that time with present income without adjustment of the price level is difficult. Despite this limitation a close look at the income levels before and after migration (Table 6) reveals that there has been a shift from the low-income brackets to the high-income brackets after migration. Thus, it can be inferred that migration really improved the financial position of the migrants.

**Table 6. Monthly Income of the Migrants**

	Before Migration	After Migration
Rs. 999 & below	19 (13.7)	0 (0.0)
Rs. 1000–1999	50 (36.0)	0 (0.0)
Rs. 2000–3499	59 (42.4)	6 (3.6)
Rs. 3500–4999	8 (5.8)	46 (27.7)
Rs. 5000–6999	3 (2.2)	92 (55.4)
Rs. 7000 & above	0 (0.0)	22 (13.3)
Total	139* (100.0)	166 (100.0)

Notes: Figures within bracket shows the percentage.

\* The total is 139 in this case because 27 workers were either student or unemployed; as such they have no income.

We try to explain the level of income in terms of skill level and instance of migration in Kerala. It is assumed that income level is positively associated with these variables. Table 7 shows positive association between skill level and income of the migrants. About 45.8 percent of the skilled migrants have income level above Rs. 7000, whereas only 24 percent of semi-skilled and 4.3 percent of unskilled migrants cross that level. Contrary to this the larger proportion of semi-skilled and unskilled migrants falls in the income bracket of Rs. 5000–6999.

**Table 7. Monthly Income and Skill Level of the Migrants**

Skill after Migration	Monthly Income after Migration (Rs.)				Total
	Rs. 2000–3499	Rs. 3500–4999	Rs. 5000–6999	Rs. 7000 +	
Skilled	2 (8.3)	3 (12.5)	8 (33.3)	11 (45.8)	24 (100.0)
Semi-skilled	1 (4.0)	2 (8.0)	16 (64.0)	6 (24.0)	25 (100.0)
Unskilled	3 (2.6)	41 (35.0)	68 (58.1)	5 (4.3)	117 (100.0)
Total	6 (3.6)	46 (27.7)	92 (55.4)	22 (13.3)	166 (100.0)

Note: Figures within bracket shows the row percentage

Table 8 shows that none of the migrants who stayed in Kerala for more than four years falls in the lower income bracket (Rs. 2000–3499), whereas in case of all migrants in the lower income bracket the instance of migration in Kerala is less than three years. All the migrants with more than 9 years of stay in Kerala earn more than Rs. 5000, whereas 84 percent migrants with 4–8 years of stay in Kerala earn more than Rs. 5000, 58.4 percent

migrants with 2–3 years of stay in Kerala earn more than Rs. 5000 and 66 percent migrants with less than one year of stay in Kerala earn more than Rs. 5000. This suggests a positive relationship between the instance of migration in Kerala and income level.<sup>2</sup>

**Table 8. Monthly Income and Instance of Migration in Kerala**

Instance of Migration	Monthly Income after Migration (in Rs)				Total
	Rs. 2000–3499	Rs. 3500–4999	Rs. 5000–6999	Rs. 7000 +	
0–1 year	3 (3.7)	25 (30.5)	45 (54.9)	9 (11.0)	82 (100.0)
2–3 years	3 (6.3)	17 (35.4)	19 (39.6)	9 (18.8)	48 (100.0)
4–8 years	0	4 (13.8)	21 (72.4)	4 (13.8)	29 (100.0)
9 years +	0	0	7 (100.0)	0	7 (100.0)
Total	6 (3.6)	46 (27.7)	92 (55.4)	22 (13.3)	166 (100.0)

Note: Figures within bracket shows the row percentage.

### 3.7 Living Conditions

Notwithstanding a reasonably good level of income after migration; most of the migrants are living in deplorable conditions. While about 44 percent reported that they live in the work site, the remaining 56 percent live in poor rented houses with one room shared by many. In most of the cases there is no provision of hygienic sanitation and safe drinking water. About 91.6 percent of migrants stay in groups and cook together.

### 3.8 Consumption Expenditure and Savings

The average monthly expenditure of the migrants is Rs. 2160; with maximum of Rs. 5000 and minimum of Rs. 900. For 18.1 percent migrants the average monthly expenditure is less than Rs. 1500, while for 54.8 percent migrants it ranges between Rs. 1501–2500 and for 11.4 percent migrants it is more than Rs. 3000 (Table 9). The average monthly food expenditure is Rs. 1290 and non-food expenditure is Rs. 870. The amount and component food expenditure is found to be more or less same for all the migrants. This is mainly because of the fact that more than 90 percent migrants stayed and cooked together. But, the non-food expenditure varies from person to person. The coefficient of variation of food expenditure is found to be 0.21, whereas it is 0.79 in case of non-food expenditure.

**Table 9. Monthly Total Expenditure of the Migrants (in Rs)**

Expenditure Level (Rs.)	Frequency (percent)
Rs. 1500 & below	30 (18.1)
Rs. 1501–2000	52 (31.3)
Rs. 2001–2500	39 (23.5)
Rs. 2501–3000	26 (15.7)
Rs. 3001 & above	19 (11.4)
Total	166 (100.0)

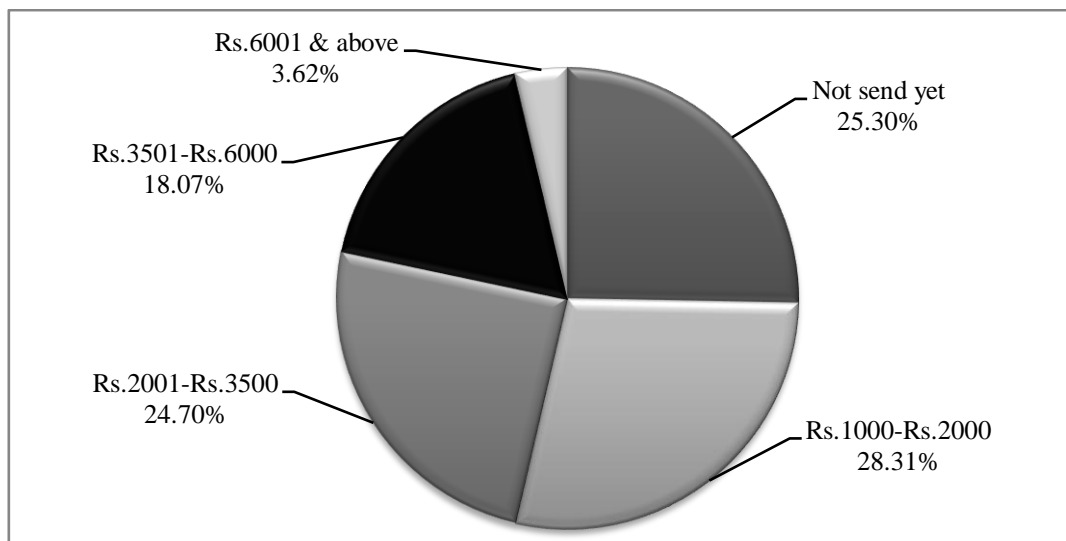
Note: Figures within bracket shows the percentage.

The savings habit among the migrant workers is very little. More than 73 percent of the migrants do not have any savings in Kerala, whatever they can save from their income they sent them to home. Of the 27 percent who have some amount of savings – either in bank or chitty/kuris – in Kerala, for about 13.86 percent total savings is less than Rs. 3000, for 7.23 percent between Rs. 3000–5000, and for 3.6 percent more than Rs. 10000.

### 3.9 Remittances

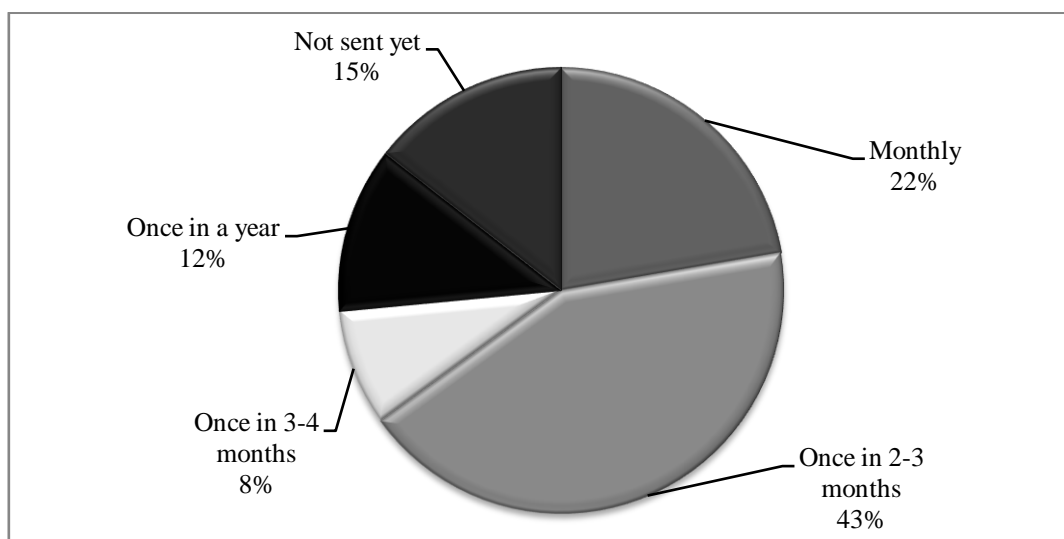
Remittances link migration and development of backward region from where migration does take place. Migration can have a direct effect on peoples’ livelihoods, to the extent that migrants send money to their families to sustain livelihoods and social relations. It is by the remittances that migration acts as a social security mechanism for the poor households left back. We found that the average remittance sent by the migrants is Rs. 2541 per migrants in the last month and Rs. 26328 per migrant in the preceding year. About 25.3 percent of the migrants did not send any money to home, whereas 28.31 percent sent less than Rs. 2000, 24.7 percent of migrants sent between Rs. 2001–3500 and about one fifth migrants sent more than Rs. 3500 in the last month (Figure 6).

**Figure 6. Remittances Sent to Home in the Last Month (in Rs)**



We also look at the frequency of sending remittances, as it influences the spending of remittances. About 22.29 percent migrants sent remittances monthly and another 42.77 percent migrants sent remittances at an interval of 2–3 months, whereas 12 percent migrants sent once in a year and 14.46 percent have never sent money to home (Figure 7).<sup>3</sup> More than 55 percent migrants sent money to their parents, while about 20 percent sent to wife and about 12 percent sent to other family members. As many as 58 percent migrants sent money through bank accounts of either own or family members or friends and relatives, 23 percent sent through money order and 12 percent sent through fellow migrant workers.

**Figure 7. Frequency of Sending Remittances to Home by the Migrants**



The developmental potential of remittances can be accessed through investment out of remittances. If remittances are used for productive purposes then it will lead to economic wellbeing of the family as well as the region. About 80 percent migrants reported that remittances are mainly used for meeting household expenditure. However, some respondents also reported regular investment in agriculture, education of dependent, buying land & building house, while about 6 percent reported that they do not know where the remittances are spent (Table 10).

**Table 10. Areas of Spending the Remittances Sent to Home**

Area of Spending Remittances	Frequency (percent)
Household expenditure	132 (79.4)
Expenditure in agriculture	8 (4.8)
Expenditure in Education of dependent	14 (8.4)
Repayment of debt	11 (6.6)
Marriage and other Social functions	3 (1.8)
Buying land and building house	6 (3.6)
Saving and others	4 (2.4)
Don't know	10 (6.0)
Money not sent	24 (14.5)
<b>Total</b>	<b>166 (100.0)</b>

Note: Figure in the parenthesis represents the percentage. The summation is higher than the reported total because of multiple responses.

#### **4. CONCLUSION**

This paper examines the economic condition of the migrant workers in the Trivandrum district of Kerala. The analysis is based on data from a sample of 166 migrant workers in the Trivandrum district. While existing studies provide evidences for short distance migration from nearby states of Tamil Nadu and Karnataka, in our study West Bengal and Assam accounted for more than 95 percent of the sample. About one third of the sample migrants

had prior migration experience to other places before migrating to Kerala. The informal information networks through relatives and acquaintances who have already migrated plays important role in migration of workers to Kerala. Poor economic conditions along with several other overlapping factors have been identified as the reason of migration, of which the most important are getting employment/better employment, meeting household expenditure and accumulation of savings. The major reason of migration to Kerala is reported as the higher wages, availability of work and better working conditions.

There has not been any change in the nature of employment of the workers even after migration. Almost all the migrants engaged in temporary work and about 70 percent of them engaged in unskilled areas. Though a higher proportion of migrants of each skill level remained in the same skill level after migration, we notice both upward- and downward-mobility of skill level after migration. However, there has been a shift from the low-income brackets before migration to high-income brackets after migration. We have observed positive relationship of income level with skill level and instance of migration. Notwithstanding the improved income level the living condition for most of them is deplorable. Most of them live together in either the work sites or poor rented houses with one room shared by many and no provision of hygienic sanitation.

The amount and pattern of food expenditure is found to be more or less same for all the migrants irrespective of their other characteristics, whereas that of non-food expenditure varies from person to person. The savings habit among the migrants is found to be very poor – whatever they can save from their income they sent them to home. Even larger amount of remittances sent to home are used for meeting household expenditure and very little are invested in agriculture, education of dependent, buying land and building house, etc. and used for repaying debt.

## NOTES

---

<sup>1</sup> The term “skill” is very loosely defined in the present study. The definition is not based on whether the worker is skilled or not, rather on the basis of whether the worker is engaged in activities which require some kind of skill or not.

<sup>2</sup> A positive relationship between instance of migration in Kerala and monthly income level is expected, because it is believed that the longer a person stays in a particular place the more financially secured he will be since he will be more familiar with the local conditions and can develop his skill which will help him to find out a better paying job.

<sup>3</sup> In order to find out why the 24 migrants (14.46 percent) have not sent money to home, we have cross-classified migrants with respect to the frequency of sending money and the instance of migration in Kerala, which shows that the migrants who have not sent money to home were very recently (within 1–3 months) migrated to Kerala, and therefore, they are not able to accumulate sufficient money to send home.



## REFERENCES

- Kannan, K.P. and Hari, K.S. (2002). Kerala's Gulf Connection: Emigration, Remittances and their Macroeconomic Impact 1972–2000. Working Paper No. 328, Centre for Socio-economic & Environmental Studies (CSES), Kerala.
- Rajan, S.I. and James, K.S. (2007). Demographic transition and economic development in Kerala: The role of emigration. South Asia Network of Economic Research Initiatives, retrieved from <http://saneinetwork.net/Files/3.pdf>.
- Surabhi, K.S. and Kumar, N.A. (2007). Labour Migration to Kerala: A Study of Tamil Migrant Labourers in Kochi. Working Paper No.16, Centre for Socio-economic & Environmental Studies (CSES), Kerala.
- Zachariah, K.C. and Rajan, S.I. (2004). Gulf Revisited - Economic Consequences of Emigration from Kerala. Working Paper 363, Centre for Development Studies, Trivandrum.
- Zachariah, K.C. and Rajan, S.I. (2007). Migration, Remittances and Employment: Short-term Trends and Long-term Implications. Working Paper 395, Centre for Development Studies, Trivandrum.
- Zachariah, K.C. and Rajan, S.I. (2008). Kerala Migration Survey 2007. Centre for Development Studies, Trivandrum.
- Zachariah, K.C., Mathew, E.T. and Rajan, S.I. (2000). Socio-economic and demographic consequences of migration in Kerala. Working Paper 303, Centre for Development Studies, Trivandrum, Kerala.
- Zachariah, K.C., Mathew, E.T. and Rajan, S.I. (2001). Impact of Migration on Kerala's Economy and Society. *International Migration*, 39(1): 63–87.