

Impact Of Migrant Workers In The Kerala Economy

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Abstract

The rural labour market in India has undergone remarkable changes over the years. Changes in production structure occur changes in the employment pattern and workers move from agricultural to non-agricultural employment and from rural to urban areas. Deficiency of manual labourers is a major problem faced by the Kerala Economy. Farmers, contractors, businessmen, industrialists and other categories of employers find it difficult to carry on activities and complete their operations in time due to scarcity of manual workers. Emergence of migrant labourers in to the labour market of Kerala was a relief to the manual labour deficit market and they 'supply cheaper labour force in the labour market. Migrant workers engage in almost all activities as engaged by native workers. They perform various agricultural operations. Kerala economy faces the existing agriculture sector is mostly dependent on migrant labours the economy transferring our labour force from farm employment to non-farm employment. That shift would create a wide gap between the demand for and the supply of labour in the agriculture sector. Our existing agriculture sector was the sweat of migrant labours.

1. INRODUCTION

The structure of Kerala economy has change from one dominated by agriculture to one dominated by services sector. This is primarily due to growth of both public and private services necessitated by increased demand due to the high remittances from abroad. The manufacturing sector is no longer attractive to the entrepreneurial class in Kerala and much investment has taken its course to the service sector which is not governed by strict labour laws. The State does not produce many things it should have and has thus lost reasonably stable and secure jobs which come from the manufacturing sector. Consequently there has occurred a structural imbalance in the labour market between the

nature and quantity of labour demanded and supplied. For instance there is labour shortage for traditional agriculture purposes or for manual work as well as for trained and skilled personnel in emerging areas of employment. Due to this acute shortage of manpower, in the farm and construction sector over the recent years, has encouraged migration of casual workers from other states of India. Migration in general, internal or inter-state, migration of labour is an age-old phenomenon in India. The people compelled to migrant due to two factors development; driven factors and distress factors. On one hand, the migration of people is mainly motivated by the desire to access better employment opportunities, higher wages, good quality education, health condition and better living conditions. While on the other hand, it is also impelled by push or distress factors at home such as the lack of employment, low wage rates, agriculture failure, debt, drought and natural calamities. Both these reasons are equally responsible for migration of casual workers to Kerala.

2. ORIGIN OF THE RESEARCH PROBLEM

Nearly 25 lakhs migrant labourers are working in Kerala having a population of 3.33 crore and their numbers are growing at an incredible pace of 10 per cent annually. In contrast, nearly 22.8 lakhs Keralites are working abroad and nearly 10 lakhs are in other states, says the study quoting a State Planning Board's statistical reports for 2011. It shows that Kerala labour market needs at least 5 lakhs workers more to maintain the balance between demand and supply.

3. SIGNIFICANCE OF THE STUDY

The present education facilities in the state do not have the capacity to provide diversified employment for the new generation in the state itself. So the newly educated workforce in Kerala has become highly mobile willing to earn a living in any part of the world today. They usually seek out white collar jobs in profession such as banking, engineering or management leaving the state scarce of conventional/traditional labour. At the same time high wages, rapid urbanization and shortage of skilled workers make Kerala attractive destinations for migrant labourers. The vacuum created by the scarcity of local skilled labour makes room for them. Employers also prefer workers from other states as they demand wages much lower than that of their native counterparts. It is in this context a study is proposed on the dynamics of casual labour market in Kerala. As Ernakulam is one of the districts where there is a heavy influx of casual migrant labourers

4. OBJECTIVES

- i.) To observe the extent of native labour availability in the rural labour market
- ii.) To examine the scope of migrant workers in the current labour market

5. METHODOLOGY

The data can be collected from secondary sources. To cover the first objective, the study intends to use secondary data extensively from all available sources. This will be helpful

to get a deep insight in to the new generation jobs and expansion of employment opportunities in the state. As to the second objectives the study intends to go for secondary data in the three main employment sectors agriculture, manufacturing and service sector.

6. STRUCTURE OF EMPLOYMENT

The rural labour market in India has undergone remarkable changes over the years. Diversified opportunities for employment with increased economic growth, introduction of employment guarantee scheme, increased connectivity and mobility from rural to urban areas, changes in trade policies, and attitude towards participation of women in economic activities outside their home have altered the rural labour market dynamics. This policy deals with the dynamics of rural labour markets in India. It focuses on the trends in rural employment, rural labour markets, and sources of livelihood and living standards of the rural labour class. It identifies the key drivers of changes in the rural labour market, determinants of labour supply and wage rate. The trend in sectoral employment in rural India shows that the overall employment in agriculture declined by 0.02% a year. Male employment in agriculture showed a small increase but female employment declined by half a per cent per year.

Table 1: Structure of Employment and Population by Gender in Rural India (in million)

Sector	Male			Female		
	1993-94	2009-10	CGR	1993-94	2009-10	CGR
Agriculture	139.1	145.6	0.29	90.3	83.2	-0.52
Industry	13.1	16.2	1.33	7.3	7.9	0.42
Construction	6.0	26.2	9.64	0.9	5.4	11.58
Services	27.6	41.5	2.58	5.9	7.9	1.92
Total Workforce	187.8	231.9	1.33	104.8	104.6	-0.01
Total Population	339.5	423.9	1.40	319.4	400.8	1.43

Source: NSS Report

6.1 Diversification in Employment Structure

Changes in production structure occur changes in the employment pattern and workers move from agricultural to non-agricultural employment and from rural to urban areas. This study focuses essentially on such diversification in employment structure . An accurate measurement of the extent of diversification is a difficult task. This is mainly because of the complexities involved in categorising workers into different occupations, industries and sectors. A broader classification will bring in a lesser degree of diversification and vice versa. As this problem could be foreseen, a uniform pattern of classification of the different employment avenues available to workers was framed before the primary survey. Broadly workers are belong to different industrial divisions in the three major sectors of the economy. In other words, the 'industry' defines 'for whom the work is being done' and the 'sector' implies the major subdivisions in the economic process -primary, secondary and tertiary sectors.

6.2 Changing Structure of Rural Employment in India

The agriculture sector is the biggest employer in rural India. This sector provided employment to close to 68% of the total rural workforce in 2009-10 (Table 2). The rural labour market in India is undergoing a significant change away from agriculture towards non-farm sectors. The share of agriculture in total rural employment declined by 10.47 percentage points between 1993-94 and 2009-10. On the other hand, industry, construction and services sectors witnessed an increase in share though at varying levels. This indicates increasing diversification in rural employment which needs to be accelerated further for improved livelihood security. The big push for this shift in employment has come from the construction sector. It is a matter of concern that the share of industry in rural employment remained at the same level during the last 16 years. Gender-wise disaggregation revealed a higher concentration of female workers in agriculture as compared to their male counterparts – 79.40% of total female workers and 62.80% of male workers were employed in the agriculture sector in 2009-10. It needs to be mentioned that despite the higher percentage of women working in agriculture as compared to men, women constituted only 36% of the total agriculture workforce while men constituted 64% share of the workforce in 2009-10. This indicates that Indian agriculture is heading towards feminisation in the workforce.

Table 2: The Share of Different Sectors in Total Rural Employment (in %)

Sector	Male			Female		
	1993-94	2009-10	Change	1993-94	2009-10	Change
Agriculture	74.10	62.80	-11.30	86.20	79.40	-6.80
Industry	7.00	7.00	0.00	7.00	7.50	0.50
Construction	3.20	11.30	8.10	0.90	5.20	4.30
Services	14.70	17.90	3.20	5.60	7.60	2.00
Total	100.0	100.0	-	100.0	100.0	-

Source: NSS Report

Deficiency of manual labourers is a major problem faced by the state. Farmers, contractors, businessmen, industrialists and other categories of employers find it difficult to carry on activities and complete their operations in time due to scarcity of manual workers. In addition to the scarcity of manual workers, the wage rate of Kerala is also the highest among the Indian states. Further the manual labourers and casual workers are also organised and have become formal in their working conditions with fixed working time, uniform wage rates, and other benefits. Many employers find it difficult to employ native workers; several farmers, industrialists and other businessmen have suspended their activities due to scarcity of labourers and high labour cost. Emergence of migrant labourers in to the labour market of Kerala was a relief to the manual labour deficit market and they 'supply cheaper labour force in the labour market.

Migrant workers engage in almost all activities as engaged by native workers. They perform various agricultural operations. They are a source of semi-skilled and unskilled

labourers in construction sector and to some extent skilled labour also. They undertake various activities at lower wage rates irrespective of nature or status of the work. They are ready to undertake dangerous, hazardous, hard, difficult and filthy occupations, which are rejected by native's workers. In this way they help and contribute to the economic development of the state by providing the required labour force and thus have an important position in the economy of the state.

Further, in a developing economy the role of migration cannot be underestimated. It is a mechanism through which the short-term supply and demand for labour in a labour market is counterbalanced and helps in manpower planning. Moreover, migrants are agents of changes. They can make changes in the wage rates, employment patterns, employer-employee relationships, living and working conditions, trade union attitudes and policies, government policies, population and demographic factors and so on. They contribute much to the economic and social development of the destination even if they may be looked down by the natives. But, a migration stream started even before independence, having much importance in the economy and society of Kerala, remained neglected for long. Many of them live in exceptionally deprived and unhygienic conditions in Kerala. The study, thus, gives importance to a section of workers who actually strive for the betterment of Kerala and its economy; tries to highlight various facts about the migrant workers in the state as well as their impact on the labour market of Kerala.

6.3 Migrant workers and agricultural sector

Emergence of migrant labourers in to the labour market of Kerala was a relief to the manual labour deficit market and they 'supply cheaper labour force in the labour market. Migrant workers engage in almost all activities as engaged by native workers. They perform various agricultural operations. Migrant workers have an important place in the labour market and contribute much to the economic development of the state by providing labour force to various economic activities, which otherwise will be impossible due to scarcity of workers. Even though migrant workers are an important source of labour, have started their task long ago and have played an important role in making up present face of the state and economy by providing labour force, they have get little recognition and consideration in the state and also they are neglected by the academic community in studying their conditions and contributions. Thus several facts like their socio-economic profile, reasons for their migration, employment and income patterns, working and living conditions in the state, relationship with employer, native employees and general public, consequences of their migration upon themselves and upon different segments of the labour markets of the states as well as its economy.

7. CONCLUSION

Migrating for work is an historical source of livelihood for many regional households and migrant labour is an important source of labour for many sectors including agriculture. West Bengal and Assam dominated the sources of migration to Kerala. Kerala economy

faces the existing agriculture sector is mostly dependent on migrant labours the economy transferring our labour force from farm employment to non-farm employment. That shift would create a wide gap between the demand for and the supply of labour in the agriculture sector. Our existing agriculture sector was the sweat of migrant labours.

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