

A Study on Labour Migration and Wage Earnings in India with Special Reference to Tamil Nadu

Murugan Thangavelu*

Department of Economics, The Central Law College, Tamil Nadu, India

Abstract

Migration of workers is a human phenomenon which has historical roots and wider economic implications. Large-scale population mobility, accompanying structural change, is one of the fundamental features of modern economic development. Yet, attention has only recently been focused on the causes and consequences of such change. While labour migration affects the development process in a number of crucial ways, it impacts first and foremost on the labour market in sending and receiving areas. Moreover, the extant labour market structure also affects the migration process. The migration of labor from rural to urban areas is an important part of the urbanization process in developing countries. In some regions of India, three out of four households include a migrant. The effects of migration on individuals, households and regions add up to a significant impact on the national economy and society. Generally, India's poor have meager physical assets and human capital and belong largely to so cially deprived groups such as Scheduled Castes (SC) and Scheduled Tribes (ST). Women share an extraordinary burden of deprivation within households. The National Sample Survey Organization (NSSO) has released Report No. 533 titled "Migration in India, 2007-2008" shows that the rural urban migration is looked as ensuring livelihood security. This is due to the fact that in urban areas, it is fairly easy to get some employment in the informal sector. Besides this has social, economic, environmental and political implications, which may alter the community in the long run. Despite the increasing wage earnings from informal sector are not all that socially accepted. Due to various interconnected factors, workers in urban informal sector are looked down. In this scenario, it is important to study the patterns of migration and wage earnings in urban informal sector. Three major cities Chennai, Madurai and Coimbatore in Tamil Nadu will be selected for an in-depth exploration. Snowball sampling procedure will be employed. The secondary data will also be used for the study.

Keywords: Labour • Rural areas • Economic development • Households

Introduction

Migration is movement by from one place to another, sometimes over long distances or in large groups. Large-scale population mobility, accompanying structural change, is one of the fundamental features of modern economic development. Yet, attention has only recently been focused on the causes and consequences of such change. Migrations have economic genesis but resulting socio-political cultural ramifications and manifesting [1]. Indeed, mingling of different cultures has had positive consequences as well as placing strain on the culture and life of the upcoming society affected in either way by migration. Moreover, the mobility of labour has received relatively little attention in international policy making even though the dominant economic paradigms stress the importance of mobility of both labour and capital labour migration is a complex phenomenon and encompasses different streams which differ in duration; nature of origin areas and destination and characteristics of migration.

While, labour migration affects the development process in a number of crucial ways, it impacts first and foremost on the labour market in sending and receiving areas. Moreover, the extant labour market structure also affects the migration Process. The migration of labor from rural to urban areas is an important part of the urbanization process in developing countries like India. In some regions of India, three out of four households include a migrant [2]. The effects of migration on individuals, households and regions add up to a significant impact on the national economy and society. Despite the numbers, not much is written on migration within or from India and its considerable costs and returns remain outside of the public policy realm. This sponsored research study reviews key issues relating to rural - urban labour migration in India. In 1951, the urban population in India was 62 million people, 17 percent of the total population. By 2011, the urban population was 377 million, or 31 percent. By 2025, 42.5 percent of the population will be urban. Interestingly, the state of Tamil Nadu depicts tarter urbanization as compared to other states

*Address to correspondence: Dr Murugan Thangavelu, Department of Economics, The Central Law College, Tamil Nadu, India, Tel: 9487124244; E-mail: tmurugankp@gmail.com

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in India. Hence it is worth attempting the empirical verification in this state.

Even though the percentage of the population living in urban areas is quite small compared to developed countries these peoples' presence is causing a lot of problems: unemployment and underemployment, and shortage of basic amenities like water supply, sanitation, sewerage, and electricity. The most prominent reasons for migration in both the rural and urban areas were marriage, employment, economic activities, and self-employment. The main problem is housing. Cities have very large slum population. Mumbai has almost 50 percent of the people living in poor level of houses, even though the per capita income is quite high. Kolkata has 32 percent of the population living in slums. As per the 2001 census, the total slum population in urban India was 42.6 million, 15 percent of urban India's population.

Generally, India's poor have meager physical assets and human capital and belong largely to socially deprived groups such as Scheduled Castes (SC) and Scheduled Tribes (ST). Women share an extraordinary burden of deprivation within households. The poor rely on different types of work to construct a livelihood; wage labour and cultivation are the most important. Earlier studies have shown that poor households participate extensively in migration. More recent studies have reconfirmed that migration is a significant livelihood strategy for poor households in several regions of India.

The National Sample Survey Organization (NSSO) has released Report No. 533 titled "Migration in India, 2007-08" based on the household survey on Employment and Unemployment & Migration Particulars conducted in its 64th Round. The field work of the nationwide survey was carried out during July 2007 to June 2008, covering a random sample of 5,72,254 persons, from 79,091 rural households and 46,487 urban households spread over 7921 villages and 4688 urban blocks in the country. The survey covered the whole of the Indian Union except for Leh (Ladakh) and Kargil districts of Jammu & Kashmir, (ii) interior villages of Nagaland situated beyond five kilometres of a bus route and (iii) villages in Andaman and Nicobar Islands which remain inaccessible throughout the year. The major purposes of the survey were to study some broad features of household migration, migrants, short-term migration, out-migrants, remittances from out-migrants and use of such remittance by the recipient households. This report also provides the relevant information for all the States/ U.Ts.

The NSS survey has defined various concepts. Usual place of residence (UPR) of a person was defined as a place (village/town) where the person had stayed continuously for a period of six months or more. A household member whose last Usual Place of Residence (UPR) was different from the present place of enumeration was considered as a migrant member in a household. Persons who had stayed away from the village/town for a period of 1 month or more but less than 6 months during the last 365 days for employment or in search of employment are termed as short-term migrants. Those migrants who had reported that the present place of enumeration was UPR any time in the past were considered as return migrant. Any former member of a household who left the household, any time in the past, for stay outside the village/ town was considered as out-migrant provided he/ she was alive on the date of survey.

Literature Review

Household migration during last 365 days

Proportion of households migrated to rural areas was very low, nearly 1 per cent. In urban areas, on the other hand, the migrated households constituted nearly 3 per cent of all urban households. Migration of households was largely confined within State: 78 percent of the migrant households in rural areas and 72 per cent of the migrant households in the urban areas had last usual place of residence within the State.

Migration of households in both the rural and urban areas was dominated by the migration of households from rural areas. Nearly 57 per cent of urban migrant households migrated from rural areas whereas 29 per cent of rural migrant households migrated from urban areas. In both rural and urban areas, majority of the households migrated for employment related reasons. Nearly 55 per cent of the migrant households in rural areas and 67 per cent of the migrant households in the urban areas had migrated for employment related reasons.

Migrants

The NSS survey has also noted the following details over migration patterns in India. In India, nearly 29 per cent of the persons were migrants with significant rural-urban and male- female differentials. The migration rate (proportion of migrants in the population) in the urban areas (35 per cent) was far higher than the migration rate in the rural areas (26 per cent). Magnitude of male migration rate was far lower than female migration rate, in both rural and urban areas. In rural areas nearly 48 per cent of the females were migrants while the male migration rate was only 5 per cent, and in the urban areas, the male migration rate was nearly 26 per cent compared to female migration rate of 46 per cent.

Migration rate in rural areas was lowest among the Scheduled Tribe (ST), nearly 24 per cent, and it was highest among those classified in the social group 'others', nearly 28 per cent. In urban areas, migration rate was lowest among Other Backward Class (OBC) nearly 33 per cent, and it was highest among those classified in the social group 'others', nearly 38 per cent. Nearly

60 per cent of urban male migrants and 59 per cent of urban female migrants had migrated from rural areas. The most prominent reason for female migration in both the rural and urban areas was marriage: For 91 per cent of rural female migrants and 61 per cent of the urban female migrants the reason was marriage. The reason for migration for male migrant was dominated by employment related reasons, in both rural and urban areas. Nearly 29 per cent of rural male migrants and 56 per cent of urban male migrants had migrated due to employment related reasons. A higher percentage of the persons were found to be engaged in economic activities after migration: For males the percentage of workers increased from 51 per cent before migration to 63 per cent after migration in rural areas and from 46 per cent to 70 per cent in urban areas, while for females it increased from 20 per cent to 33 per cent in rural areas and from 8 per cent to 14 per cent in urban areas.

For rural males, self-employment had emerged as main recourse to employment after migration. The share of self-employment in total migrants increased from 16 per cent before migration to 27 per cent after migration, while the shares of regular employees and casual labors remained almost stable, in both before and after migration. In case of urban males, the percentage of regular wage/salaried employees has shown a quantum jump (from 18 per cent before migration to 39 per cent after migration), besides an increase in the share of self-employment after migration (from 17 per cent to 22 per cent), and casual labour as a means of employment had reduced in importance after migration (from 11 per cent to 8 per cent).

Rate of return migration (proportion of return migrants in the population) for males in rural areas was significantly higher than females: 24 per cent for males and 11 per cent for females. In the urban areas, the rate of return migration did not differ much for males and females: it was 12 per cent for males and 10 per cent for females.

Short-term Migrants

The rate of short-term migration (proportion of short-term migrants in the population) was 1.7 per cent in the rural areas and almost negligible (much less than 1 per cent) in the urban areas. Moreover, in the rural areas, the rate was nearly 3 per cent for the males and less than 1 per cent for females. In rural areas, for both males and females short-term migrants, more than half were casual workers in their usual principal activity status. The share of the rural self-employed males in total short-term male migration was also significant, nearly 32 per cent, and rural females who were out of labour force in the usual principal activity status, shared nearly 24 per cent of the total short-term female migration.

Out - Migrants

Out-migration rate (proportion of out-migration in the population) for males was nearly 9 per cent from rural areas and 5 per cent from urban areas. The rates for females were much higher compared to males in both the rural and urban areas. It was 17 per cent among rural females and 11 per cent among urban females. A relatively higher percentage of female out-migrants, from both the rural and urban areas, took up residence within the State: Nearly 89 per cent for rural female out-migrants and 80 per cent for urban female out-migrants had residence within the State.

Majority of the male from both the rural and urban areas had migrated out for employment related reasons which accounted for nearly 80 per cent of the out-migrants from the rural areas and 71 per cent of the out-migrants from the urban areas. For female out-migrants from both rural and urban areas, the reason for out-migration was predominantly for marriage, which accounted for nearly 84 per cent of female out-migrants from both the rural and urban areas. In case of rural male out-migrants, residing abroad, nearly 95 per cent were engaged in economic activities compared to 80 per cent of those residing in India and for male out-migrants from urban areas nearly 93 per cent of those residing abroad were engaged in economic activities compared to 73 per cent of those residing in India.

Discussion

Among the male out-migrants from the rural areas and residing abroad, nearly 82 per cent had sent remittances during the last 365 days, while only 58 per cent of those residing in India had sent remittances. Among male out-migrants from the urban areas, nearly 69 per cent of those residing abroad had sent remittances compared to only 41 per cent of those residing in India [3]. On an average, during the last 365 days, a male out-migrant from rural areas and residing abroad had sent 4 times the amount of remittances sent by an out-migrant residing in India: while on an average nearly Rs. 52,000 was remitted by those residing abroad, the amount was nearly Rs. 13,000 for those residing in India.

Out-migrants from the urban areas had remitted higher amount, during the last 365 days, to their former households compared to those from rural areas. On an average a male out-migrant from the urban areas, and residing abroad, had remitted nearly Rs. 73,000 during the last 365 days, which was higher by nearly Rs. 21,000 of the amount remitted by a male out-migrant from rural areas and residing abroad. On an average, during the last 365 days, male out-migrants from urban areas and residing in India had remitted on an average nearly Rs. 28,000. The amount of remittances from the female out-migrants from both the rural and urban areas was lower compared to their male counterparts, irrespective of whether the female out-migrants are residing in India or abroad.

On an average a female out-migrant from the rural areas, irrespective of whether the present place of residence is in India or abroad, had sent nearly half of the amount which was sent by a male out-migrant from the rural areas. A female out-migrant from the urban areas and residing in India also remitted nearly half of the amount remitted by a male counterpart [4]. The amount of remittance was nearly two-third from the female out-migrants from the urban areas and residing abroad compared to those remitted by the male out-migrants from the urban areas and residing abroad. Nearly 30 per cent of rural households had reported out-migration of its former members and nearly 19 per cent of urban households had reported out-migration.

In the rural areas, the percentage of households reporting receipt of remittance did not vary much with the increase in Monthly Per Capita Expenditure (MPCE). Nearly 36 per cent of the households in the bottom MPCE deciles class had received remittances from its former members during the last 365 days and it was nearly 39 per cent for the households in the top MPCE deciles class. In urban areas, the percentage of households which received remittances from its former members during the last 365 had increased significantly with the increase in MPCE: It was 19 per cent in the case of households in the bottom MPCE deciles class which increased to nearly 31 per cent in the top MPCE deciles class.

Average annual household consumer expenditure was nearly Rs. 38,000 for all rural households compared to nearly Rs. 41,000 for rural households receiving remittances. Average annual household consumer expenditure nearly Rs. 65,000 for all urban households compared to nearly Rs. 80,000 for the urban households receiving remittances. Household consumer expenditure in both rural and urban areas was the prime use of the remittances. Nearly 95 per cent of the households in the rural areas and 93 per cent of the

households in the urban areas had used remittances for household consumer expenditure purpose.

Nearly 10 per cent of the households in the rural areas had used remittances for 'debt repayment' and nearly 13 per cent of the households in the urban areas had used remittances for 'saving/investment'. The population in the Indian subcontinent has been considered to be relatively immobile. However, with improvement in infrastructure and communications accompanying economic development, population mobility could be expected to increase. But in the Indian case, while the census data attest to increasing numbers of migrants, population mobility as a percentage of the population has declined in recent decades.

In addition, large numbers of seasonal migrants work in the urban informal manufacturing, construction, services or transport sectors-as casual labourers, head-loaders, coolies, rickshaw-pullers, hawkers and so on. No figures are available for the trends in labour circulation over time but the few studies on migration over several decades that exist suggest a growth in labour circulation. In all, while the macro-surveys indicate declining population and labour mobility, it is likely that these conclusions emerge because these surveys do not take into account certain forms of mobility such as labour circulation and commuting. Micro-studies attest to an increase in labour mobility when all forms of locational mobility are taken into account.

Migration of labour serves the accumulation of capital and is a structural necessity towards that end, here, migration is more a class phenomenon, and the unit of analysis is the stream, rather than simply being the sum of individual decisions.

The continued existence of a large mass of unorganized workers belies expectations that workers would eventually shift from the traditional to the modern sector. The urban and rural informal sector markets are increasingly linked through horizontal circulation as migrants may move from one to the other in search of jobs. In focusing on the characteristics of the migrant labour show how the division of specific forms of labour in informal industries is segmented along ethnic and communal lines which is promoted by the modes of recruitment.

Migrant labourers have to fend for themselves to meet their health, drinking water, shelter and other basic requirements. The migrant's circumstances thus reduce the social responsibility of the employers towards them so that these labourers conform to a contractual relationship to perfection. The above studies conclude that migration is encouraged as a device to keep local employment and wages low, to increase control over labour, to ease over seasonal shortages of agricultural labour, to secure (with inter-linked contracts) long term labour at low costs. Therefore, there is a necessity to take up an in-depth empirical exploration on the rural urban migration and earnings and hence the present study, which highlights the following research issues. Recent academic discourse on the concept of informality in development issues can be discussed by four phases. In economics, during 1970s Harris and Todaro have heavily worked on rural urban migration where extruded from farming, informal livelihoods that were sought in urban areas. During 1980s a rigorous understanding of informality began to emerge and stressed two issues. The first being informal activity which was as much a rural or urban phenomenon as it was an urban one. The second one was that the informality of economic activity reflected the strength of property rights and

regulatory reach of the state. The third phase of the informality emerged during 1990s as it became far from being temporary, this sector had persisted as structural and dynamic and attained significance. The final phase is that informality embodies two mutually contradictory refinements.

The International Labour Organization and UNDP reports mentioned the concept of informal sector dates back to 1970s and then this concept has emerged as serious issue in the development circle and academic domain. Here, around 93 percent of the work force or 326 million workers engage in the informal sector.

Various types of workers in the urban informal sector in the Bangalore city, which is fast growing and becoming urbanized city in India. According to this study, many adolescents who fight with their parents migrate to urban areas and engaged in informal sector [5]. Many, who migrate from neighboring states, engage in construction activities and live in poor conditions for want of common facilities.

The informal workers in major metropolitan areas do not have sufficient resource for obtaining food items. Therefore the state has come forward to sell the cooked food items at cheaper rates and it became a populist welfare scheme. Perhaps rural urban migration leads to stress not only to the local habitations but also to the individuals, who lack basic facilities in the beginning.

Rural Urban migration also leads to many social tensions. In a pluralistic country like India, where diverse socio-cultural settings live with different attitudes and temperaments do clash often on petty issues, which have law and order issue.

Conclusion

The study proposes to use both primary and secondary data. The government and independent research documents on migration will be referred for secondary data. Pre-tested schedule will be employed through trained investigators for collecting primary data from sample respondents. In addition to these informal focused group discussion with migrated laborers. Unstructured and semi-structured interviews with migrants and their families will allow the identification of the structure and mechanisms of network of migrants. In addition to data collection from the primary source, case histories of migrants will also be collected to identify the changes in the labour migration strategies. The access to other labour migrants will be made through the "snow-ball" method and will be based on the information provided in the previous interviews. In practical terms, the field research will attempt to identify several migration networks and to follow these networks. Additional details will be obtained from the state's welfare department and NGOs which are working in this area.

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