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Economics and Politics of Internal Migration among Unskilled Workers in India

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Abstract

Economists argue that internal migration could lead to a better allocation of human resources among various sectors and regions in a particular country (De, 2019). However, India lacks a comprehensive migration policy. The existing policies have failed to protect the basic human rights of migrant workers enshrined in the Constitution of India. In India, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 has been constituted to protect the rights of migrants. However, the data and ground realities highlight the poor implementation of this law (Srivastava & Pandey, 2017) which fails to protect the rights of migrant workers in terms of providing access to education for their children, healthcare facilities, and affordable housing. Though regulations such as above are in place, there is a limited impact due to a shortage of migration data which calls for a need to have a robust migration policy. The paper argues that the government should acknowledge the contribution of migrant workers in the development of their states and should formulate an integrated rights-based approach. This rights-based approach would enable their political and civic inclusion, financial access, provision of legal aid, etc and thus improving the current status of internal migrants in the country.

Keywords: *internal migration, unskilled migrants, Covid-19, Olson's logic of collective action, public policy, politics*

1.0 Introduction

Based on the 2011 census, almost 45.6 crore people migrated to India. This number is 45% higher than what was registered for the year 2001. However, India has a rate of just 1% (based on the 2011 census) when it comes to less than five-year interval inter-state migration rate. In comparison, it is almost 10% in the US and 5% in China. According to Bell et al. (2015), India stands at the lowest rate of internal migration in a sample of 80 countries. This shows that India one of the most populous countries still has a very low rate of internal migration when compared globally. This is not a great thing for India as internal migration always results in a more efficient allocation of human resources to industries and locations where they are most needed (De, 2019). Labour migrants constitute a major chunk of internal migration in India. The Economic Survey of 2016-17 mentions that there were around 6 crores of inter-state labour migrants, during the year 2001-2011 (Iyer, 2020). The pandemic and subsequent lockdowns not only highlighted the plight of unskilled migrants but also brought to light the issues that need to

be addressed. These issues have been studied in detail using various theories. Olson's Logic of collective action is one such theory which explains the reason unskilled migrants are unable to form a group for collective action and make their voices heard in the electoral process in the destination state which further disincentivizes the politicians to consider the plight and issues being faced by the unskilled migrant labourers. Moreover, theories such as sons of soil explain why they face discrimination at the hands of the local administration.

2.0 Background

The statistics in relation to the current state of internal migration are presented below: (Krishnan, 2019).

1. The top three states in terms of the number of migrants according to the 2011 census were Maharashtra, Delhi, and Uttar Pradesh (UP).
2. Tamil Nadu had the highest number of migrants in the South.
3. While migrants from three states- UP, Bihar, and Rajasthan together resulted in 46% of the total, migrants from the eight North-Eastern states added only 2% to the total.
4. The rural-urban division for internal migration is shown below (Krishnan, 2019).

Source/ Destination	Percentage of the total number of migrants
Rural to Rural	53.84%
Rural to Urban	20%
Urban to Urban	20%

Table 1.1 Rural-Urban division for Internal Migration

3.0 Analysis and Findings

There are various issues which surround migrant workers, ranging from the reason for their migration to the politics of the same. This part of the essay shall elaborate upon these issues which are prevalent in the arena of migrant workers.

A. Unskilled Migrants and Their Families: Issues and Challenges

a. Driving Forces Behind the Migration of Unskilled Workers

According to a study conducted by the International Institute for Environment and Development (IIED) in the year 2021, climate change and related events such as drought and flood combined with the socio-economic and socio-political factors increase the vulnerability of households and in turn, motivate people to migrate. It was seen that education too played a significant role, as people who only had primary and secondary education migrated more than people with higher education.

Seasonal migration increased due to low yields in agriculture and fishing, forcing people to move in search of livelihood in the off-seasons. Migration is further compounded by a lack of opportunities for the unskilled labourers in their hometowns. This lack of opportunities is due to the seasonal nature of jobs as well as low levels of education amongst the labourers. In such a scenario, better employment opportunities in the manufacturing sector in urban areas present themselves as lucrative to the labourers. They provide opportunities to work, save and buy assets back home and thus exit from inter-generational poverty (Bharadwaj et al., 2021).

b. Repercussions of Migration on the Families of Unskilled Migrants

While intra-state migration occurs due to marriage and family reasons, work remains the primary reason for inter-state migration (Iyer, 2020). In the study done by IIED, it was observed that in most cases, migration of the whole family does not take place. Education of children, ownership of land, livestock, etc. were some of the major reasons which restricted migration of the whole family. It was also observed that in 90% of the households, it was the head of the family who migrated, owing to the reasons stated. Hence, the internal migration of unskilled labourers also led to an additional burden on the females, wherein they had to balance the household and livestock work while also working under MGNREGA. However, women do take up work once they are migrated, but this is excluded from the number of women who migrate for work-related causes.

c. The Plight of the Unskilled Migrants in the Destination States

Article 19(1)(e) of the Constitution of India guarantees all Indian citizens the right to reside and settle in any part of the territory of India, subject to reasonable restrictions. The poor

implementation of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 which deals with the protection of inter-state migrant workers, has led to their marginalization. The ISMW Act gives interstate migrant workers some safeguards. Contractors that hire migrants must: (i) be licenced; (ii) register migrant employees with the government; and (iii) arrange for the worker to be provided with a passbook that documents their identity. The law also specifies the salaries and benefits that the contractor must give (such as lodging, free medical care, and protective clothing). The Standing Committee on Labour reported in December 2011 that worker registration under the ISMW Act was low and that the Act's provisions were poorly implemented. According to the report, the union government has not taken any real and fruitful steps to ensure that contractors and employers register the people they employ and hence labourers are not able to obtain benefits under the Act (Iyer, 2020).

This can be understood using Olson's logic of collective action. Having a common goal such as having easy and equitable access to all the benefits is not enough for the unskilled migrants to organize themselves. This is because the benefits of the legislation passed in favour of the inter-state migrant workers outweigh the costs of organizing themselves. Members would tend to free ride, and the group would often fail to get organized to undertake collective action.

Consequently, some of the issues they may face are listed as follows:

- The migrant workers face onerous requirements of producing documentary proofs to access essential services. In the case of the Public Distribution System (PDS), though the National Food Security Act, 2013 applies to all irrespective of their domicile, the migrants registered in the origin states lose their benefits when they move to the destination states. This is also evident in the access to formal financial services. The waiving of local address proofs under Know Your Customer (KYC) norms by the Reserve Bank of India (RBI) for migrant workers is followed in its breach by many banks. The migrants still rely on informal networks to send money to their families back home.
- The lack of access to proper healthcare exacerbates their vulnerability. Inaccessibility arises from the expensive private care, the opportunity cost of the labour wages lost while seeking treatment, and language barriers. The government's recent scheme Ayushman Bharat tried to address this issue with the portability feature, wherein the beneficiaries

can avail themselves of the treatment in the empanelled hospitals across India irrespective of their origin states. Yet the responsibility for the registration of the citizens under this scheme lies with the origin states defeating the intent behind the portability feature.

- The inadequate supply of affordable housing (including rental and ownership), near places of work is also a huge issue in urban areas. This results in the proliferation of slums with poor water and sanitation facilities and unhygienic living conditions, affecting the health and productivity of these workers in the long term.
- The children of migrant workers face accessibility issues in school, and absenteeism due to clashes between academic season and the seasonal migration cycle. This disruption in academic life eventually leads to their dropout as they are unable to cope with the pressure (Faetanini & Tankha, 2013).

B. Political Ecosystem Dealing with Unskilled Migration

Politicians in the destination states tend to ignore the concerns of the migrant workers and only pay heed to such workers who permanently reside in their constituency. This is primarily because migrant workers have no voting rights in the destination states and thus do not form part of the constituency of the politicians, whose main agenda is to get re-elected.

In the case of rural migrants within the state who can vote in the local elections, the lack of information regarding the voting process, the complex procedure of voter registration by providing necessary residency proof, and other identity documents limit their electoral participation. This belief about migrants' propensity for low turnout in the electoral process disincentivizes the politicians to consider them as vote banks and perpetuates the discrimination in the allocation of scarce resources they already face. The manifestation of negligence toward migrants was brought out in a study (Gaikwad & Nellis, 2017) wherein the local councillors received letters from residents requesting a call back to address their concerns. The residents were more likely to receive the call from the councillor than the migrants and registered migrants more than the unregistered migrants. Additionally, the politicians might be channelizing their constituents i.e., residents' cultural and economic issues concerning the migrants, and becoming unresponsive towards the migrants.

Finally, the politicians might themselves be prejudiced against the migrant workers. This was

clear during the first lockdown where approximately 10 million migrant workers were left to fend for themselves due to administrative negligence. The workers reportedly walked for miles together, with no access to food, water and transport facilities during their journey back home with some of them even losing their lives. When the same issue was raised in Parliament, the government cited a lack of data regarding the same and evaded a reply. This is reflective of the broader administrative attitude towards migrant workers.

C. Public Attitude towards Unskilled Migrants in the Destination State

Local elites harbour disdain towards migrant workers due to the differences in the language, creed, and culture. While they might tolerate the ones who are ethnically similar to them, the ones who are ethnically dissimilar are completely unwelcome (Gaikwad & Nellis, 2017). The "Sons of the Soil" argument is wielded when there is high unemployment among the local populace. However, the study (Bhavnani & Lacina, 2015) refutes the above argument. They found that the alignment of the native population with the central government determines the extent to which the natives' grievances are addressed. The native populations aligned with the Central government are provided with more resources to address their grievances. In such cases, states resort to police intimidation and bureaucratic discrimination to exercise control over the migrants, preventing them from gaining access to more resources without any impunity. On the other hand, the natives who are not politically aligned, are provided fewer resources by the Central government and enjoy lesser impunity. Hence, they cannot resort to official channels to discriminate against the migrants and nativism is more likely to manifest in riots against the migrant workers.

D. Employers of the Migrant Workers

- a. Hiring unskilled workers at lower wages can add innumerable benefits to the company's growth in terms of increased output at lower costs. However, employers suffer from commitment issues on the side of the workers as there are no signed contracts. The unskilled workers are mobile and switch jobs frequently and thus, provide no form of security to the employers in terms of long-term performance. On the other side, jobs such as cleaning, and driving which do not require a specific skill set pose a troublesome situation for the migrant workers as this allows employers to hire and fire the workers at will as employees are seen as dispensable and easily replaceable

b. The Interest of the Contractors (Middlemen):

The contractors benefit from commissions in exchange for cheap unskilled labour to employers. According to (Mazumdar et al., 2013), the workers recruited through unregulated labour contractors suffer violence, inhumane treatment, and harassment by contractors. However, they incur losses if there are sudden labour shortages due to unforeseen reasons (e.g.- the COVID-19 crisis). Due to the mobile nature of migrant workers, contractors must also ensure that labour works efficiently as per expectations and maintain labour supply.

4.0 Policy Recommendations

Through the years, the plight of unskilled migrant workers has been brought to the fore. In such light, there have been various recommendations for changes in policies related to migrant labourers. The mainstreaming of migrants in the political and civic life in the destination states might result in backlash from entrenched interests. However, associating the rights-based initiatives with the ease of doing business index would incentivize states to take up this issue in earnest to shore up their image and attract investments in the state.

Some of these recommendations have been presented below -

1. Registration and Identity

The need for universally recognized identity proof that can be used to claim legal and social rights has become even more amplified in recent times. The issuance of 30,000 ID cards (started in 2005) to mitigate identity crises and protect the rights of workers in the Jhabua district is an example of a movement in the right direction to protect the rights and interests of the migrant workers. The photo ID cards capture basic demographic details like domicile, education, trade and contact details including the duration of migration which is obtained after due verification from the elected Sarpanch of their village. The cards had become acceptable among the employers, local administration and police of the destinations states after 2 years of advocacy. These cards also served as valid means for employer verification, the opening of bank accounts and enrolment for other social security services. (Deshingkar, 2010).

2. Political and Civic Inclusion

The political discourse around migrants must be framed positively providing more benefits to the migrant workers. The Kerala government distributed ‘goodwill kits’ to migrant workers as a token of appreciation for their contribution to the state’s development is a step in the right direction (Faetanini & Tankha, 2013). Another step that must be taken is the formulation of a national-level comprehensive National Migrant Labour Policy laying down the provisions and guidelines for fair and equitable treatment of migrant workers. Despite the presence of the Inter-State Migrant Workers Act, it was largely witnessed that the migrant workers continued to undergo their current plight. With labor being a concurrent subject, issues with effective enforcement have always been very daunting, resulting in the impoverished state of migrant workers. Thereby, the creation of a National Labour Policy can be seen as a step in the right direction as it acknowledges the fact that migrants should be considered as the ‘integral part of development’ and ‘policies created by the government must facilitate internal migration.’

3. Labour Market Inclusion

State Governments must provide handholding support to organize the large latent groups using upskilling, training, and increasing their negotiation capacities. The programs started by LabourNet that provide skill training to workers can be taken up on a large scale allowing for better skill development of migrant workers. For instance, in Karnataka, LabourNet imparts skills training and regular skills assessment of workers through their Worker Facilitation Centres. Post which workers are certified in a number of different trades, for example as carpenters, electricians, and beauticians. As per the records, programs started by LabourNet has so far provided training for 6300 workers and provided job linkages to over 8000 workers.

4. Legal Aid and Dispute Resolution

The migrant workers must be provided access to the grievance redressal mechanisms for timely hearing and dispute resolution. The Aajeevika Bureau in Rajasthan works in this direction and provides counselling and support to the migrant workers. Under this initiative by the Bureau, workers apply for the identity cards by filling out a registration form that captures their demographic information. Once the form is filled, the information provided is verified by the Sarpanch and the elected head of their panchayat. Following this, migrants are issued with an

identity card that contains all relevant details, including their domicile, trade, education and contact details. The simple tool designed by Aajeevika Bureau has empowered the migrant workers by giving them a sense of security and entitlement who were previously struggling in claiming their rights in urban spaces.

Another major issue in the labour market is the absence of written records of attendance and labour wages. Some form of record must be present which would allow for a track of the number of wages and the hours worked for the same. Initiatives like ‘Shramik Haziri Diaries’ in Bhubaneswar function on these lines to mitigate the exploitation in terms of wage cuts and long working hours come in handy. In these attendance diaries, migrant workers can keep an account of days worked and payment details. Such records help migrants get the correct wages at the time of final settlement. Additionally, legal aid has been provided by Pratikar to the migrant workers which are further in the process of establishing a union of unorganized sector migrant workers, which will be registered formally under the Indian Trade Union Act, 1926, as “Rajdhani Shramik Sangha, Bhubaneswar, Odisha”. Such an initiative will help in making contractors accountable for paying minimum wages to labourers and avoiding harassment at the workplace. (Faetanini & Tankha, 2013).

5. Financial Inclusion

Accessibility to banks is rare for most migrant workers as they lack proper documentation which would enable the safe transfer of remittances. It is necessary to make banking procedures less complicated and more user-friendly. FINO (Financial Information Network and Operations Ltd.) Paytech offers an alternative channel to banking services and provides low-cost and safe remittance services to its customers. (Faetanini & Tankha, 2013).

5.0 Conclusion

The integration of migration into the local planning process can solve the problem of inclusion. By allowing active participation in urban planning, migrants are ensured access to basic social services. Migrants play an important role in filling important niches in both the emerging and declining sectors of the economy. The gains from human development can be achieved only by removing existing barriers in the labour movement and expanding human

choices. It is in line with Sustainable Development Goals (SDGs). However, the politics surrounding the migrants have to be managed to enable the inclusion of migrants into the mainstream (UNDP, 2009).

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