



# **MIGRATING OUT OF POVERTY?**

## **A STUDY OF MIGRANT CONSTRUCTION SECTOR WORKERS IN INDIA**

**Ravi Srivastava**

**Rajib Sutradhar**



**INSTITUTE FOR  
HUMAN DEVELOPMENT**

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# **MIGRATING OUT OF POVERTY? A STUDY OF MIGRANT CONSTRUCTION SECTOR WORKERS IN INDIA**

## **1. INTRODUCTION**

Despite its growing significance, the link between poverty and migration remains an understudied subject in India and migration has largely remained outside of the public policy realm. In the theoretical migration literature, the primary motive for the movement of people from one sector/region to another is the differentials in earning opportunities, which could reflect differentials in employment opportunities or wages or both. These are in turn a result of the emerging patterns of development leading to the growth of the more productive sectors in specific spatial locations.

If migration is a response to the expectation of improvement in earning opportunities, it should lead to an improvement in the income of migrants. Other beneficial changes should follow, unless these are counteracted by the growing congestion and worsening condition of public goods delivery in urban areas, which are usually the principal kind of destination areas. However, the income of migrants may not improve if migration is an involuntary response to distress and loss of income and livelihoods, or if migrants become involved in exploitative labour markets, or if the expected earning differentials are not realized. In the migration literature, this has led to an examination of push and pull factors underlying migration.

In India, the scale and growth of regional disparities has been a subject of much concern and debate, particularly since the post liberalization period. One of the indicators of such disparity is the ratio between the highest and lowest state per capita income, which, represented by Punjab and Bihar in the period 1980–83 and Maharashtra and Bihar in the period 1997–2000, witnessed a rise from 2.6 to 3.5 over the same period (Srivastava, 2003). The same ratio, represented more recently by again Bihar and Haryana, further rose to 4.78 for the period 2008–10. As the state has moved away from the elements of regional policy to encourage agglomeration

economies in and around the pre-existing growth centres in advanced regions, such regional disparities have only got accentuated in the post-reform period (Srivastava, 2009b).

Almost one-third of India's population still lives below the poverty line and a large proportion of poor live in rural areas. A great majority of rural poor are concentrated in the rain-fed parts of eastern and central India, which continue to have low productivity in agriculture. Generally, the rural poor in India possess meager physical and human capital and also tend to be concentrated among the socially deprived groups such as SC and ST and religious minority such as Muslims. In 200405, scheduled castes and tribes accounted for 80 percent of the rural poor although their share in total population is smaller. As some of these resource-poor regions fall behind in their capacity to support populations, poor households participate extensively in migration (Connell *et al.*, 1976). India has a long history of internal migration, with urban pockets like Kolkata and Mumbai receiving rural labour mainly from the labour catchment areas like Bihar, Uttar Pradesh, and Orissa in the east and some parts of Andhra Pradesh, Tamil Nadu, Kerala, and Karnataka in the South (NCRL, 1991; Joshi and Joshi, 1976; Dasgupta 1987). Though such pattern of migration continued unabated even after independence, increased labour mobility and migration have become more prominent in the national economy in the recent years. That migration has been a significant livelihood strategy for poor households has been confirmed by some more recent studies.<sup>1</sup>

The importance of migration as a livelihood strategy has ,however, been belied by official statistics such as Population Census and NSSO, which grossly underestimate some migration flows such as temporary, seasonal, and circulatory flows, both due to conceptual and empirical difficulties. However, a closer examination of migration pattern from the perspective of poverty and livelihood requires a focus on temporary and short-duration migration, because such migrants lack stable employment and sources of livelihood at home. Moreover, the socio-economic profile of the temporary/ seasonal migration is very different from the other migrants, as most of them are more likely to be from socially deprived and poorer groups, have low levels of education, and are more likely to be engaged in casual work. Data from the migration survey carried out by NSSO in 2007/08, though poor in coverage, indicates some broad patterns of such short-duration migration. According to the survey, more than two-thirds of short-duration migration involves migration to urban areas, with 45.1 percent of them migrating to other states, of which 8.6 percent is to rural areas and 36.5 percent to urban areas in destination states (Srivastava, 2011a).

Some micro surveys also attest to both high incidence and growth of seasonal and circular migrants, while estimates based on macro surveys put these figures in the range of 80 to 100 million (Deshingkar and Akter 2009; Srivastava 2011a, c). A number of detailed empirical studies suggest that in the out-migration endemic rural areas of Central and tribal regions, Andhra Pradesh, North Bihar, Eastern Uttar Pradesh, etc, the incidence of households with at least one out-migrant ranges from

30 percent to 80 percent (Srivastava 2011a). However, not many of these studies traced the migrants to their workplace or from workplace to the source area to better understand the factors that trigger such migration and the impact such migration has on poverty. Most of these micro studies have at best given a static picture that gives a one-point snapshot of the impact of migration on poverty either in the source area or at destination.

According to latest NSSO estimates, the construction sector is one of the most predominant sectors employing labour migrants and is also a sector which has seen a rapid increase in employment in the recent years. The highest percentage of short-duration migrants work in the construction sector (36.2%), followed by the agriculture-related sector (20.4%), and manufacturing (15.9%) (Srivastava 2011a).

Both in terms of the share in GDP and particularly, the people employed, the importance of the construction sector has increased significantly in the recent years (Table 1.1 and Table 1.2). In the last decade between 2000/01 and 2012, the GDP of India's construction industry grew on average by 14.58 percent annually, making the sector the third-fastest growing industry, after other industries such as "trade, hotel, transport and communications" and "finance, insurance, real estate and business" (RBI, 2012). The expansion of the sector is also visible in terms of the people employed. With an employment of about 50 million, the sector has emerged as one of the largest employer outside of agriculture ranking after trade, hotel, and manufacturing (Table 1.2). To put this in perspective, the workforce engaged in the sector is larger than the total population of the states of Kerala or Jharkhand. Seasonal migrants constitute a significant proportion of workforce engaged in the construction

**Table 1.1**  
**Sectoral Composition of Different Sectors in Overall GDP (at 2004/05 prices)**

<i>Year</i>	<i>Agriculture and Allied</i>	<i>Manufacturing</i>	<i>Construction</i>	<i>Services</i>
1999/2000	23.3	15.1	6.5	49.9
2000/01	22.3	15.5	6.6	50.4
2001/02	22.4	15.0	6.5	51.0
2002/03	20.1	15.4	6.8	52.5
2003/04	20.3	15.2	7.1	52.5
2004/05	19	15.3	7.7	53
2005/06	18.3	15.3	7.9	53.7
2006/07	17.4	16.0	8.0	54
2007/08	16.8	16.1	8.1	54.4
2008/09	15.8	15.8	8.0	56.1
2009/10	14.7	16	7.9	57.2
2010/11	14.5	15.8	7.9	57.7

*Source:* Calculation based on National Account Statistics (CSO)

sector, accounting for 33 percent and 19 percent of short duration migrant workers in urban and rural areas respectively in the 2007/08 <sup>2</sup> (Soundararajan, 2013).

Despite the large number of workers involved, we have limited information on the impact of such large-scale migration on the well-being of workers in particular and on rural poverty in general. The lack of evidence, both at the macro and micro level, belies enormous significance that migration to the sector holds for rural livelihoods. We identify this as an important gap in the literature. With stagnation in employment in both agriculture and manufacturing in India, it is all the more important to see what impact such migration entails for the migrants in both source and destination areas. Given that many of these seasonal/temporary migrants are undercounted in data and are invisible in policy discourse, this study of migrant workers engaged in the construction sector can present an important case study of what is happening to the vast mass of informal workers who migrate from resource-poor areas in search of livelihood. Using survey-based evidence collected in two phases from destination and source areas, the present study aims to fill the gap in the literature through an in-depth study of both living and working conditions at the destination areas and the impact of such migration at the source areas.

To begin with, India is the ninth-largest construction market, with a share of 3.3 percent in the global construction market and is set to become the third-largest construction market by 2020 (Global Construction 2020, 2013). The sector is extremely diverse. While a sizeable part of the construction activity is very small scale, and is in the unorganized sector, larger scale construction activity is organized by firms in the private and public sector. Most of the construction activity is organized in sites in the form of projects. The present study focuses on labour migrants in the construction sector and the impact of such migration on poverty, both at destination and source. The study enumerates such workers in the Delhi National Capital Region (Delhi NCR) and follows it up by tracing some of the migrant workers to the villages in source areas where living standards of migrant families are compared with those of comparable control households that rely on wage labour as source of their livelihoods.

## **2. WORKERS' SURVEY IN THE DELHI NATIONAL CAPITAL REGION**

The first phase of the project has entailed the survey of construction workers in the Delhi NCR. Workers who are engaged in three types of construction activities: construction of large residential complexes by organized sector firms; construction of commercial and office complexes by similar firms; and construction of individual residential premises, considered as unorganized sector activity, have been selected for interview.<sup>3</sup> Sites visited for enumeration of workers in both the organized and unorganized sectors are situated in three locations in the NCR, namely Delhi, Gurgaon, and Noida. The rationale behind choosing different types of construction activity is to understand whether the working conditions and mode of recruitment in such large-scale migration vary across type/scale of construction activities and firms involved, and whether and how it impacts on poverty in the source areas.

**Table 1.2**  
**Estimate of Total Employment (UPSS): 1999/2000, 2011/12 (in millions)**

<i>Sectors</i>	<i>1999/2000</i>	<i>2004/05</i>	<i>2011/12</i>
Agriculture	240.3	257.7	225.4
Mining and Quarrying	2.3	2.5	2.6
Manufacturing	43.9	56.1	60.8
Utilities	1.0	1.2	1.6
Construction	17.6	26.0	49.9
Trade, Hotel etc	40.9	49.8	56.1
Transport, Storage, and Communication	14.5	18.7	21
Financing, Insurance, Real estate, and business services	5.0	7.8	12.9
Community, social and personal services	33.0	37.7	40.9
<b>Total</b>	<b>398.4</b>	<b>457.6</b>	<b>471.4</b>

*Note:* Population adjusted figures, computed from various rounds of NSS reports on employment and unemployment.

## **2.1. Methodology and Approach**

The methodology for the first phase of fieldwork involved conducting detailed personal interviews, based on a structured questionnaire, with 50 workers from different sites representing each of the three types of construction activities mentioned earlier (150 workers in all), using controlled snow-balling techniques.<sup>4</sup> These were supplemented by Focused Group Discussion (FGD) with a wider set of stakeholders involved in those sites that include workers, contractors, and labour supervisors to both validate and supplement findings from the questionnaire survey. During the course of survey, some qualitative in-depth worker interviews were also carried out, using a case study approach.

The survey with the workers engaged in the construction of individual residential premises is implemented with workers engaged in small private housing construction projects in localities such as Noida/Greater Noida, Sakarpur, Laxmi Nagar, and DLF Chattarpur. The construction works in such projects have a low budget and are often executed by unlicensed contractors.

The organized sector entities visited for the survey of workers engaged in the construction of commercial complexes are all located in either Greater Noida or Gurgaon. The entities selected for interview of workers involved in the construction of residential complexes are located in Delhi.

## **2.2. Profile of construction workers**

The sample of construction workers is overwhelmingly male dominated, with male workers accounting for as much as 97.33 percent of the sample workforce. Most workers belong to socially disadvantaged groups such as lower castes and religious

minority with Scheduled Tribe (ST), Scheduled Caste (SC), and Other Backward Classes (OBC) accounting for 6.67 percent, 33.33 percent, and 38.67 percent of the total sample workers, respectively. Muslims account for as much as 36.67 percent of the sample workers. Among Hindu workers, SC workers are 51.1 percent, while ST and OBC workers are 7.1 percent and 33.3 percent, respectively.

The workforce engaged in the construction work is young, with 63.3 percent of workers below the age of 30 years and average age standing at approximately 28 years. Most of the workers have poor educational background, with only 26 percent of the sampled workers reporting education higher than primary<sup>5</sup>.

Not surprisingly, most workers engaged in the sector are unskilled with only 34.46 percent workers reporting as possessing any skill<sup>6</sup>. Interestingly, the skill profile among the workers shows that workers from ST are conspicuous by lack of any skill, with all of them reporting working as manual workers. However, the skill level among the workers from other communities do not vary much, with workers from SC, OBC, and General reporting 34 percent, 40.35 percent, and 35.48 percent of them, respectively, as skilled workers.

Migration profile of the workers throws up some other interesting facts, attesting to the evidence of seasonal/circular migration as an important subsistence strategy undertaken by the construction workers. Among the workers, 31.3 percent first migrated out 10 or more years ago and 25.4 percent first migrated 5 to 9 years ago, while the remaining 43.3 percent first migrated less than 5 years ago. Among them, 8 percent workers first migrated to NCR more than 10 years ago, while 14.7 percent first migrated to the NCR 5 to 9 years ago and an overwhelming 77.3 percent first migrated to the NCR less than 5 years ago.

Interestingly, as many as 92 percent of the migrant workers report their native place as primary residence, and an overwhelming majority of them retain strong connections with the native place which they visit at the end of working season or holidays or when there is not enough work at the destination, confirming their status as circulatory migrants. While some workers are recruited for a specific duration or seasonally, and go back to their places of origin at the end of this period, others stay on, rotating between one site and another, and return occasionally to their places of origin.<sup>7</sup> As per our survey, based on regularity of contact with the area of origin, 40.4% of the sample workers can be regarded as seasonal migrants while the rest are seasonal/circular migrants. In terms of continuous period of migration for employment, 40% of the workers migrated for employment less than 6 months ago, while 56.7% migrated for employment 6 to 12 months ago, and the remaining 3.3% migrated more than 12 months ago.

The workers in the sample have come from eight states and the neighbouring country of Nepal. Surprisingly, there are fewer migrant workers from states contiguous to Delhi and more from distant states. Only 28% of the sampled workers are from the states adjacent to the NCR (Madhya Pradesh, Uttar Pradesh, and Rajasthan) while 72% are from Orissa, Nepal, West Bengal, Bihar, Chhattisgarh, and Jharkhand. The largest share of workers is from West Bengal (33.3%) and Bihar

(31.3%). There is some difference in the proportions between the site types, with a higher proportion of workers from adjacent states present in the unorganized construction sites. The percentage of workers from neighbouring states present in the organized commercial and residential sites is 24% and 10%, respectively. This compares with as many as 50% of the workers engaged in unorganized residential sites coming from the neighbouring sites. As we shall see later, a higher percentage of these workers migrate on their own to Delhi and are then recruited to work on the smaller sites.

As evident in Table 2.2.1, as many as 84% of the workers report casual work as the main source of livelihood even in their native place in comparison to only 11.33% workers reporting farming as their main source of livelihood. The average land holding possessed by both skilled and unskilled migrant workers is meagre and measures 1.12 and 0.89 acres, respectively, which, given their probable rain-fed status, is perhaps not large enough to support their family throughout the year, thus forcing them to seek other livelihood sources. Most of the casual works are either in agriculture or in other non-farm sectors.

Little less than half of the migrant workers migrate in cohorts, either with their family members or other kinsfolk, perhaps as some kind of protection against the harsh environment in which they travel and work. However, more than half the workers migrate alone. Interestingly, the distribution of marital status among the migrants who migrate alone is almost similar to workers who migrate with either their family or in cohort with friends and relatives, indicating factors other than marriage in their migration behavior. More than half of such migrants are married.

**Table 2.2.1**  
**Percentage of workers who cite the following as main source of livelihood at native place**

	<i>Unskilled workers (N=98)</i>	<i>Skilled workers (N=52)</i>	<i>Total</i>
Casual work	86.87	78.43	84
Farming	10.10	13.73	11.33
Regular salaried work	1.01	3.92	2
Self-employed outside	1.01	3.92	2
Others	1.01	0	0.67
Total	100	100	100

*Source:* Survey Data (Worker Survey in NCR).

### **2.3. Conditions of Work, Wages, Social Security and Organizations**

One of the important channels through which migration affects the well-being of the informal construction workers is through its interaction with the labour market. This entails how migrants manage to get jobs in the destination areas, their conditions of work, wages, social security, and their bargaining power.

It will be interesting to look at the mediatory mechanism that brings workers in contact with the employers in the construction sector and how such mechanism

varies across sectors, organized and unorganized, and the effect such variation has on the working conditions of the migrant workers. Given their profile of little education and skill, most construction workers are exposed to large uncertainties in the potential job market. They have very little knowledge about the markets and often risk high job search costs. Since most of them are inter-state migrants, the perceived risk and costs tend to be particularly higher.

In the construction sector, middlemen known as *jamadar*/ contractor or *munshi* play an important role in mediating employment as well as determining the conditions of work. Interestingly, the use of such recruitment systems is practiced with greater intensity in the organized sector. As many as 94% of the migrant workers from commercial complexes and 86% of the migrant workers from residential complexes report that their decision to migrate is influenced by such middlemen (Table 2.3.1). In sharp contrast, only 46% workers engaged in construction of individual residential premises have taken their decision to migrate because of such middlemen. Workers in the unorganized construction sector arrive in the destinations often through their kin or family members, and sometimes through smaller contractors.

Contractors not only influence the decision of workers to migrate, but also help in providing employment to them. Recruitment may be facilitated by contractors even when workers take the initial decision to migrate because of family members or kinsfolk. Overall, 79% of all workers get employed through contractors. This probability is as high as 98% in commercial complexes and 82% in residential complexes, but is lower at 64% in individual construction sites. The construction works in individual residential premises are conducted with smaller budget and scale that does not need large number of labourers. Most of the construction workers for such projects are recruited locally through personal contacts or from the *labour chowk*, a term used to denote areas where unemployed workers arrive each day to seek employment.

Finally, most workers see the contractors as their employers, as the contractors are responsible for wage payments as well as work supervision. In our survey, as many as 85% of the workers see contractors as their employers, with this percentage being as high as 90% and 86% in the case of commercial and residential complexes, respectively. How the workers perceive the contractor is also no different in the case of individual construction sites, with as high as 80% of the workers engaged in such sites reporting contractors as their employers. Such perception of workers about their contractors also underscores little or no role played by the manager of the companies, thus leaving little difference between the formal and informal construction sector. A number of case studies conducted with workers also indicate tacit support extended by the company management to the contractors, which allows the management to sidestep responsibility that comes with direct recruitment of workers.

**Table 2.3.1**  
**Percentage share of responses on the role of intermediaries in facilitating recruitment and managing employment**

	<i>Type of Project</i>			
	<i>Commercial</i>	<i>Residential</i>	<i>Individual</i>	<i>All</i>
<b>(a) Who influenced your decision to migrate?</b>				
<i>Jamadar</i> /labour contractor	94	86	46	75
Family members	4	12	44	20
No one else	2	2	8	4
Others	0	0	2	1
<b>(b) Who is your present employer</b>				
(Firm) Owner	8	14	14	12
Manager/project manager	2	0	6	3
Contractor	90	86	80	85
<b>(c) How did you access your present employment?</b>				
Through labour contractor	98	82	64	79
Acquaintances/relatives	0	12	20	11
Directly approached employer	0	6	2	3
Approached by employer	2	0	14	5
Total	100	100	100	100

Source: Survey Data (Worker survey in NCR).

In most cases, the contractor/ middleman is known to the migrant workers and often hails from the same source area. Approximately 70% of the migrant workers in the organized sector maintains that the *jamadar*/contractor is from their native or neighbouring villages. This compares with only 35% of workers in the unorganized sector reporting that they came to the destination through a contractor from their locality.

The *jamadar* also gives the workers advances either in the source area or after reaching the destination area. Such advances not only help the workers to smooth out consumption in the lean season but also serve as signal of guaranteed job once they reach the destination. As many as 75% of the workers, who take advance from contractors, use the same to meet regular family expenditure. On the other hand, advances are rarely settled against wage dues till final settlement occurs and are often used by the contractors to ensure availability of workers. Interestingly, the percentage of workers obtaining advances from contractors and the amount of such advance obtained by them also varies across sector and skill level. Lesser number of workers from the unorganized sector receives such advances, perhaps because of a less-organized pattern of recruitment in the unorganized sector. Only 52% of the workers engaged in the individual unorganized sector receive any advance from

the contractor in comparison to over 80% workers in the organized sector receiving such advances. Interestingly, workers with higher skill level receive higher amount of advances, indicating better bargaining power of such workers compared to unskilled workers (Table 2.3.2). Similarly, workers in the organized sector receive higher amount of advances than their counterparts in the unorganized sector.

**Table 2.3.2**  
**Amount of advance obtained by a worker from the contractor across projects and skill level**

	<i>Unskilled worker</i>	<i>Skilled worker</i>
Commercial complex	6222	11875
Residential complex	7205	8063
Individual unorganized complex	3683	4000

*Source* Survey Data (Worker survey in NCR).

In a sense, the recruitment of labour through *jamadar*/contractor suits the poorer migrants, but they trade their freedom of making individual contracts with employers for the relative comfort of securing advances and promises of secure employment from contractors. The outsourcing of labour recruitment to the *jamadar* suits the employers, particularly those in the formal sector, who use such mechanisms to get away with any responsibility that comes with recruiting a mass of informal workers. In most cases, the mediatory role played by the labour contractor in recruiting labour gets extended to supervising and disciplining them at work in the construction sites, obviating any need for interference by the owners/managers of sites. As mentioned above, most workers across sectors identify the contractor as their present employer, thus underscoring the little or no role of actual principal employers, who in most cases, are the construction firm manager/project manager or owner of the building. In fact, such mode of recruiting labour is suited to sidestepping the basic standards relating to hiring of informal workers such as payment of minimum wages.

To supplement quantitative surveys, we also follow the case study approach and conduct focus group discussion with workers, contractors, and middlemen to both corroborate our findings and throw more light on how the mode of recruitment and recruitment practices vary across sub sectors: organized and unorganized. Documented case studies of migrant workers suggest that most of the workers enumerated in our interview hail from resource-poor and rain-fed regions and have little option but to migrate as construction workers. Given their little or no skill and little education, most informal workers see the construction sector as a safety valve. While there are some workers who work in the sector throughout the year, some join only during the lean season when there is not enough farm work in the village. While the contractor from the source area remains the most common mode of recruitment, there are other modes of recruitments in the unorganized sector as revealed by workers during the course of informal discussion.

Most of the construction work in the unorganized sector covers construction work in the individual residential complexes or the unauthorized colonies. As the

construction works in such projects are conducted on a smaller scale, the requirement of labour in the project is low and is mostly secured through a number of methods. In such projects, workers mostly approach the contractor or the supervisor for jobs and at times, workers who previously worked with the contractor are assigned with the task of recruiting the required labour on contractors' behalf. Some of these workers are either local or come from nearby states in search of jobs. However, when the workers so recruited fall short of the requirements, the contractor visits the labour chowk to recruit labour on their own or approach the middlemen to meet the demand for additional labour. In the latter cases, the middleman obtains commission for each labour recruited through him and if required, he even mediates between worker and contractors for advances demanded by the worker. Though payment of such advances to workers involves risks at times, such mode of recruitment helps the contractor to access relatively cheaper labour from faraway places such as the tribal workers from places such as Chhattisgarh and Jharkhand.

Not all workers get advances because of the risk involved in such payment. Those availing advances are either known to the contractor, or the assurances are given on their behalf by the concerned middleman. In emergency, workers can even avail loan from the contractor at monthly interest rate sometimes as high as 5% to 10% per month. FGDs conducted with construction workers and contractors confirm our findings that the recruitment of workers for the construction works in the unorganized sector is less organized, with the contractor playing a relatively passive role and as already discussed; payment of advances is less common in the recruitment of labour in the unorganized sector.

Informal and casual jobs are the norm in the construction sites. The labourers are offered only casual employment with no written contract (Table 2.3.3). The labour market is highly segmented and wages are often fixed by contractors at the source area. In most cases, contractors, in connivance with the company official, also siphon

**Table 2.3.3**  
**Percentage of workers with the following type of contract across various projects**

	<i>Casual employment with no written contract</i>	<i>Regular employment with no written contract</i>	<i>Regular employment with written contract for less than a year</i>	<i>Regular employment with written contract for more than a year</i>	<i>Other</i>	<i>Total</i>
Commercial complex	96	4	0	0	0	100
Residential complex	90	8	2	0	0	100
Individual unorganized	98	2	0	0	0	100
Total	94.66	4.67	0.67	0	0	100

Source: Survey Data (Worker Survey in NCR).

off part of funds allocated as wages for the workers. It is no wonder that in all the sites, wages paid to the workers fail to meet the minimum wages set by the respective state government<sup>8</sup> (Table 2.3.4).

**Table 2.3.4**  
**Wages in Rupees across locations for skilled and unskilled workers**

	<i>Unskilled worker</i>	<i>Skilled worker</i>
<b>Noida</b>		
8-hour work day	161	234
Normal work day	200	292
Monthly earnings	5522	7925
<b>Delhi</b>		
8-hour work day	192	281
Normal work day	192	294
Monthly earnings	4956	7269
<b>Gurgaon</b>		
8-hour work day	142	248
Normal work day	197	275
Monthly earnings	5276	5945

*Source* Survey Data (Worker Survey in NCR).

Our findings show that wages for similar work vary across workers within the same site depending on the migration stream of which the workers are a part and how they are recruited. Such a pattern serves as an example of segmentation of the labour market and how it is used to serve the interest of capital. Comparison of wages based on the recruitment pattern (Table 2.3.5) shows that workers who bank on contractors/ middlemen or employer agency receive lower wages than those recruited through acquaintances or when approached by the employers/managers themselves.

The wages for 8 hours a day, when compared across type of project and skill level, shows that workers are paid poorly in the organized sector compared to individual projects in the unorganized sector. Such wage pattern across sectors indicates stronger hold of contractor/*jamadar* in the recruitment and payment of wages in the organized sector, where wages are generally fixed in the source area and bear little resemblance to the prevailing wage in the destination area (Table.2.3.6). In all, the recruitment in the sector as evident from the survey, attests to the high degree of organized migration, leading to segmentation of workforce<sup>9</sup>.

Working beyond normal working hours is commonly reported, particularly in the organized sector where most projects engage workers for 10 to 12 hours per day (excluding breaks). Normal working hours are smaller in individual residential projects. As many as 48% of the workers from commercial complex and 62% of the

**Table 2.3.5**  
**Wage in Rupees depending on recruitment pattern and skill level**

	<i>Unskilled worker</i>	<i>Skilled worker</i>
<b>Through labour contractor/middlemen</b>		
8-hour work day	160	240
Normal work day	195	288
In a month	5309	7667
<b>Acquaintance /relatives</b>		
8-hour work day	176	292
Normal work day	195	350
In a month	4870	7663
<b>Directly approached the employer</b>		
8-hour work day		204
Normal work day		239
In a month		6425
<b>Approached by the employer / manager</b>		
8-hour work day	254	275
Normal work day	254	325
In a month	6917	8175

*Source* Survey Data (Worker Survey in NCR).

workers from residential complex report working 12 hours per day vis-a-vis 96% workers from individual residential projects in the unorganized sector reporting working only 8 hours per day.<sup>10</sup> Extra wages are mostly paid at the same rate for the overtime duty, rather than the double rate which is legally mandated for overtime work, and in some cases daily wages are fixed on the basis of a 10- or 12-hour working day. Most workers happily accept such offers to maximize their returns to migrant labour per day, so that they can make maximum savings out of their wages.

The advances given to the workers at the time of recruitment are adjusted against the wages receivable. Approximately 80% of the workers engaged with the organized sector still prefer to obtain advances before joining work. The preferences among the workers for advances also suit the contractors who use such advances to obtain labour commitments and bind them to continue working even in poor conditions. A segment of workers, though employed with casual employment status and no written contract (discussed before), are required to give prior notice to the present employment and clear debt advances before they take up another employment opportunity (Table 2.3.7), approximating what Breman and Guerin (2009), Srivastava (2009a), and others have referred to as neo-bondage. Such neo-bondage is 'less personalized, more contractual and monetized with elements of patronage absent from the relationship' (Srivastava, 1997). Overall, 42% of all the construction workers

**Table 2.3.6**  
**Average wage of the worker based on skill composition across project type**

<i>Type of project</i>	<i>Unskilled worker</i>	<i>Skilled worker</i>
<b>Commercial Complex</b>		
8-hour work day	159	249
Normal work day	200	295
In a month	5652	8295
<b>Residential complex</b>		
8-hour work day	147	222
Normal work day	206	290
In a month	5455	7367
<b>Individual residential complex</b>		
8-hour work day	190	278
Normal work day	190	287
In a month	4955	7228

*Source:* Survey Data (Worker Survey in NCR).

maintain that they need to clear their debt and advances before they take up another employment opportunity. This possibility is as high as 62% in commercial complexes and 48% in residential complexes, but was lower at only 16% in individual construction sites.

Though the recruitment of workers at times varies across sub sectors, some of our case studies highlight a number of issues suggesting that the difference between organized and unorganized sector is blurred at times. The companies in the organized sector rely on both registered and unregistered contractors to meet the requirement of labour. Interestingly, contractors may also differ, depending on the type of task assigned. Though the company has had fixed wage per day for 8 hours of duty by an unskilled worker, the worker never gets the said amount. The company generally makes the payment as daily wage. The contractor, however, offers three different systems of payment: piece rate, daily wage, and fixed monthly wage, suggesting that the contractor, in connivance with company staff, siphons off part of the fund allocated as wages. The informal discussions with the labourers during the course of survey also bring to light the different wages paid to workers for the same type of work even within the same worksite, perhaps indicating the effect of different modes of recruitment on the wages. The difference in the wages for casual labour at a site may vary from Rs. 10 to Rs. 30 per day.

**Table 2.3.7**  
**Percentage of workers reporting what they need do to take up another employment opportunity: project-wise details**

	<i>Can join readily without notice to present employer</i>	<i>Would need to give notice to the present employer</i>	<i>Would need to clear debt and advance</i>	<i>Can't join easily because of higher debt burden</i>	<i>Others</i>	<i>Total</i>
Commercial complex	6	32	62	0	0	100
Residential complex	36	16	48	0	0	100
Individual unorganized complex	26	54	16	0	4	100
Total	22.67	34	42	0	1.33	100

*Source-* Survey Data (Worker Survey in NCR).

The working conditions of construction workers are seriously inadequate, particularly in the case of construction sites of individual residential premises. Working conditions in the construction projects under the organized sector appear somewhat better, with workers offered more tea/lunch breaks and for longer duration. However, the system of paid holiday, casual leave, sickness, or maternity leave is conspicuous by its absence even in the organized sector (Table 2.3.8).

In most cases, safety standards do not follow any minimum norm. Fatal accidents are commonly reported in worksites, indicating little or no safety measures taken by the contractors/ employers in the sector. When accidents take place, employers deal with them on a case-to-case basis and do not follow any norm or law. Basic safety norms such as placing a safety sign at the worksites are grossly violated, particularly in the unorganized sector where only 20% workers report such norms being followed. This compares with more than 80% of workers in the organized sector reporting such safety norms being followed at the workplace. Migrant labourers work in harsh circumstances and suffer from various health hazards and accidents at the work sites. Health risks such as dust particles, pollution, accidents, and eye strain are commonly reported in all projects, whether organized or unorganized. As discussed above, health problems such as cough, back pain, eye strain, allergy, and exhaustion are commonly reported in the entire sector though their incidence is somewhat higher in the unorganized sector (Table 2.3.9).

**Table 2.3.8**  
**The percentage share of availability of casual, earned, sick, and maternity leave across different types of projects**

□	Yes	No	Not applicable	Overall
<b>Casual Leave</b>				
Commercial Complex	0	100	0	100
Residential Complex	0	100	0	100
Individual unorganized complex	0	96	4	100
<b>Earned leave</b>				
Commercial Complex	0	100	0	100
Residential Complex	0	100	0	100
Individual unorganized complex	0	96	4	100
<b>Sick leave</b>				
Commercial Complex	0	100	0	100
Residential Complex	2	98	0	100
Individual unorganized complex	0	94	6	100
<b>Maternity leave</b>				
Commercial Complex	0	2	98	100
Residential Complex	0	12	88	100
Individual unorganized complex	0	2	98	100

Source Survey Data (Worker Survey in NCR).

**Table 2.3.9**  
**Percentage of workers who reported following health problems across different types of projects**

Type of project	Cough	Back pain	Eye strain	Allergy	Exhaustion	Other problems
Commercial complex	10	60	30	22	34	30
Residential complex	18	64	14	14	12	14
Individual complex	30	86	24	24	38	24
Total	19	70	22.67	20	28	22.67

Source Survey Data (Worker Survey in NCR).

**Table 2.3.10**  
**Percentage of workers who report industrial safety products offered by the employer across different types of projects**

	<i>Safety helmet</i>	<i>Gloves</i>	<i>Safety belt</i>	<i>Earplugs/muffs</i>	<i>Insulated shoes</i>	<i>Goggles</i>	<i>Dust mask</i>	<i>Ordinary mask</i>	<i>Other</i>
Commercial complex	82	10	10	0	58	0	0	0	0
Residential complex	90	18	40	0	32	0	0	0	0
Individual complex	84	4	0	0	4	0	2	0	0

Source: Survey Data (Worker survey in NCR).

The availability and use of basic industrial safety products such as helmets, gloves, and safety belt are more commonly reported in the organized sector. However, more sophisticated safety equipments such as earplugs/muffs, goggles, and dust mask are conspicuous by their absence in all projects across sectors (Table 2.3.10). Employers rarely take up the responsibility of providing anything other than wages. There is hardly any provision of a medical check-up in both the organized and unorganized sectors, leaving the workers in a situation where they have to fend for themselves to meet their health requirements. Not surprisingly, unable to meet the stiff expenses charged by the private doctors, many workers visit the unregistered medical practitioners (Table 2.3.11).

Social security provisions concerning workers in the construction sector are poorly implemented. The Building and Other Construction Workers Act (BOCWA), 1996 provides for safety, healthcare, and social security of the construction workers registered under this Act. Apart from other assistance for construction workers that include provision of pension for workers above 60 years of age and expenses

**Table 2.3.11**  
**Percentage of workers reporting where they visit when they fall ill by type of project**

	<i>Faith/traditional healer</i>	<i>Unregistered medical practitioner</i>	<i>Private doctor</i>	<i>Government dispensary/doctor</i>	<i>ESIC clinic/hospital</i>	<i>Have no access to medical practitioner</i>	<i>Others</i>	<i>Total</i>
Commercial complex	0	72	24	0	0	4	0	100
Residential complex	0	28	72	0	0	0	0	100
Individual unorganized complex	0	62	20	18	0	0	0	100
Total	0	54	38.67	6	0	1.33	0	100

Source: Survey Data (Worker Survey in NCR).

for treatment of major ailments and education of children, the Act directs the state governments to make employers liable for the provision of basic facilities.

However, awareness among the construction workers about such an Act and its provisions is abysmally low. *All the construction workers enumerated in our survey replied that they either do not know about the presence of such a Board or have not registered with it, reflecting the low penetration of the Welfare Scheme and the Boards reported at the state and national levels* (cf. Soundararajan, 2013).

**Table 2.3.12**  
**Percentage of workers reporting the following entitlement**

	Yes	No	Don't know	Total
<b>Injury compensation</b>				
Commercial complex	6	90	4	100
Residential complex	6	72	24	100
Individual complex	0	86	14	100
Total	4	82	14	100
<b>Member of EPFO</b>				
Commercial complex	0	44	56	100
Residential complex	0	34	66	100
Individual complex	0	54	44	100
Total	0	44.3	55.7	100
<b>Any form of retirement benefit</b>				
Commercial complex	0	70	30	100
Residential complex	0	26	74	100
Individual complex	0	64	30	100
Total	0	54.4	45.6	100
<b>ESIC membership</b>				
Commercial complex	0	55.10	44.9	100
Residential complex	0	26.53	73.47	100
Individual complex	0	65.91	34.09	100
Total	0	48.6	51.4	100
<b>Any other form of health benefit</b>				
Commercial complex	0	100	0	100
Residential complex	0	63.27	36.73	100
Individual complex	0	92.68	7.32	100
Total	0	85	15	100
<b>Any other form of social security</b>				
Commercial complex	0	93.88	6.12	100
Residential complex	0	63.27	36.73	100
Individual complex	0	90	10	100
Total	0	81.88	18.12	100

Source: Survey Data (Worker Survey in NCR).

There is hardly any social security entitlement available to the workers that distinguishes the organized sector from the unorganized (Table 2.3.12). Membership in labour unions or any such collective action organizations for representing the interest of the workers is conspicuous by its absence in all construction sites, both organized and unorganized. Most workers are either not interested or see no utility in such collective action and many others are also scared of losing employment in case such action is initiated. Such responses are all the more surprising especially when an overwhelming majority of them complained about low wages, long working hours and strenuous work (Table 2.3.13).

**Table 2.3.13**  
**The percentage of workers who reported the following problems as most across type of project**

<i>Problems</i>	<i>Yes</i>	<i>No</i>	<i>Total</i>
<b>Low wages</b>			
Commercial project	96	4	100
Residential project	82	18	100
Individual residential project	98	2	100
Total	92	8	100
<b>Irregular Payments</b>	□	□	□
Commercial project	82	18	100
Residential project	52	48	100
Individual residential project	52	48	100
Total	62	38	100
<b>Long working hours</b>			
Commercial project	44	56	100
Residential project	64	36	100
Individual residential project	8	92	100
Total	38.67	61.33	100
<b>Strenuous work</b>			
Commercial project	0	100	100
Residential project	4	96	100
Individual residential project	2	98	100
Total	2	98	100
<b>Other</b>			
Commercial project	2	98	100
Residential project	0	100	100
Individual residential project	0	100	100
Total	0.67	99.33	100

Source: Survey Data (Worker survey in NCR).

Despite so many problems, almost all the workers, both skilled and unskilled, maintain that they are not in favour of any union being formed, perhaps reflecting lack of awareness among them about the laws and acts safeguarding their rights and benefits. Such lack of awareness is also evident when asked about whether they are familiar with the following laws (Table 2.3.14). Unfortunately, the contractor remains the only person whom they approach for grievance redressal related to conditions of work.

**Table 2.3.14**  
**Percentage of workers who reported familiarity with the following labour laws**

	<i>Yes</i>	<i>No</i>	<i>Total</i>
Trade Union Act	0.67	99.33	100
Inter-state Migrant Workers Act	0.00	100.00	100
Contract Labour Act	0.00	100.00	100
Minimum Wages Act	1.34	98.66	100
Factories Act	0	100	100
Workmen's Compensation Act	0	100	100

*Source* Survey Data (Worker Survey in NCR).

Our case studies with informal workers also confirm what we already note in the field survey that workers are scarcely aware of the rights and entitlements that they can claim under the laws concerning the worker rights in the sector. Workers and their family members do not have any access to medical facility in their worksites nor do they have any claims over medical expenses. Only in the event of a severe accident of a worker does the company incur medical expenses to avoid any tension among the workers. The workers maintain that the company shows such generosity only to avoid inspection by the officials and police, who according to them, demand hefty bribe to take advantage of the situation. Since these migrant workers have no connection with the local region, few NGOs and social workers take up their demands on the public forum and even local media hardly shows any interest in reporting the issues concerning them.

Not surprisingly, both the company and the contractor discourage any sign of collection action such as formation of a union that may increase awareness among the workers about the rights and their bargaining power for better pay and facilities at the workplace. Any sign of collective action such as formation of a trade union on the part of the worker is nipped in the bud. If required, workers who take up such initiatives are fired from the job and in the worst case get beaten up by goons hired by the contractor to intimidate other co-workers.

#### **2.4. Impact of Migration at the Destination**

Migration can impact the well-being of workers and their families in a number of ways. Some of these, dealing with conditions of work, have been discussed in the

preceding section. In this section, we discuss the possibility of workers achieving eventual job mobility through skill upgradation, impact of migration on their living conditions as perceived by them, and the impact on savings and remittances.

**(a) Upward Job Mobility through Skill Acquisition**

The impact of migration on the economic mobility of workers can also be examined from the changes in the worker occupation and how they rate their chances of moving up in their professional life through acquisition of skills in the workplace. As already discussed, most of the workers involved in the sector are unskilled and the task that they do is also largely unskilled. The chances of formal acquisition of skills are very limited as most skills required are learnt only on the job (Table.2.4.a1). The common theme running across projects in the organized and unorganized sectors is little or no access to formal training for better skills<sup>11</sup>.

To assess the prospect of economic mobility in their career, we have asked the unskilled migrant workers across caste and religion as to how they rate their chances of acquisition of skills in both organized and unorganized individual projects. More than two-thirds of the unskilled workers in commercial and residential projects rate their chances of acquisition of skills as either nil or low, indicating that majority of them could remain stuck in low-skilled manual works (Table 2.4a.2). Only a quarter of these workers rate their chances of skill acquisition as fair and only 7% rate these chances as “good”.

However, there are differences across project types. A comparatively higher percentage of unskilled workers in individual projects rate their chances as being either “fair” or “good”. Over 40% of the unskilled workers in the individual project rate their chances of skill acquisition as fair. This is followed by workers engaged in the construction of commercial projects (of whom about 36% rate their chances of skill acquisition as fair or good), and residential construction projects, in which about 18% workers rate the chances of their skill acquisition as either fair or good. It could be that workers in smaller unorganized sector projects have a greater likelihood of closer interaction with the skilled workers, raising the possibility of learning some skills on the job.

**Table 2.4a.1**  
**Percentage of workers reporting how skills are acquired across type of projects**

<i>Type of project</i>	<i>On the job</i>	<i>Have formal training</i>	<i>Have formal certified training</i>	<i>Not applicable</i>	<i>Total</i>
Commercial project	32	0	2	66	100
Residential Project	42	2	0	56	100
Individual Project	24	2	0	72	100
Total	32.67	1.33	0.67	65.33	100

*Source* Survey Data (Worker Survey in NCR).

These opportunities are, however, restricted to male workers, as female workers are conspicuous by their absence in the ranks of the semi-skilled or skilled workers.

Table 2.4 a.2

**Percentage of workers reporting how they rate the chance of acquiring better skills and moving up in their profession across different types of projects**

<i>Type of Project</i>	<i>Nil</i>	<i>Low</i>	<i>Fair</i>	<i>Good</i>	<i>Total</i>
Commercial project	22.58	41.94	19.35	16.13	100
Residential Project	40.91	40.91	13.64	4.55	100
Individual Project	5.56	52.78	41.67	0.00	100
Total	20.69	47.13	25.29	6.90	100

Source : Survey Data (Worker Survey in NCR).

There are some differences in the perceptions regarding skill acquisition among caste groups or religions (Table 2.4a.3 and Table 2.4a.4). Among ST workers, none note their chances of skill acquisition as high. The unskilled workers from General category report best chances of obtaining skills, with over 41% of them rating the prospect of skills acquisition as fair and good. Among the SC and OBC workers, 28.57% and 38.23%, respectively, rate their chances at obtaining skills as good or fair (Table 2.4a.3). General caste workers thus report the best chances of obtaining skills, followed by workers from OBC, SC, and ST groups. However, among the religious groups, a higher percentage of Muslim workers are positive about their chances of skill acquisition (Table 2.4a.4).

Table 2.4a.4

**Percentage of workers reporting how they rate their chances of acquiring better skills and moving up in their profession across religion profile**

	<i>Nil</i>	<i>Low</i>	<i>Fair</i>	<i>Good</i>	<i>Overall</i>
Hindu	20	47.27	27.27	5.45	100
Muslim	20	43.33	26.67	10.00	100
Christian	0	100.00	0.00	0.00	100
Others	100	0.00	0.00	0.00	100
Total	20.45	46.59	26.14	6.82	100

Source : Survey Data (Worker Survey in NCR).

Table 2.4a.3

**Percentage of workers reporting how they rate their chances of acquiring better skills and moving up in their profession across caste profile**

	<i>Nil</i>	<i>Low</i>	<i>Fair</i>	<i>Good</i>	<i>Overall</i>
ST	50	50	0	0	100
SC	25	46.43	25	3.57	100
OBC	17.65	44.12	29.41	8.82	100
General	5.88	52.94	29.41	11.76	100
Total	20.69	47.13	25.29	6.90	100

Source Survey Data (Worker Survey in NCR)

### (b) Impact of Migration on Living Conditions

Apart from providing wage subsistence requirements of migrants and basic accommodation at the sites, employers rarely take up other responsibility and do not internalize the legitimate costs of hiring labour. As many as 92% of the sample workers engaged in the construction of commercial complex sector live in accommodation provided by the employer and contractor, but 88% of them report type of accommodation as *kaccha* construction or *jhuggi-jupri* (Table 2.4b.1 and Table 2.4b.2). A lesser but significant number of workers in other sectors, residential complexes and individual unorganized sector live in similar accommodation. Even when the accommodation is provided, it is makeshift in nature, consisting of either *kaccha* houses or *jhuggi* (Table 2.4b.2). In none of the projects do the employers across sectors, organized and unorganized, provide any transportation facility to workers living away from the sites and this cost is incurred by workers only. Most workers prefer to live with family/ relatives or co-workers perhaps as a safeguard against harsh conditions, in which they live, work, and travel.

There are, however, some instances of employers/contractors providing some kind of mess facilities to workers. In a case in point, teams of workers from West Bengal, who usually work for 12 hours a day, are provided with a cook, who is part of the team, and some other facilities. However, even when workers are provided with mess facility by contractor/company agent as is the case with some 50% of the workers in the commercial project, they are charged accordingly. Food expenses are generally higher for migrant workers. Due to their migrant status, they do not have any access to PDS ration card. They cook on wood fires or small gas cookers for which the fuel is more expensive on a volumetric basis.

They do not possess any local ID card or bank account in the destination area. Though many workers engaged in construction activity in the organized sector do possess an ID card issued by the employers, the main purpose of such cards is to help site managers manage the security of the sites and

**Table 2.4b.2**  
Percentage of workers by how they define the type of accommodation across different types of projects

	<i>Pukka</i>	<i>Semi pukka</i>	<i>Kaccha</i>	<i>Jhuggi-jupri</i>	<i>Total</i>
Commercial complex	2	10	60	28	100
Residential complex	6	64	28	2	100
Individual unorganized complex	52	22	10	16	100
Total	20	32	32.67	15.33	100

Source : Survey Data (Worker Survey in NCR).

control the passage of individuals through them. It is thus clear that employers in both the organized and unorganized sector do not follow adequate norms

**Table 2.4b.1**  
**Percentage of workers who report availing the following accommodation across different types of project**

<i>Type of project</i>	<i>In structure under construction or inside factory</i>	<i>Room/shed provided by the employer in the site</i>	<i>Room/shed Provided by the employer/contractor away from the site</i>	<i>Privately rented room</i>	<i>Privately rented house</i>	<i>Own house</i>	<i>other</i>
Commercial complex	0	6	92	0	2	0	0
Residential complex	0	50	44	4	2	0	0
Individual Unorganized complex	2	40	30	22	6	0	0
Total	0.67	32.00	55.33	8.67	3.33	0	0

*Source* : Survey Data (Worker Survey in NCR).

regarding provision of basic amenities to labour, leaving the workers to cope somehow.

Not many migrant labourers enumerated in our survey of construction workers are accompanied by children. Only 11 migrant workers in our sample bring their families with them to the destination. The evidence collected from these workers indicates poor living conditions and lack of crèche facilities and little or no access to education by children accompanying the migrant families. As the children accompany their parents to either help them with work or play at the site, they are exposed to various health hazards due to exposure of dust in the work site. While some of these families bring their children as a helping hand for household chores, or to look after younger siblings, there are others who cite no one being at home to look after the child at native place as a reason. While the schooling system at home in the source area does not take into account their migrant pattern, migrant status of their parents at destination places bar them from accessing facilities such as Anganwadi, ICDS. Consequently, they remain deprived of education, confining them to the status of future unskilled labour much like their parents. Similar impact of short-term migration on children's education has been noted in the extant literature (Rogaly *et al.*, 2001, 2002; Smita and Panjari, 2007; Srivastava and Dasgupta, 2010).

To assess their living standards, we enumerate the construction workers for different expenses incurred by them in a month at destination. The per capita monthly consumption expenditure for migrant workers is estimated by dividing the total reported monthly expenditure by the number of family members staying with him/

her. The monthly per capita expenditure thus obtained for skilled and unskilled workers are Rs. 1617.55 and Rs. 1144.69, respectively. These figures, when translated into daily per capita consumption expenditure, read as Rs 38 and Rs 55 for unskilled and skilled workers, respectively<sup>12</sup>

Such low daily per capita expenditure testifies to the low standard of living maintained at destination by the migrant workers, particularly those engaged as unskilled workers, who form the bulk of such workforce. These reported daily per capita expenditure can be put in perspective by sharp criticism sparked by Rs 32 a day per capita as poverty line fixed by the Planning Commission for urban areas in 2009/10 (The Economic Times, 2011).

A number of case studies documenting living conditions of workers in different construction sites indicate some differences between the organized and unorganized sectors. The case studies suggest that the workers in the organized sector seem to be availing somewhat better living facilities such as provision of basic accommodation, separate accommodation for a married couple, and drinking water and security provision at worksite, all arranged at the company's expense. However, lack of hygiene and cleanliness are clearly the issues that are evident during the visit to some of the residences housing the workers. Some of these workers even report accessing the provision of *anganwadi* or school in nearby places. However, unlike the formal sector, most construction works in the unorganized sector do not have even toilet facilities, or crèche facilities at the worksites. In some smaller projects even in the unorganized sector, workers are seen to be encouraged by the contractor to stay in the construction sites. Such arrangements entail benefits for both workers and contractors. While workers can save on transportation costs and rent, the workers staying in the workplace can both safeguard the construction sites and report at the workplace on time. Unlike many worksites in the organized sector, workers in the informal sector have no access to the ID card facility nor are they aware of basic safety equipments.

Our discussion with workers and contractors and security staff clearly indicates that paid leave is conspicuous by its absence even in the formal sector, with most workers getting only one paid half day in a week. Though construction work is generally held off on national holidays, the workers are not entitled to any paid holiday even on such occasions. Laws, such as those requiring workers to work not more than 8 hours per day, except on overtime rates, are hardly followed in practice. Most workers work overtime at low rates in order to maximize earnings and savings in a short duration.

#### **(a) Remittances and Utilization**

Remittance is one of the key channels through which migrants are able to stabilize and better their conditions of living and which may even influence the pattern of growth and development in the source areas.

**Table 2.4c.1.**  
**Percentage of workers reporting how remittances is spent,**  
**skilled and unskilled and overall**

	Yes	No	
<b>Purchased or Mortgaged land</b>			
Skilled worker	10.42	89.58	100
Unskilled worker	8.60	91.40	100
Total	9.22	90.78	100
<b>Purchased other farm or nonfarm productive assets</b>			
Skilled worker	25.00	75.00	100
Unskilled worker	18.28	81.72	100
Total	20.57	79.43	100
<b>Improvement in housing</b>			
Skilled worker	100.00	0.00	100
Unskilled worker	78.49	21.51	100
Total	85.71	14.29	100
<b>Purchased consumer durables</b>			
Skilled worker	85.11	14.89	100
Unskilled worker	91.40	8.60	100
Total	89.29	10.71	100
<b>Repayment of debt and credit from money lenders/informal sources</b>			
	□	□	□
Skilled worker	29.79	70.21	100
Unskilled worker	35.48	64.52	100
Total	33.57	66.43	100
<b>Higher level of consumption especially during the lean season</b>			
Skilled worker	78.26	21.74	100
Unskilled worker	88.17	11.83	100
Total	84.89	15.11	100
<b>Higher expenditure on children's education and health</b>			
Skilled worker	77.78	22.22	100
Unskilled worker	63.04	36.96	100
Total	67.88	32.12	100
<b>Other</b>			
Skilled worker	13.04	86.96	100
Unskilled worker	11.76	88.24	100
Total	12.5	87.5	100

Source : Survey Data (Worker Survey in NCR).

The financial resources brought in the form of remittances also impact intra- and inter-household relations. In our sample of 150 migrant workers, 147 workers maintain that they have sent remittances in the last one year, with the amount varying depending on the income and skill level of the workers.<sup>13</sup> The more skilled workers

have sent as much as Rs 36,810 as remittances on average that compares with an average of Rs 22,891 sent by unskilled workers. The impact of remittances on the household economy could be via changes in the pattern of expenditure and investment. As evident in Table 2.4c.1, migrant households put the remittances to various uses.

Despite the differences in the amount of remittances sent by the skilled and unskilled workers, we do not notice much difference in the spending and investment pattern. Among various uses, purchase of consumer durables, improvement in housing, and higher level of consumption during lean season occupy top priority in both groups of workers, suggesting definite improvement in their material condition in the native place. A good number of workers spend part of their remittances on children's education and health. We repeat this analysis for the households also during the tracer survey. However, the cash income earned during the migration period may not always add to the net resource base of the migrant household as evidenced by 33% of workers reporting that they also use remittances to settle debt and credit from money lender/ informal sources. Similar use of remittances has been recorded in earlier literature (NCRL 1991; Mosse *et al.*, 2002).

Evidence of other productive farm and non-farm investment, as noted in some other micro studies (Oberoi and Singh, 1983; Krishnaiyah, 1997; Sharma, 1997) is also found among the migrant workers in our study. While 20% of the migrant workers report similar expenditure in our survey, about 1 in 10 migrants also purchase land.

### **2.5. Perceptions of Migrant Workers Regarding Living and Working Conditions at Destination and Origin**

To assess the impact of migration, we also asked workers to compare the living and working conditions in their native places with those in the destinations where they are living presently.

There is a clear dichotomy in the perception of workers regarding living conditions including housing on the one hand, and availability of employment and remuneration, on the other. Most workers perceive their housing and living conditions as generally worse in the destination areas. Only 19% of the workers report their housing conditions as better at destination, and only 32% report their general living condition as better at destination.

On the other hand, most workers report their working conditions, remuneration and availability of employment, and overall assessment being better at the place of destination than their native place. Such contrasts in responses also reflect condition of sheer destitution in which they live in their native place and the decline of availability of livelihoods in the source areas. While responses are broadly similar for skilled and unskilled workers, a slightly smaller proportion of skilled workers reports conditions at the destination as being better.

**Table 2.5 Percentage of workers on how they compare present location with native place across type of project**

<i>Housing</i>	<i>Better here</i>	<i>Same</i>	<i>Worse here</i>	<i>Difficult to say</i>	<i>Total</i>
Skilled workers	11.76	17.65	64.71	5.88	100
Unskilled workers	23.23	25.25	51.52	0.00	100
Total	19.33	22.67	56	2	100
<b>Other living condition</b>					
Skilled workers	27.45	17.65	49.02	5.88	100
Unskilled workers	34.34	16.16	47.47	2.02	100
Total	32	16.67	48	3.33	100
<b>Working condition</b>					
Skilled workers	98.04	1.96	0.00	0.00	100
Unskilled workers	96.97	3.03	0.00	0.00	100
Total	97.33	2.67	0.00	0.00	100
<b>Amount of Employment available</b>					
Skilled workers	98.99	0.00	0.00	1.01	100
Unskilled workers	98.04	0.00	0.00	1.96	100
Total	98.67	0.00	0.00	1.33	100
<b>Remuneration/Earning</b>					
Skilled workers	78.43	1.96	5.88	13.73	100
Unskilled workers	87.88	3.03	2.02	7.07	100
Total	84.67	2.67	3.33	9.33	100
<b>Feeling of security</b>					
Skilled workers	15.69	29.41	21.57	33.33	100
Unskilled workers	20.20	41.41	18.18	20.20	100
Total	18.67	37.33	19.33	24.67	100
<b>Freedom from social constraints</b>					
Skilled workers	32	20	4	44	100
Unskilled workers	35.71	36.73	3.06	24.49	100
Total	34.46	31.08	3.38	31.08	100
<b>Overall</b>					
Skilled workers	95.83	2.08	0.00	2.08	100
Unskilled workers	92.63	4.21	1.05	2.11	100
Total	93.71	3.50	0.70	2.10	100

Source : Survey Data (Worker Survey in NCR).

Overall, most workers interviewed attest to some positive impact of migration on the living conditions of workers, perhaps indicating conditions of sheer destitution in their native places. Most of the workers also agree that the extra income that they earn as migrant labour in the construction sector allows them better access to food and schooling for their children.

## **2.6. Some Conclusions from the Workers Survey in NCR**

The survey of migrant construction workers in three sub-sectors: commercial complexes, residential complexes, and individual residential construction across three locations Delhi, Gurgaon, and Noida in the NCR of Delhi reflects on the working and living conditions of the workers in the construction sector. It also examines how the remittances are put to use by migrant workers and their families to improve their standard of living. The study also relies on a number of qualitative questions on comparative assessment of key indicators both at source and destination areas to assess the impact of migration on their standard of living.

The findings point towards overall benefits of migration to the migrant workers. The channels through which such improvements occur are mainly through higher volumes of employment and earnings than would have been possible in their native areas. Although the workers themselves maintain a low level of expenditure, they are able to save and remit, and use their remittances to improve their condition of housing in the native areas, purchase some durables, repay their loans, and spend on their children's education. One in five migrants also adds to their productive asset base and one in ten migrants also purchases land. Some of these male workers also have the possibility of acquiring some skills on the job and thus improve their wages.

The survey also highlights that there is some significant premium for acquiring skills, as evidenced by higher advances and higher wages obtained by the skilled workers compared to their unskilled counterparts in both the organized and unorganized sectors. The details of per capita consumption expenditure show that skilled workers maintain better standard of living compared to the unskilled workers, indicating that acquiring skills can provide a major route out of poverty.

However, such overall benefits accruing to the migrant households are not without significant trade-offs, as symbolized by poor working conditions of the migrant workers in the workplace, and the living conditions of the workers and accompanying family members at the destination. Workers achieve higher earnings partly through significantly high work intensities, often working up to 12 hours a day. Safety standards are lax and the workers are exposed to a number of health risks. There is brazen violation of labour regulations by employers, in both the organized and unorganized sectors. Few workers have local identification and therefore cannot make any claim to entitlements. Though the Building and Construction Workers' Welfare Act provides for social security, healthcare, and safety of workers engaged in the construction sector, the workers enumerated in our survey are neither registered under the Act, nor do they obtain any social security. The recruitment

pattern, lack of local entitlements, and absence of social security for construction workers all stem from a situation in which these seasonally migrant or circular workers are employed in an informal labour regime, through intermediaries. The seasonal nature of their migration indicates that they have very tenuous local entitlements.

The demand for such workers has burgeoned due to rapid growth in the construction sector especially in and around major centres of agglomeration such as NCR. In a growth pattern marked by agglomeration economies in and around pre-existing growth centres, there are significant and asymmetric costs that are borne by poorer labour migrants and their families. Neither the state nor the employers appear willing to bear and subsidize part of the costs through appropriate policies and investment in necessary infrastructure. As evidenced by pattern of wages paid and the entitlements of benefits to the construction workers, none of the states, be it Delhi, Haryana, or Uttar Pradesh that cover our survey areas, appears willing or capable enough to formulate appropriate labour and social policies and enforce them in the interest of the migrant workers. What makes the matter worse is the migrant status of construction workers who have little, if any, voice to influence policies in their favour.

Our study shows that while the labour regime has been characterized by increasing flexibility, large-scale migration of footloose labour to the construction sector tends to be highly organized and segmented, resulting in lower wages, often fixed at source area, than those generally prevailing in the destination. This facilitates certain kind of growth and accumulation but through a low or dirt road to capitalism (Srivastava, 2011b). Surprisingly, because of the pattern of recruitment organized through intermediaries, it is the labourers in the formal sector who receive lower wages compared to their counterparts in the informal sector.

### **3. IMPACT OF LABOUR MIGRATION ON HOUSEHOLDS AT ORIGIN: RESULTS OF THE TRACER SURVEY**

The study has followed up the survey of construction workers in NCR with a tracer survey to trace these migrant construction workers to their source area and then examine the impact of migration on their welfare in the source area. The assessment of the impact of migration on poverty in the source area involves comparing migrant labour households with non-migrant labour households who have comparable household characteristics and asset holdings, thus constituting a control group. Moreover, we rely on a number of questions, both quantitative and qualitative, to identify whether the migrant labour are differently placed to begin with, compared to their non-migrant neighbours that facilitate their migration to other states in search of their livelihood.

#### **3.1. Methodology and Survey details**

The primary data collected in our first phase of survey in NCR suggests that most of the construction workers hail from resource-poor and rain-fed parts of India,

primarily Central and Eastern India including Orissa, West Bengal, Bihar, Bundelkhand in UP and MP, Chhattisgarh, and Jharkhand. Based on the information obtained from our interviews with workers in NCR, we selected two states, namely Bihar and West Bengal – states which report the most number of sample migrants. We then located those villages in these two states from where a number of sample workers have reportedly migrated to the surveyed construction sites. Finally two villages were selected, Krishnanagar from Malda district of West Bengal and Narayanpur from Samastipur district of Bihar for the tracer survey. In our first phase of survey in NCR, five labourers reported to be migrating from Narayanpur in Samastipur and eight labourers reported to be migrating from Krishnanagar in Malda district. Apart from the information collected in our NCR survey, other secondary reports that we have relied on, suggest that the regions selected for tracer survey have a long history of migration, thus providing us with an ideal setting to better map the linkage between poverty and migration. Our focus group discussion with village *sarpanch* and other stakeholders in these villages suggest that a long history of migration defines the economies of both villages.

Samastipur is one of the most backward districts in the state of Bihar with most rural households having little option outside agriculture. Situated around 40 km away from the Block Head Quarter, Mohinuddin Nagar, Narayanpur is an outskirts village with little or no connectivity with pukka road. The region is often ravaged by floods during the monsoon and boats remain the only mode of communication with the outside world. Social profile of the population in the village shows several castes that include Paswan, Kewat, Yadav, and Kumhar. Among them, Paswan is the most dominant caste economically, socially, and politically. Though most households across castes are engaged in agriculture, some are still persisting with other traditional occupations defined by their castes. A case in point is households from Kewat and Kumhar caste who are still into fishing and pottery as their part time occupation. Ironically, though the district boasts of one of the oldest agricultural universities in India, our survey village, much like many other villages in the district, remains agriculturally backward because of poor road connectivity and lack of access to transport by majority of native people. Most practices in agriculture still remain backward. Maize and Tobacco are two major crops in the region. However, regions not affected by flood grow other crops such as rice, wheat, and vegetables. A significant segment of the village population is landless, with majority of landless households leasing in land owned by higher castes living in and around the Block. However, tenancy market has been on decline in the recent times. Information collected in our focus group discussion attributes declining tenancy market to increasing political mobilization of people from lower castes which has caused a sense of fear among the rural households with surplus land. Many households from upper castes with surplus land prefer to cultivate themselves or even keep their land fallow than risk losing it. A number of other factors related to agriculture such as little or no irrigation, ever decreasing land holdings and increasing cost of cultivation, have left a majority of rural household with no option but to bank on migration as an important livelihood strategy.

Adding to the woes of the rural people is the dysfunctional public delivery system. The focus group discussion conducted with different key informants in the village that include *Sarpanch* (village head) and rural households conveys a strong sense of frustration borne out of long-term government apathy towards the village. The lack of concern in the government departments, according to them, is visible in every sphere of rural life. Though a large number of households in the village possess NREGA job cards, few report actually working on the project. Among the other public delivery programmes, the PDS is also almost nonexistent with most rural households reporting receiving subsidized food grains through the programme only for three to four months in a year.

The region has a long history of migration. Many of the migrants either migrated to Kolkata or Punjab. In fact, till early 1980s, Punjab, with its booming agriculture, was a natural destination for much of the village migrant labourers, who traveled to the state as agricultural labour in the peak season. However, the hostile attitude towards the migrant labour during separatist movement in the state of Punjab forced them to look for other destinations such as Delhi, Mumbai, South India, and urban Haryana, where many of them were engaged as coolie labour. Migrant labour gradually drifted towards the construction sector, which was growing in size and employment by then. Some of them managed to migrate to countries such as Saudi Arabia, Kuwait, and Libya for higher remunerations. A few later emerged as contractors who worked as conduits for recruiting the locals and relatives into the construction sector. Though some of the rural households work as migrant labour in other sectors, the lure of construction sector for the majority of casual labour in the village is undeniable because of easy accessibility of jobs in the sector. The network involving the local contractors plays a crucial role in enhancing accessibility of jobs in this sector.

The migration history of the second selected village, Krishnanagar, makes for an interesting case study of migration patterns witnessed in the post liberalization period in India. Located just 15 km away from the Block headquarter, Krishnanagar village in Malda district boasts of robust connectivity with *pukka* road, and is well connected with the township of Malda. The village economy of Krishnanagar has long been characterized by diversification towards non-farm activities, with *beedi* making and other cottage industries such as embroidery, being the prominent activities outside agriculture. Many of these cottage industries have faded away over time, particularly since early 1990s following the import of cheaper products. Increased mechanization in many of the agricultural operations in the recent times implies that the village, with not enough land to support burgeoning population, has increasingly witnessed migration to other states as a livelihood strategy. However, the migration history of the region can be traced back to much older days. During the course of the survey, the village elders maintained that migrant labour from the region has a well-earned reputation as skilled construction workers since the British period. They further observe that their contribution in the construction of the large buildings in Kolkata during the British regime is acknowledged even now.

Apart from mangoes, the village largely grows three crops: rice, wheat, and onion. Though some part of the agriculture has access to irrigation facility, most of the cultivation is done using traditional methods only. Income and employment realized from the sector are never sufficient to support majority of households throughout the year. Predominantly inhabited by Muslims, the village is characterized by backwardness in education. Land distribution in the village is also highly unequal, with majority of the village natives possessing little or no land. Most of the agricultural operations are rain-fed and the labour requirement in the sector has never been for more than three to four months, thus pushing the labour out of the sector for major part of the year. The agricultural operations are still largely managed by male members of the household, with the role of women being confined to activities that can only be performed at home such as *beedi* making.

Unlike Narayanpur, the rural people in Krishnanagar have better experience of public delivery programme. Most of the basic facilities such as books, dress, and food are available in schools. Other government programmes such as PDS and Anganwadi are functioning with regularity. Case studies documented in the village indicate that awareness among the local public about the government programme does contribute to better functioning of the programme. However, the enthusiasm among the villagers for works under the MNREGA is found to be low, perhaps due to higher local wages in other sectors, and easy access to jobs at the destination.

The social profile of the village population indicates that disadvantaged communities such as scheduled castes and religious minority account for bulk of the rural population in these villages. This perhaps reflects a larger pattern that the rural poor in India are largely concentrated among socially disadvantaged communities, living in the resource-poor regions. Not surprisingly, many poor among these communities see migration as the road to economic and social mobility.

We conducted census in both these villages to identify three categories of labour households: one category from which at least one member has migrated to the construction sector (Category 1), the second category from which at least one member has migrated to sectors other than construction (Category 2), and the third category consists of non-migrant households from which no labourer is currently migrating out of the village (Category 3). Households who do not rely predominantly on casual labour for their subsistence are excluded from the categorization. Thus, in our efforts to better understand the cause and effect of migration, we have consciously avoided enumeration of farming or salaried households to ensure comparison across similar types of households. We need to note that the Category 3 households may also include households with a past migration history although no member of the household is currently a labour migrant.

The aim of the tracer survey is to compare a sizeable number of migrant and non-migrant labour households (preferably up to 20 households and not less than 15 in each case and each village). For the purpose of sample selection, we have first selected those households in Category 1 that include migrant labourers interviewed at destination. We have then selected (subject to availability) the remaining households

in Categories 1 and 2 (combined), and a similar number of households in Category 3, using the method of systematic random sampling.

We thus have a sample of 38 households in Narayanpur (Samastipur/Bihar) which includes 21 households from Category 1, 9 from Category 2, and 8 from Category 3. In Krishnanagar, we repeated a similar strategy to select a sample of 42 households which include 14 from Category 1, 10 from Category 2, and 18 from Category 3. Thus, a total of 80 households are enumerated during the tracer survey, that include 35 sample households from Category 1, 19 sample households from Category 2, and 26 sample households from Category 3. We, however, report most of the estimates of two migrant groups together as one treatment sample and report them separately only when our analysis demands so. For the remainder of the study, we would refer Narayanpur and Krishnanagar as V1 and V2 respectively.

The household survey is also supplemented with focus group discussions conducted with key informants in the village which include contractors/ middle men and *sarpanch* to provide the background to the tracer survey. This phase of the survey was carried out between February and April 2013.

### **3.2 Profile of Sample Households**

The social profile of the sample households across villages shows that all the households belong to socially disadvantaged groups such as lower castes and religious minority, reflecting the predominance of casual labour as livelihood option among such groups. In V1, all the sample households are Hindu, with disadvantaged communities such as SC and OBC accounting for the whole of sample households. The SC and OBC account for 42.1% and 57.89% of the total sample of households in the village. All the sample households from V2 belong to Muslim community.

There is little difference in the size of household between migrant and non-migrant households in V1 with the average household size being 5.77 and 5.88, respectively.<sup>14</sup> However, the average household size between the two groups varies significantly in V2, with migrant households reporting the average household size as 5.08 in comparison to 4.28 reported by non-migrant households.

The sex composition of a typical migrant household is found to be in favour of males in both the villages, with migrant households in V1 and V2 reporting 56.75% and 61% of their members, respectively, as males. In contrast, the non-migrant households in V2 r village report the share of male members as only 43.87%. In V1, non-migrant households report 63.54% of their members as males.

The age distribution of household members including seasonal migrants is given in Table 3.2.1. In both villages, the percentage of household members in the age group 15 to 39 years is higher among migrant households than among non-migrant households. Further, the percentage of household members who were either below 15 years, or over 60 years, is also higher among non-migrants. However, despite a higher percentage of children below 15 years in non-migrant households, the average age of members of migrant households in both villages is less than that of non-migrant households, with a typical migrant household in V1 and V2 reporting average

ages of 24.5 years and 24.6 years, respectively. Non-migrant households in V1 and V2 report the average age of their family members as 26.3 years and 26.8 years, respectively.

The education profile of households varies significantly across both villages and migrant status. The rate of illiteracy in the households does not differ significantly across migrant and non-migrant households in V1, with both migrant and non-migrant households reporting illiteracy at 35.08% and 39.38%, respectively. However, the difference is stark in V2, with migrant households being better placed with 43.31% illiteracy in comparison to 55.94% reported by non-migrant households (Table 3.2.2). Overall, literacy rate among the migrant households is higher than non-migrant households, indicating better basic human capital among migrant households. Migrant households in both villages retain better educational endeavor up to middle education level.

**Table 3.2.2**  
**Percentage share of educational qualification of household members five years and above by migrant status in two villages**

V1	Illiterate	Primary or less	Middle education	Matriculate and above	Total
Migrant Households	35.08	55.47	8.23	1.22	100
Non-Migrant Households	39.38	53.54	2.08	5	100
V2					
Migrant Households	43.31	43.01	7.15	6.53	100
Non-Migrant Households	55.94	32.11	2.04	9.91	100

Source: Survey Data (Tracer Survey).

However, non-migrant households have a higher percentage of population with

**Table 3.2.1**  
**Distribution of family members in different age categories across migrant status**

	Migrant	Non-Migrant
V1		
Age Profile		
0-14	33.2 (20.3)	36.2 (22.8)
15-39	44.5 (22.2)	36.9 (12.7)
40-59	17.8 (15.9)	21.7 (22.0)
60-above	4.5 (8.9)	5.3 (7.8)
V2		
0-14	29.9 (21.5)	32.6 (26.8)
15-39	49.2 (16.8)	38.3 (26.5)
40-59	20.4 (18.0)	28.3 (37.1)
60-above	0.5 (2.6)	0.8 (3.4)

secondary and higher education. Perhaps migration propensity among migrant households reduces the chances of secondary and higher education due to the mobility of adult males.

The ownership of landholding is more commonly observed among migrant households than their non-migrant counterparts in both our sample villages, indicating either better initial asset base of migrant households or subsequent land purchases made by them (Table 3.2.3). The average land ownership pattern is abysmally low among non-migrants, with none of the non-migrant households in V1 reporting any land ownership, compared to 16.7% migrant households reporting that they have land holding. It is similar story in V2, as 58.30% of the migrant households report owning land compared to only 16.7% among the non-migrant households reporting similar status. The size of landholdings reported by non-migrant households is smaller than those reported by the migrant households. While none of the non-migrant households from V1 reports any ownership of land, those from V2 report an average land ownership which is as low as 0.08 acres. This compares with migrant households from V1 and V2 reporting 0.16 acre and 0.63 acres of land, respectively. However, fewer migrant households report operating on their land in V2. The percentage of households reporting operational landholding among the non-migrant workers is higher than those reporting ownership of land, perhaps indicating non-migrant lease in land from the migrant households (Table 3.2.2). A similar story also emerges in V1 as a higher percentage of non-migrant households reports operational landholding though none of them owns any land.

**Table 3.2.3**  
**Percentage share of households who report ownership and operation of land holding across migrant status in two villages**

	<i>Ownership of landholding</i>	<i>Operation of landholding</i>
V1		
Migrant	16.67	33.33
Non-migrant	0	37.5
V2		
Migrant	58.33	12.5
Non migrant	16.67	22.22

*Source:* Survey Data (Tracer Survey).

### **3.3. Profile of migrant workers**

The distribution of migrant workers, when disaggregated at village level, shows that SC and OBC account for 19.44% and 80.56% of the migrant workers from the village of V1, while all the migrant workers from V2 are Muslims.

Within the migrant households, only one out of five members of the households have confirmed their migrant status, perhaps indicating a growing trend towards migrating alone which may be suggestive of higher cost of migration or other barriers

to migration noted in some other literature (Kundu, 2009). Such migration trend, as already noted in our worker survey, may also reflect the long history of migration, with many workers already establishing bridgeheads at the destination.

There is no female worker in the sample of 62 migrant workers in total in two villages, indicating the male selective nature of labour outmigration in the study villages.

Such limited participation of females in the migrant workforce in the construction sector has also been observed in the construction worker survey in NCR. Among the total migrant workers in the two villages, 21.67% of them happen to be those we already interviewed in the worker survey in NCR.

Further, the age profile of principal earners in the migrant and non-migrant families shows that not only could seasonal migration be age selective, but there could also be life cycle issues at play, with the older age profile of earners in non-migrant households (which could include former seasonal migrants). In V1, the average age of the principal earners in migrant and non-migrant households was 34.6 and 40.6 years, respectively, whereas in V2, it was 32.1 years and 40.3 years, respectively. The relatively younger age profile of the migrant workers (who are generally the principal earners in migrant households) in the tracer survey confirms our observation in the NCR worker survey that it is mostly the young and active members of the households who participate in migration as a livelihood strategy.

Overall, one-third of the migrant workers are unmarried. The marriage status when disaggregated at the village level, shows that 38.24% and 26.92% of the migrant workers from V1 and V2, respectively, report as unmarried.

Most of the migrant workers have reported poor education status, with 65% of them reporting their education status as below primary education. The status of education of the migrant workers when disaggregated at the village level shows a similar dismal picture across villages. As many as 61.76% of the migrant workers from V1 report their education status as below primary education, and 69.23% of the migrant workers in V2 report a similar status.

Given such poor education status, it is not surprising that only 10.64% of the migrant workers report as skilled workers, indicating that most migrant workers are stuck in low-skilled low-wage work. Such predominance of unskilled workers in the migrant workforce is observed in NCR survey. Most of the migrant workers work as daily wage workers. While 68.09% of the migrant workers report working as daily wage workers, another 19.15% reported getting paid on a piece meal basis and the remaining 12.77% workers received payment as monthly wage. As many as 97.87% of the migrant workers report working as casual workers, indicating poor and uncertain conditions in which these migrant workers work.

### **3.4. Impact of Migration**

The impact of short-term and seasonal migration on the source area is multi-dimensional. It depends on a number of factors, and their net impact determines the nature and extent of benefits accruing to migrant households. If migration is an

involuntary response to the distress in the source area and workers are locked into debt migration cycle, benefits normally associated with earning differentials may not materialize at all and may even result in conditions of neo-bondage (Srivastava, 2005, 2009b). If such migration is voluntary and driven by the earning differentials in the destination, benefits do occur, particularly when the initial endowments of migrant households are favourable. The impact on the source area may occur through a number of channels, which include changes in the labour market, income, assets, and how the remittances earned through migration are spent by the migrant households. Some of the less-direct ways through which migration impacts the source area include changes in attitudes and awareness, resulting in better perception of education and other qualities of life. Better exposure in the destination make migrant labour more assertive in their demand for better conditions and better wages even in the local labour market. Their attitude towards personalized labour relations also undergoes changes (Srivastava, 1999).

The present section considers this question by comparing two groups – migrant and non migrant labour – on a number of indicators which include education, asset profile, and how the purchase of such assets is financed by two groups. In addition, the study also examines the consequences for the local labour market. The study also relies on qualitative data to throw light on how the sample households perceive changes in the living conditions of their family with respect to their neighbours as well as their own past more than 5 years ago.

#### **(a) Impact on education**

The impact of migration on schooling and education of children is ambiguous. While migration with family seems to limit access to education for the migrating children, the effect on education in the source area seems to be positive. As evident in our worker surveys, some migrant labourers do migrate with families, including children, which deprives them of education in the local schools. Many of these children are often taken to the destination to take care of their younger siblings at the workplace or to assist their parents as an additional help, and may fail to access the schooling facilities at destination.

An analysis of the educational status of children in the age groups of 5 to 14 years in the source villages shows that the percentage of children who attended but dropped out later is equal across migrant and non-migrant groups in V1 . The percentage of children dropping out is no different across migrant status, suggesting that migration is not associated with positive impact on dropout rates (Table 3.4a.1.). Even in V2 , as many as 6.67% of children in the age group of 5 to 14 years reported dropout status vis-a-vis 10% of children among the non-migrant reporting similar status.

However, the responses by both migrant and non-migrant groups suggest that the overall impact of migration on education of children in the source area is positive, as evidenced by a number of indicators explained below. These changes may have taken place both due to changes in attitudes towards education and higher earnings

due to migration that allows the rural households to send their children to schools. The percentage of school goers in the 5 to 14 age group is higher among migrant groups compared to non-migrants in both villages. In V1, migrant households report 81.25% children in the 5 to 14 age group as schoolgoers. This compares with 75% of the children in the same age group being reported by non-migrant households with the similar status. The percentages of currently enrolled in school in the same age group in V2 present a similar picture, with migrant households reporting 87.77% school goers vis-a-vis non-migrants reporting only 76.67% school goers.

Migration by rural households also affects the choice of schooling in favour of private schools. Both migrant and non-migrant families in the villages of V1 send their children to public schools, a choice driven perhaps by the unavailability of private schools in the area, thus limiting the choice of their parents. However, the scenario in V2 gives an interesting picture of what better earnings and better exposure to the outside world through migration does to schooling. While 36.67% of the migrant households access private schools for their wards, no one from the non-migrant households reported such preference.

The average expenses on education incurred per child by sample households also differ across households with different migrant status. Migrant households spend more on educating their wards compared to their non-migrant neighbours in both villages, reflecting better attitudes and higher spending ability. When compared across villages, V1, with none of the households accessing private education, not surprisingly, reported significantly lower expenses on education per child than households from V2 (Table 3.4a.2). Interestingly, even within the context of limited schooling choices, migrant households in V1 spend more than their non-migrant neighbours. Our observation on the importance assigned to education by migrant households has also been confirmed in our worker survey in NCR where approximately 68% of the migrant workers reported spending remittances on education of their children. Such evidence on the use of remittances has also been

**Table 3.4a.1 Educational Status of children in the age group 5 to 14 years by migrant status in two villages**

	<i>Never attended</i>	<i>Attended but dropped</i>	<i>Currently enrolled in school</i>	<i>Total</i>
<b>V1</b>				
Migrant Households	6.25	12.50	81.25	100
Non-Migrant Households	12.50	12.50	75.00	100
<b>V2</b>				
Migrant Households	5.56	6.67	87.77	100
Non-Migrant Households	13.33	10.00	76.67	100

*Source:* Survey Data (Tracer Survey).

noted in the NSS 64<sup>th</sup> Round. The evidence on migration reported in NSS 64<sup>th</sup> round shows that as many as 37.4% migrant households spend part of the remittances to meet education and health expenditure of their children (Srivastava, 2012).

Informal discussion and case studies documented during the survey indicate other benefits of migration on education that are not easily quantifiable. Many of these migrant workers, after being exposed to the outside world through migration, tend to get a better perception on education. Higher spending on the education of their children, as discussed before, is explained not only by their capacity to spend more but also by their perception of the role of education in social mobility. In V2, many Muslim migrant households have shown keen interest in getting their children educated in modern schools instead of a madarsa. Our case studies document how some of these migrant households opt for private schools.

Overall, as stated in the introductory part of this section, the effect of labour migration on child education appears to be mixed. Where children migrate with parents, they may not be able to access schooling in destination areas. On the other hand, if they stay at home, there is a slightly greater likelihood that they will be schooled and certainly the propensity of sending them to private schools and the spending on their schooling appears to exceed that being made on average on non-migrants' children.

### **(b) Impact on diversification of livelihood and asset portfolio**

Apart from education, remittances sent by the migrant labour may impact household well-being by adding to the asset base of the migrant labour in their native place and may even influence the pattern of growth and development of the source area. The assets purchased by migrant labour may be productive such as farm and transport

**Table 3.4a.2**  
**Average expenses on education incurred by households across different migrant profile in two villages**

<i>Villages/household type</i>	<i>Tuition fees</i>	<i>Uniform fees</i>	<i>Books/stationary</i>	<i>others including transport</i>	<i>Total</i>
<b>V1</b>					
Migrant Households	1765.18	0	751.54	43.86	2560.57
Non-Migrant Households	30.00	0	225.00	0.00	255.00
<b>V2</b>					
Migrant Households	3400.00	303.33	1301.67	1423.33	6428.33
Non-Migrant Households	1012.50	0	670.83	0	1683.33

*Source* : Survey Data (Tracer Survey).

equipments and livestock, the latter helping the migrant households to diversify their livelihood. However, as evidenced in our worker survey and also noted in the other literature, remittances may be used to purchase purely consumer durables and their impact on the acquisition of productive assets could be relatively less (Srivastava 2011c). To better evaluate the importance of remittances, we collect detailed information from both migrant and non-migrant groups about the present and purchase value of their additional purchase of assets, and how they finance such purchase.

There is very little difference in the present value of total assets<sup>15</sup> owned by the migrant and non-migrant groups. Migrant households report average asset value of Rs 24,364 which compares with Rs 24,651 reported by non-migrant groups. However, the present asset value, when disaggregated at the village level, gives a contrasting picture. Migrant households in V1 report average asset value of only Rs.16,051 vis-a-vis Rs 23,028 reported by the non-migrant households. In V2, we, however, observe a different scenario as migrant households on average report a high asset value of Rs 34,755 which compares with Rs 25,373 reported by non-migrant households.

In principally rain-fed areas like our survey villages, ownership of livestock remains a key component of any strategy towards diversification of livelihood. A good majority of sample households across migrant status own livestock. The ownership of livestock, when compared across villages, reflects a similar pattern with non-migrant households reporting a higher average value of livestock compared to migrant households. Higher possession of livestock among the non-migrants perhaps indicates higher labour endowments required for the upkeep of livestock as well as their higher degree of reliance on livestock for livelihood. In V1, non-migrant households report ownership of livestock valued at Rs 18,650 which compares with Rs 10,138 reported by the migrant households. In V2, non-migrant households report ownership of livestock valued at Rs 16,042 that compares with Rs 10,688 reported by migrant households. The average value of livestock purchased in the previous year by migrant households is, however, found to be higher than the purchase made by the non-migrant households. The percentage share of households reporting ownership of livestock is also found to be higher among non-migrant households compared to the migrant households. The sources of finance for purchasing livestock, however, vary across migrant status. Non-migrant households rely more on savings from agriculture and non-agricultural earning to purchase livestock compared to migrant households who rely largely on remittances to purchase livestock (Table 3.4b.1)

**Table 3.4b.1**  
**Average value of livestock purchased by the sample households over the last year and how such purchase is financed from different sources**

<i>Migrant Status</i>	<i>Average livestock purchase in the last year</i>	<i>Percentage of households reporting ownership of livestock</i>	<i>Percentage Share of different sources of finance for last year's purchase of livestock</i>			
			<i>Savings from agriculture</i>	<i>Non-agri earnings</i>	<i>Remittances from migrants</i>	<i>Credit</i>
Migrant	1837.04	72.22	0	18.18	72.73	9.09
Non-migrant	1673.08	84.62	20	80	0	0

Source: Survey Data (Tracer Survey).

A higher percentage of migrant households reports ownership of farm and irrigation equipment. Migrant households report average present and purchase value of farm equipment as Rs 547 and Rs 793, respectively, which compares with Rs 184 and Rs 321 reported by non-migrant households in V1 and V2, respectively (Table 3.4b.2).

**Table 3.4b.2**  
**Average value of farm equipment purchased by the sample households over the last year and how such purchase is financed from different sources by sample households**

<i>Migrant Status</i>	<i>Average purchase value of farm equipment</i>	<i>Percentage of households reporting ownership of farm equipment</i>	<i>Percentage Share of different sources of finance for last year's purchase of livestock</i>		
			<i>Savings from agriculture</i>	<i>Non-agri earnings</i>	<i>Remittances from migrants</i>
Migrant	793.52	27.78	28.57	21.34	50.09
Non-migrant	321.15	15.38	100	0	0

Source : Survey Data (Tracer Survey).

Remittances sent by migrant labour do add to the farm assets as evident in migrant households reporting that as much as 50% of the finance for investment in farm and irrigation equipment comes from remittances<sup>16</sup> (Table 3.4b.2). Similar use of remittances for productive purposes was also reported in the worker survey in the NCR region. In contrast, the non-migrant households use their savings from agriculture to invest in farm equipments.

A higher percentage of migrant households reports ownership of transport equipment compared to non-migrant households. The average purchase value of such assets reported by the migrant households is higher than the non migrant

households (table 3.4b.3). The ownership of transport vehicles, when disaggregated at village level, reflects a similar story of migrant households reporting higher ownership of transport vehicle compared to the non migrant households. In V1 , as much as 60 % of the migrant households report owning any transport vehicle as compared to only 37.50 % of non migrant households possessing transport equipment. Similarly, in V2 , 75 % of migrant households report ownership of transport vehicles in comparison to 66.67% of non migrant households reporting ownership of such assets. .

Migrant households report higher purchase and present values of transport equipment compared to non-migrant households. Non-migrant households report the present and purchase value of transport equipment at Rs 1107.69 and Rs 1019.23, respectively which compares with Rs 6346.30 and Rs 3969.44 as reported by the migrant households. The present and purchase of transport equipment, when disaggregated at the village level, shows a similar picture. Migrant households from V1 ,on average, report Rs 1415.67 and Rs 2908.33 as present and purchase value of transport equipment, respectively, which compares with Rs 262.50 and Rs 437.50 reported by non-migrant households. We observe a similar pattern in V2 . A typical migrant household reports Rs 7116.67 and Rs 10,643.80 as the present and purchase value of transport equipment which compares with Rs 1355.56 and Rs 1405.56 reported by a typical non-migrant household. In both villages, remittances play a significant role in the purchase of transport equipment for migrant households, accounting for 55% and 70% of the required finance in V1 and V2 , respectively.

Migrant households are also better placed in terms of values of residential properties. They report the present value of their residences at Rs 1,28,872.50 which compares with Rs 1,03,076.90 reported by non-migrant households, reflecting their

**Table 3.4b.3**  
**Average value of transport equipment purchased by the sample households over the last year and how such purchase is financed from different sources by sample households**

<i>Migrant Status</i>	<i>Average purchase value of transport equipment</i>	<i>Percentage of households reporting ownership of transport equipment</i>	<i>Percentage Share of different sources of finance for last year's purchase of livestock</i>		
			<i>Savings from agriculture</i>	<i>Non-agri earnings</i>	<i>Remittances from migrants</i>
Migrant	6346.3	66.67	11.42	25.9	62.68
Non-migrant	1107.69	57.69	40	60	0

Source : Survey Data (Tracer Survey).

relatively better economic position compared to the non-migrant households. Higher percentage of migrant households report spending on repair and reconstruction of households over the last 10 years when compared to the non-migrant households in the village. As many as 59.26% of the migrant households report spending on reconstruction/repair of house over the last 10 years. This compares with only 53.27% of the non-migrant households reporting similar expenditure. Migrant households report average expenses on repair/ reconstruction which are higher than the non-migrant households, with the former largely using remittances to finance such expenses (Table 3.4b.4). Similar spending behavior of migrant households has also been noted among the migrant workers interviewed in the worker survey in NCR. In our NCR survey, as many as 86% of the workers reported spending their remittances on improvement of houses.

The growing preference among migrant workers to spend their remittances/savings on consumer durables, as evident in the worker survey, has also been corroborated in our tracer survey. The migrant households report higher present and purchase value of consumer durables compared to their non-migrant households (Table 3.4b.5). Migrant households finance much of their purchases of consumer durables using remittances, with remittances accounting for as much as 76% of such purchase.

**Table 3.4b.5**  
**Average present and purchase value of consumer durables and different sources of finance over the last 10 years as reported by the sample households**

<i>Migrant Status</i>	<i>Percentage Share of different sources of finance for last year's purchase of livestock</i>				
	<i>The Average present value of consumer durables</i>	<i>The average purchase value of consumer durables</i>	<i>Savings from agriculture</i>	<i>Non-agri earnings</i>	<i>Remittances from migrants</i>
Migrant	10267	10431	8.64	15.57	75.58
Non-Migrant	4949	6841	11.56	88.44	0

*Source* : Survey Data (Tracer Survey).

The qualitative information documented in the case studies corroborates the findings of quantitative analysis done so far on the impact of migration on rural livelihoods. Most migrant households and other key informants such as village heads and senior informants that are interviewed during the course of survey indicate improved access of migrant households to food, medical treatment, and education for their children. Though some of the migrant households interviewed even reported purchase of durable assets such as scooter and motorcycle, earnings through migration are however rarely used, or are enough to enable them to purchase land and other more productive assets which could lift them out of the migration cycle.

**Table 3.4b.4**  
**Average expenses on house repair/construction reported by the sample households over the last ten years and how such purchase is financed from different sources by sample households**

Migrant Status	Percentage Share of different sources of finance for last year's purchase of livestock					
	Average expense on house repair/reconstruction	Percentage of households reporting repair/reconstruction	Savings from agriculture	Non-agri earnings	Remittances from migrants	Credit
Migrant	39549	59.26	3.13	9.38	84.38	3.13
Non-migrant	16346	53.57	7.69	92.31	0	0

Source : Survey Data (Tracer Survey).

### (c) Debt Liabilities of Migrant and Non-migrant Labour Households

The cash income earned or remittances sent by migrant workers may not always add to the resource base of migrant workers' households in all cases and may simply be used to adjust with earlier debts. In our sample of 80 workers, as many as 12 households report indebtedness. The share of indebtedness is, however, noted to be higher among non-migrant households. As many as 26.92% of the non-migrant households report indebtedness which compares with only 9.26% among migrant households reporting such credit status. Money lenders still remain one of the preferred options of loans for both migrant and non-migrant households, as evident by the fact that in as many as three-quarters of the indebted households report money lenders as their choice for loans.

The use of remittances for settling debts and loans has also been noted in our workers' survey where as many as 33% of the migrant workers reported using remittances to settle debts and credit taken from money lenders and other informal sources. Similar evidence has also been found in the extant literature (NCRL1991, Mosse *et.al.* 2002), raising the question as to whether such migration is itself the result of debt at home or debt inter-locking involving employers in the destination areas or their middlemen. Migration triggered by such indebtedness may not add to the welfare of the rural households. Some studies have seen a 'safety valve' feature in such migration strategies that serve as a mechanism to preserve a social mode of production or at least reduce the pressure on it (Standing, 1985). Interestingly, expenditure on social occasions is the most cited purpose by both migrant and non-migrant households for availing loans.

Our informal discussion in villages and information collected in the worker survey in NCR suggests that advances obtained by workers from *jamadar* or *munshi* before they join the worksites constitutes an important source of credit for them, thus obviating their need for reliance on traditional money lenders. In fact, the local

contractor or middlemen often takes advantage of such advances to secure labour commitment at cheaper wage than the prevailing wage at the destination. These advances, mostly given as interest-free loans, are not considered as part of the debt for our analysis.

#### **(d) Impact on Labour Market**

One of the major channels through which migration impacts the source area is the labour market. The changes in labour market due to migration may occur in more than one ways. While the rural outmigration may help the migrant family smooth employment over the annual cycle, it may also cause a tightening of the labour market, resulting in higher wages and thus benefiting even non-migrant labour households. However, such benefits may not occur if the migrant households are replaced by female and even child labour. Apart from tightening of the labour market, migration may bring other qualitative changes in the functioning of the local labour market, including better wages and employment conditions. There are a number of well-documented studies of how migrant labour, after being exposed to urban markets, refuses to accept poorer working conditions even at the source areas.

In the tracer survey, we make enquiries with both migrant and non-migrant households for details of their participation in different types of work such as employment in non-agricultural undertakings, salaried and wage employment, to give both a comparative picture of labour market in source and destination areas, and the linkage between the two labour markets. The information collected at the household level also gives key insights into participation of women in labour market as wage labour, their working condition vis-a-vis male wage workers and how such participation varies across caste and religion.

#### **Non-agricultural undertakings**

The involvement of rural households in non-agricultural undertaking is very low, particularly among non-migrant households. While five migrant households and one non-migrant household from V1 report involvement in non-agricultural undertakings of any type, only one migrant household from the village of V2 reported such involvement. No non-migrant household in V2 reports being involved in a non-agricultural undertaking. The participation of female members in such ventures is very little. Only 5.26% households in V1 report involvement of female members in such undertakings. In V2, no female member is involved in any non-agricultural undertaking. In most cases, non-agricultural undertakings are small in nature and report revenue just enough for subsistence living. In V1, migrant and non-migrant households report average net annual income Rs. 19,940 and Rs 25,000 respectively. In V2, the only migrant household that is involved in non-agricultural undertaking reports a net annual income of Rs. 18,0000.

#### **Regular / Salaried employment**

Compared to the non-migrant households, a higher percentage of migrant households report salaried employment, indicating relatively better working condition in the

destination compared to the source area. As many as 26.67% of the migrant workers report working in some type of salaried jobs vis-a-vis only 1.39% of the non-migrant workers reporting similar status of employment. The percentage of wage workers, when disaggregated at the village level, shows a similar picture in both the villages. Regular / salaried workers account for 26.47% and 36.84% of the migrant workers in the village of V1 and V2, respectively. In contrast, only 2.5% and 0.58% of non-migrant workers from V1 and V2 reported themselves as salaried workers. Discrimination against female workers is evident in the workplace as no female has reported as salaried worker, indicating that women work as casual labour or are self-employed or putting-out workers in uncertain and vulnerable condition. Overall, migrant workers earn higher gross salary than non-migrant workers. A typical migrant worker, employed in salaried jobs, earns on average Rs. 1,68,867 annually in V1 and Rs 69,929 annually in V2. The non-migrant counterparts with similar employment status report Rs 46,000 and Rs 52,000 as annual gross salary in V1 and V2, respectively. The significant difference in salary income reported by a migrant worker across two villages may be attributed to substantially higher salary reported by some of the workers in V1 who migrated to Libya to work in construction projects that pay higher remunerations.

### **Wage Income from Agriculture and Non-agriculture Labour**

As already mentioned, none of the migrant households surveyed across villages report participation of females as migrant labour, pointing to the male selective nature of labour outmigration in the study villages. However, the rural labour market in the source area is marked by significant participation of females as wage labour. The presence of women as casual labour is observed across all castes and religions. In V1, 29.63% and 24.29% women from SC and OBC report participation in the local workforce. Similar participation of females as casual labour is also noted among Muslim households in V2. As many as 32.85% of the females from these households report as wage workers. Such participation by female members in the local labour market is significant especially when no female member of the sample households migrates for work. This only indicates an increasing trend of migration as livelihood strategy adopted by the male members, while women members of these households take on a more proactive role in the rural labour market, perhaps also pointing towards feminization of agriculture.

Migrant workers earn higher wages than non-migrant workers for both skilled and unskilled, indicating that higher wages in the destinations works as a motivation for households to migrate to urban areas in expectation of higher earnings. A skilled migrant worker in V1 and V2 reported daily wage of Rs 400 and Rs 475, respectively. This compares with Rs 249 and Rs 150 reported by a skilled non-migrant in the respective villages. The comparison of wage for unskilled workers across migrant status gives a similar picture. An unskilled male migrant worker reports daily wage of Rs 236 and Rs 221 in V1 and V2, respectively, which compares with Rs 151 and Rs 130 reported by an unskilled non-migrant male worker in the respective villages.

The average daily earning reported by migrant and non-migrant workers across skill status gives a similar picture (Table 3.4d.2 and Table 3.4d.3) also. Interestingly, higher wage claimed by a migrant worker in V1 compared to those paid to migrant workers in V2 also corresponds to the higher wage claimed by a non-migrant labour in the former, indicating that there is probably a link between the wages paid at the destination and those at the source area.

The gender discrimination in the local labour market is clearly evidenced by wages reported by the female workers, both skilled and unskilled, in both the villages, V1 and V2. A skilled female non-migrant worker reports wage of Rs 110 and Rs 70, respectively which is much lower than their male counterparts in respective villages. In a case of similar discrimination in unskilled works, an unskilled female non-migrant worker reports daily wage of Rs 93 and Rs 70 in V1 and V2, respectively, which is much lower than the wages received by male non-migrant workers with the same skill status. Our case studies documenting low wages for women in V2 indicate that strong cultural norms deter women from working outside their home, partly explaining why wages earned by women are as low as Rs 70 per day in the village. The gender discrimination is also evident among the non-migrant workers in the acquisition of skills. A higher percentage of male workers reported as skilled workers compared to their female counterparts. In V1, the skilled workers account for 22.58% and 8.70% of the male and female workers, respectively which compares with 5.26% and 2.86% of male and female workers reported as skilled in V2.

Majority of workers, both migrant and non-migrant, receive payment on daily basis, with few of them receiving payment as monthly wage, indicating the casual nature of the jobs undertaken by these workers (Table 3.4d.1). However, the distribution of how the workers are paid varies considerably across villages. Majority of the non-migrant workers from V1 receive payment on daily wage basis. In V1, a higher percentage of migrant workers receive wage on piece rate compared to their non-migrant counterparts, perhaps indicating efforts by the migrant workers to undertake work that maximizes their earning over a short time. The case studies in the worker survey in NCR also indicate preference among the contractors to assign work on piece rate basis. However, a higher percentage of migrant workers from V1 receive monthly wage compared to none of the non-migrant workers reporting such payment. In V2, most migrant workers receive payment on daily basis, with few of them receiving wage on piece rate basis and none reporting monthly wage. Interestingly, majority of non-migrants from V2 also receive wage on piece rate basis, perhaps indicating the presence of what may be termed as putting out the system in the *beedi* making industry in Malda. The industry outsources much of its work to women workers who are provided with raw materials at home by the industry agent.

**Table 3.4d.1**  
**The distribution of wage workers on how they are paid village wise**

	<i>Migrant</i>	<i>Non-migrant</i>	<i>Overall</i>
V1			
Piece rate	20	1.85	7.59
Daily rate	56	98.15	84.81
Monthly wage	24	0.00	7.59
V2			
Piece rate	11.11	63.01	52.75
Daily rate	88.89	35.62	46.15
Monthly wage	0.00	1.37	1.10

Source : Survey Data (Tracer Survey).

**Table 3.4d.3**  
**Days and wages reported by non migrant workers across skill level and villages**

<i>Village</i>	<i>Sex</i>	<i>Skilled workers</i>				<i>Unskilled worker</i>					
		<i>Number of persons</i>	<i>Days</i>	<i>Total wage</i>	<i>Daily earning</i>	<i>Sex</i>	<i>Number of persons</i>	<i>Days</i>	<i>Total wage</i>	<i>Daily earning</i>	<i>Daily earning skilled and unskilled</i>
V1	Male	7	171	44721	248	Male	24	113	17194	152	218
□	Female	2	90	9600	107	Female	21	66	6014	91	100
V2	Male	2	240	36000	150	Male	36	153	21672	142	147
□	Female	1	180	12600	70	Female	34	196	13747	70	70

Source: Survey Data (Tracer Survey).

A comparison of days of work availed by workers across village shows that both migrant and non-migrant workers from the village of V2 avail larger number of days of work compared to V1 village (Table 3.4d.2 and Table 3.4d.3). The days of work availed by male and female workers show high degree of correlation, as both male and female workers report larger number of days of work in V2 compared to V1 .

**Table 3.4d.2**  
**Days and wages reported migrant workers across skill level and villages**

Village	Skilled workers					Unskilled worker					Skill and unskilled workers combined		
	Sex	Number of persons	Days	Total wage	Daily earning	Remittance/savings	Sex	Number of persons	Days	Total wage		Daily earning	Remittance/savings
V1	Male	1	90	36000	400	27000	Male	24	172	41164	239	29023	295
V2	Male	4	265	125000	472	95300	Male	14	233	51511	221	38286	354

Source :-Survey Data (Tracer Survey).

**Table 3.4d.4**  
**Total wage income and remittances reported by migrant and non-migrant households**

	Number of households	Over all households		Over reporting households	
		Total wage	Total remittance	Total wage	Total remittance
V1 Migrant Households	8	60638	42199	72765	50639
Non migrant households	30	38900		38900	
All households	38	56061		64555	
V2 Migrant Households	18	82402	69738	89893	76077
Non migrant households	24	44881		50491	
All households	42	66322		73303	

Source: Survey Data (Tracer Survey).

The total wage income reported by both migrant and non-migrant households (in Table 3.4d.4) underlies the importance of casual labour as an important livelihood option among the rural households in the resource poor areas in Bihar and West Bengal. There is, however, significant difference in the total wage income reported by the rural households across villages, with sample households from V2 reporting higher wage income compared to those from V1, perhaps indicating stronger presence of the non-farm sector in the relatively better connected V2. Comparison of remittances reported by migrant households also gives a similar picture, with migrant households from V2 sending higher amount of remittances. In V2, the number of persons per family engaged as wage labour is found to be higher for both migrant (3.44) and non-migrant households (2.46) compared to those reported by migrant (3) and non-migrant households (2.10), respectively, in V1. This, together with larger number of days of work availed by workers in V2 (Table 3.4d.2 and Table 3.4d.3), results in higher realization of wage income by both migrant and non-migrant households in V2 compared to their counterparts in V1.

Overall, a comparison of labour markets, in both source and destination areas, suggests that both the labour markets are conspicuous by the absence of regular jobs, even among skilled workers. The mode of payments, wages, the number of employment days available all attest to poorer working condition in the source area, confirming what we already noted in the worker survey in NCR region. In what may be characterized as slightly better working conditions at destination, the percentage of skilled labour and those getting monthly wages is higher among migrant households than non-migrant households. Both wage levels and employment levels are also higher among migrant labourers. Comparison of wages as reported by workers in construction worker survey in NCR and those earned by non-migrant labour in the source area suggests that though wages in the destination fail to meet the minimum wages criteria set by the respective states in the NCR regions, they are

clearly higher than those earned by the non-migrant in the source area. In other words, the migration out of the village is clearly driven by the earning differential between the source and destination. However, the wages received by migrant labourers at destination, as pointed out in the earlier section, bear little relation to the local labour market at destination, confirming the growing trend of organized and segmented migration facilitated by the contractors as middlemen in the recruitment process. .

Some of the case studies documented during the course of field survey and informal discussion with local farmers and villagers show that both migrant and non-migrant households do attest to the tightening of labour market in the native village though we do not have enough quantitative data to verify their claims. There are instances of migrant labour asking for higher wages once they return to the native village. In what may be construed as signals of labour tightening, complaints by farmers about shortage of farm labour during the peak season have become more common occurrences recently.

#### **(e) Impact on consumption expenditure**

The impact of remittances is quite diverse and they are usually deployed to address a hierarchy of needs but consumption is one of the prime objects for which remittances are utilized (Deshingkar, *et al.* 2006, 2008; Srivastava, 2011c). Evidences from NSSO 64<sup>th</sup> round and several micro studies indicate that expenditure on consumption and other basic necessities occupies high importance in the agenda of the migrant households. The data collected from migrant households covered under NSSO 64<sup>th</sup> round suggest that as many as 75% of migrant households use remittance to purchase food and 45.1% of households purchase other essential consumption items (Srivastava 2012).

We have collected data on current expenditure on food and non-food items from the sample households. The blocks on consumption expenditure are longer than the abbreviated schedule used by the NSSO but are less detailed than the detailed consumption expenditure schedule used by that organization. The estimate of expenditure so obtained would therefore be a slight underestimate compared to the detailed schedule. We use this data in the next section to assess income poverty among migrant and non-migrant households. In this section, we simply assess average consumption expenditure among these two groups of households.

Though we do not have direct data to know whether and how much of remittances are used by migrant households to purchase food and other essential consumption items, the per capita expenses reported by both migrant and non-migrant households on food, fuel, and non-food consumption items suggest that migrant households spend more than their non-migrant counterparts (Table 3.4e.1.). The data on consumption of food and non-food even when disaggregated at the sub-migration stream at the village level indicates an interesting pattern. Migrant worker households from construction sector report higher expenditure, followed

by other migrants, with the non-migrant households reporting the least expenditure on these headings. It seems that higher wages and remittances earned by the migrant workers in the construction sector translate into higher expenditure on food and other essential consumption items, as evidenced by the expenditure pattern reported by these households. It should be recalled that the use of remittances for consumption purposes has also been noted in workers survey in NCR. As many as 85% of workers in our first phase of survey report remittances being spent on consumption on food and non-food items.

However, the expenditure incurred by migrant and non-migrant households on health and education when disaggregated at the village level gives a mixed picture. The migrant households from V2 report higher spending on both schooling and medical expenses compared to their non-migrant counterparts. In V1, the migrant households spend more on education compared to their non-migrant households, but report less expenses on health compared to the non-migrant counterparts in the village<sup>17</sup>This indicates that though migrant households spend some part of the income that accrues through remittances or cash savings brought by the migrants to the source area to enhance consumption of essentials, leading to better quality of life at the native place, this may not always lead to better outcomes on all social indicators. Lesser expenditure on health reported by migrant households in V1 could be a case in point.<sup>18</sup>

**Table 3.4e.1**  
**Monthly per-capita expenditure (in Rs) of different items consumed by households of different migrant status in two villages**

	V1	V2
<b>(1) Food Expenses</b>		
Construction Migrant worker household	1074.13	1355.65
Other Migrant worker household	803.06	1155.41
Non migrant worker household	582.33	869.63
<b>2) Non-food expenses</b>		
Construction Migrant worker household	322.26	1005.04
Other Migrant worker household	279.48	661.46
Non-migrant worker household	160.36	356.11
<b>2.a) Of which: Education Expenses</b>		
Construction Migrant worker household	42.08	58.49
Other Migrant worker household	36.16	160.33
Non-migrant worker household	8.07	29.32
<b>2.b) Of which: Health Expenses</b>		
Construction Migrant worker household	27.07	79.06
Other Migrant worker household	9.77	67.97
Non-migrant worker household	29.86	52.09
<b>3) Overall monthly expenses</b>		
Construction Migrant worker household	1396.39	2360.69
Other Migrant worker household	1082.54	1816.87
Non migrant worker household	742.69	1225.74

Source : Survey Data (Tracer Survey).

**(f) Impact on working life span and life expectancy**

One aspect that often gets overlooked in most migration studies is the impact of migration on the working life span and life expectancy of seasonal migrant workers. As already noted in the worker survey in NCR, most of these workers are unskilled and work in poor working conditions, marked by inadequate breaks/ holidays and safety equipments and high exposure to health hazards such as dust particles. They also live in poor living conditions. This brings in the question whether higher earnings reported by the migrant workers at destination represent a transient increase or the extent to which these can be sustained over time once workers go back to the source areas. Overlooking such aspects of migration may also pose the danger of overestimating the impact of migration. Ideally one needs a panel data of age profile of migrant households, compared to non-migrant households, to be able to objectively assess the impact of migration on such issues. In our tracer survey, we have data on detailed age profile of family members of both migrant and non-migrant households. We carefully identify active household members of each of the sample households in the source area and compare their ages across migrant status. The average age of economically most active member of non-migrant households is 40.39 years that compares with 33.50 years reported by the migrant households. The average age of migrant households, when disaggregated at different migration status, shows that the average ages of the most active member of construction migrant households and other migrant households are 32.71 years and 34.94 years, respectively, which is not surprising given that working in construction industries is physically highly demanding. While we can't make any definitive conclusion on life expectancy with the present survey data set, we can make a tentative conclusion that the active working life of migrant workers is probably shorter than of non-migrants, due to the physically and otherwise demanding nature of work in the construction industry and other industries to which seasonal migrants migrate. We have little knowledge of how the physical hardship in the period of migration affects the life of the migrant worker after he/she ceases to migrate. This constitutes an interesting research agenda for future.

**3.5. Perception among rural households on change in socio-economic status**

To assess the impact of migration on the quality of life, we also ask the sample households, both migrant and non-migrants, a few questions on their subjective evaluation of socio-economic position, health, sanitation, and hygiene status vis-a-vis their non-migrating neighbours, as well as vis-a-vis their own status 5 and 10 years ago. Their responses throw up an interesting picture.

In terms of their overall socio-economic status, households of all sample household categories perceive improvements in their socio-economic position over the last 10 years (Table 3.5.1). However, on a closer look, the responses by migrant and non-migrants reflect disparate levels of improvement in their relative well-being across time. There are higher percentage of households among the migrant households

who think that they are in the lower and high middle class. Interestingly, the rate of change in the perception of change from low class to middle class over the last 10 years is much higher among the migrant households compared to the nonmigrant ones, perhaps indicating positive impact of migration on their quality of life.

Our questions on the subjective evaluation of the sample households also include how they perceive changes in their family’s and community’s status on three separate major dimensions viz. a) health, sanitation, and hygiene; b) education of children; c) food adequacy, at present, in comparison to 5 and 10 years ago.

The responses by the sample households again give impression of not only the migrant households being better placed compared to non-migrants, but also that they have witnessed faster change in their status compared to the non-migrant households.

Table 3.5.2 gives the perceived changes in relation to health and sanitation. Migrant households did perceive their status to be better off even 10 years ago. Only 43.75% of the migrant households perceived their health and sanitation status to be poor compared to 84.6% of non-migrant households having similar opinion about their health status. Non-migrant households have, by and large, extricated themselves from the poor status in which they found themselves 10 years ago. However, one can see that currently more than two-thirds among the migrant households now see their health status to be good or very good compared to a negligible percentage 10 years ago, whereas less than a quarter of the non-migrant households see their current health and sanitation status as being good.

**Table 3.5.2**  
**Percentage share of how households rate their health, sanitation and hygiene compared to their past**

<i>Migrant status</i>	<i>Poor</i>	<i>Somewhat better</i>	<i>Good</i>	<i>Very good</i>	<i>Total</i>
Now					
Migrant worker household	0.00	31.25	62.50	6.25	100
Non-migrant worker household	3.85	73.08	23.08	0	100
5 years ago					
Migrant worker household	14.58	56.25	29.17	0	100
Non-migrant worker household	61.54	38.46	0	0	100
10 years ago					
Migrant worker household	43.75	54.17	2.08	0	100
Non-migrant worker household	84.62	15.38	0	0	100

*Source* : Survey Data (Tracer Survey).

Strangely enough, the perceptions of the migrant households on their status on parameters such as health and hygiene are not reflected in how they think about their community on similar indicators, perhaps underscoring higher inequality among those who are left behind (Table 3.5.3). This is in sharp contrast to how non-migrants feel about infrastructure, sanitation and hygiene of their community. Their perceptions

**Table 3.5.1**  
**Percentage share of how households rate their socio-economic position compared to their neighbours**

<i>Migrant status</i>	<i>Low Class</i>	<i>Lower Middle class</i>	<i>High Middle class</i>	<i>Wealthy</i>	<i>Total</i>
Now					
Migrant worker household	16.00	52.00	30.00	2.00	100
Non-migrant worker household	57.69	34.62	7.69	0	100
5 years ago					
Migrant worker household	26.00	66.00	8.00	0	100
Non-migrant worker household	80.77	19.23	0	0	100
10 years ago					
Migrant worker household	60.00	40.00	0	0	100
Non-migrant worker household	88.46	11.54	0	0	100

*Source* : Survey Data (Tracer Survey).

of the community status on these indicators in both past and present are better than migrants. However, these perceptions are subjective and may also get shaped by different exposure at work place. This is particularly true for the migrant households, most of whom come to metropolitan cities, where the perceptions of hygiene, sanitation and infrastructure are different from those in the source areas.

**Table 3.5.3**  
**Percentage share of how households assess the infrastructure, sanitation and hygiene of their community**

<i>Migrant status</i>	<i>Poor</i>	<i>Somewhat better</i>	<i>Good</i>	<i>Very good</i>	<i>Total</i>
Now					
Migrant worker household	2.08	56.25	41.67	0.00	100
Non-migrant worker household	0.00	34.62	65.38	0	100
5 years ago					
Migrant worker household	14.58	62.50	22.92	0	100
Non-migrant worker household	7.69	61.54	30.77	0	100
10 years ago					
Migrant worker household	77.08	20.83	2.08	0	100
Non-migrant worker household	53.85	46.15	0	0	100

*Source*: Survey Data (Tracer Survey).

**Table 3.5.4**  
**Percentage share of how households think of their family food consumption adequacy**

<i>Migrant status</i>	<i>Extremely inadequate</i>	<i>Slightly inadequate</i>	<i>Adequate</i>	<i>Plenty</i>	<i>Total</i>
Now					
Migrant worker household	0.00	2.08	27.08	70.83	100
Non-migrant worker household	0.00	0.00	76.92	23.08	100
5 years ago					
Migrant worker household	0	4.17	79.17	16.66	100
Non-migrant worker household	0	26.92	61.54	11.54	100
10 years ago					
Migrant worker household	6.25	27.08	66.67	0	100
Non-migrant worker household	15.38	53.85	31	0	100

*Source* : Survey Data (Tracer Survey).

The questions on household's perceptions of food adequacy also confirm what the data on per capita consumption expenditure has already revealed. Though both the migrant and non-migrant households have witnessed improvement in the adequacy of food, the percentage of respondents who think that their food consumption is adequate or plenty is much higher among the migrant labour households than the non-migrant ones. Going by their perceptions, migrant labour households have also witnessed faster changes in their status on food adequacy compared to their non migrant counterparts (Table 3.5.4).

Interestingly, on most indicators, such as socio-economic position, access to health, sanitation and hygiene, and adequacy of food, migrant households had better perception of their lives even 10 years ago. This observation lends credence to the point noted by Mosse, *et al.* (2002) and testified by some other studies, that migrants are not only differentially placed at the entry point, their differential status also leads to different trajectories, that makes it difficult to draw a definitive conclusion about whether and how much of improvement is to be attributed to migration.

### 3.6 Non-economic Impacts of Migration

The non-economic impacts of migration are difficult to assess. Available literature does indicate that migrants are keen to reflect their newfound status and asset holdings through participation in the local politics. The evidence regarding out-migrant households overcoming restrictive caste barriers and increasing livelihood option has been documented in some studies (such as Deshingkar and Start, 2003). In our survey sample, as many as 52.38% of the migrant households maintain that their bargaining power has improved in the last five years due to better connections with village leaders and their ability to make their voices heard. In contrast, only 17.65% of non-migrant households feel that their political bargaining power has

improved in the last five years. We thus have some evidence of the positive impact of migration on political empowerment as noted in the extant literature.

A number of case studies, documented during the course of survey, point towards positive impact of migration on social and political awareness of migrant households. The experiences of migrant workers in other states raise their aspirations, making them more active politically to achieve better quality of life in the native village. Some of these migrant families cite their successful political initiatives with a great deal of zeal and enthusiasm. To cite a few, in V1, villagers led by some of the migrant households have put enormous pressure on the *sarpanch* and village panchayat and held them accountable for a number of projects to good effect. They have managed to get the main road in the village rebuilt with funds from the panchayat and have even managed to add some extra rooms to the village school. Some of them even feel that the school teachers in the village have become more regular following the pressure put on them by these migrant households. Their role in the social life extends to the village elections where some even fund the election expenses to help elect the candidate of their choice. In V2, migration seems to have the impact of empowering women, most of whom were until recently confined to veil. Migration by the male member of the households in search of better livelihoods has forced these women to come out of the veil and take more active part in the village economy.

### **3.7 Some Conclusions from the Tracer Survey**

The tracer survey, covering the migrant and non-migrant households, the former consisting of two sub groups of migrants, migrants to the construction sector and migrants to other sectors, reflects on the local labour market and living conditions among the different groups of households in the source area.

Among other things, the study examines the link between the wages at the source area and those paid to the migrant labour at the destination. The evidence analysed in our tracer survey confirms what we already observed in the worker survey in NCR: wages paid at the destination bear little resemblance to those in the local labour market and often reflect the lack of availability of livelihoods in the source area, as evidenced by even lower wages and lesser number of labour days available to non-migrant workers. The evidence from both worker and tracer surveys suggests that the wages realized by migrant workers, particularly in the construction sector, are higher than those prevailing wages in the source area but do not meet the minimum wages set by the legislation in the destination areas. Moreover, the examination of local labour market at the source area, characterized by low wages and small number of employment days available, does not give us any convincing evidence of general tightening of labour market. Similar evidence has been noted in the extant literature (Connell *et al.*, 1976, Srivastava 1999). We, however, do not have sufficient evidence to examine temporal changes.

The study also looks at the what impact migration has on rural poverty in the source area by exploring a number of questions related to the education profile of children of the rural households, their asset holdings, and how such purchase of

assets is financed. These questions are supplemented by a number of qualitative questions on comparative assessment of some key indicators of well-being such as the socio-economic position of migrant households both with respect to neighbours as well as their own conditions 5 and 10 years ago.

The findings point towards overall benefits of migration to the rural households to which migrant workers belong, perhaps leading to positive impact on the current rural poverty status of the migrant households. Most of these benefits occur through higher income accruing to the migrants' households due to both remittances and savings brought by the migrant to the source area. Migration appears to provide some evidence of an improvement in the productive potential in the source areas as evidenced by a significant number of migrant households spending increased income on better schooling of their children, and investing part of their income in farm equipment, transport equipments and livestock. Given that we don't know much about when such migration by the rural households in the source area started, ex-post cross-sectional analysis may overestimate the effect of migration. The qualitative questions relating to the perception among sample households about the health, sanitation, socio-economic position, and adequacy of food now, 5 years and 10 years ago indicate that migrant households may have been somewhat differently placed than non-migrant labour households even to begin with, which may have facilitated their migration in search of better livelihoods.

#### **4. CONCLUSION AND POLICY IMPLICATIONS**

This study analyses the conditions of migration and the impacts of migration in one of the sectors of the Indian economy (construction) which has seen a rapid expansion in workforce, mainly as a result of rural-urban migration. It focuses on different types of construction sites in NCR Delhi (organized sector housing complexes and commercial complexes, and unorganized sector housing construction). We interviewed 50 workers each in the three different construction sites (a total of 150 workers). Apart from the long working hours and no off-days which made access to workers difficult, organized sector sites, including residential sites of the workers are guarded sites, leading to numerous problems in obtaining access to workers for interviews. In some cases, interviews had to be abandoned half-way due to the hostility of security staff and/or contractors. These problems have led to some under-sampling of female labourers in the sites, who are more difficult to access than their male counterparts.

##### **4.1 The Labourers' Survey**

All labourers in these sites, skilled or unskilled, were found to be migrant. However, there were differences in the patterns of migration and the patterns of recruitment. In the organized sector sites, recruitment of migrant workers tended to be more large scale and was usually organized through a network of labour contractors. Labourers were usually recruited from distant states such as West Bengal, Bihar, and Chhatisgarh. The terms and conditions of their employment varied between

the different migration streams but in all cases it was decided at origin. In some cases, as with migrants from Malda and neighbouring areas in West Bengal, the migration was for a fixed period, and the amount of advance payable, the contribution towards transport and food to be borne by the contractor was determined in advance. In other cases, there was more fluidity in the period of migration and the contribution made by the contractor, sometimes prolonging the period of employment to several years as the migrant workers were rotated between tasks and sites. In the unorganized sector sites, recruitment was local and usually made by contractors also responsible for executing the construction related tasks. The migrant workers usually come to the NCR through social networks and were also drawn from neighbouring states (Uttar Pradesh, Madhya Pradesh, and Rajasthan). They had either remained in touch with the contractors or were recruited by them at the labour crossings which functioned as local labour markets.

Unskilled construction workers are more likely to be drawn from lower social status groups. In the sample, 36.7% workers were Muslims and the remaining were Hindu. Among the latter, more than half the Hindu workers were SC. This means that any favourable impact of migration is likely to affect some of the poorest social strata of workers. The workers' survey gives the following salient results:

- (i) The eight-hour wages of unskilled workers were below the legislated minimum in all the three administrative regions (Delhi, Gurgaon and Noida);
- (ii) Surprisingly, eight-hour wages were higher for workers in the unorganized sector than in the organized sector;
- (iii) Actual working hours per day were, however, higher than eight in the organized sector – usually about 12 hours, raising the workers' remuneration on a per day basis;
- (iv) There is virtually no impact of labour regulation. Provisions of various labour laws such the Interstate Migrant Workmen's Act; Contract Labour Act, Minimum Wages Act, Workmen's Compensation Act, Payment of Wages Act etc. remain unimplemented;
- (v) Apart from the normal social security provisions, which are also applicable to construction workers, they are also eligible to be covered under the Building and Construction Workers' Welfare Act, specifically meant for these workers. However, the survey did not find any instance of coverage of the interviewed workers under any of the social security acts;
- (vi) Knowledge among the workers of their legal labour-related entitlements was very low. Workers were neither unionized nor did they show any strong inclinations towards forming or joining unions or associations;
- (vii) The migrant workers were accompanied by one or more family members in 27.3% of the cases and by their spouses in 20.7% cases. Living conditions were uniformly poor at destination with workers (and families) living in makeshift, *kucha* accommodation or *jhuggis* in more than 80 percent cases;

- (viii) Most workers lacked local identity papers and did not have any local entitlements;
- (ix) However, workers saved and remitted part of their incomes in almost all cases. These remittances were used to bolster their families consumption and quality of housing in the maximum number of cases; but was also spent in children's education and, in some cases, on land and other productive investment;
- (x) On comparing their conditions at destination with those at their native places, workers generally found the destinations wanting in terms of housing and living conditions, but the destination areas compared more favourably in terms of employment availability and wages.

The survey conclusions bring out the contradictory nature of the labour migration process in the construction sector. In the destination areas, the working period is lengthened, working and living conditions are poor, and workers in organized migration streams and those who are employed in the unorganized sector earn less than their counterparts who operate in the unorganized sector and in the local market segment. However, their employment period is longer and daily earnings are higher than their places of origin. By squeezing local subsistence, assisted by the fact that they usually stay in housing sites provided by the employers, they are generally able to save and remit or take back varying amounts of income which are used to repay loans and/or to improve the conditions of living at origin.

#### **4.2 The Tracer Survey**

In order to compare the condition of migrant and non-migrant labourers, we have also surveyed labour households in two villages, one in Malda district of West Bengal and the other is Samastipur district of Bihar. The survey included both non-migrant and migrant labour households, including those households from which we had surveyed several workers in the NCR. Since our survey in the NCR was only confined to those few workers from these villages who happened to be part of our sample, we have also included other migrant labour households (both in the construction sectors as well as other sectors) in the category of migrant households.

The report highlighted the findings of the tracer survey. Briefly, the main results of the survey are the following.

- Labour outmigration in both villages is of seasonal and short-term nature (three to six months)
- Literacy and education levels are slightly better among migrant households than among non-migrant labour households.
- The migrant households have a higher percentage of members in the age group of 15 to 39 years and a lower percentage of young dependent members. The average age of the principal earners in the migrant households is significantly less than that of principal earners in non-migrant households.
- A slightly higher percentage of children from migrant households attend school

and a smaller percentage of children are those who had never attended. However, both migrant and non-migrant households have comparable drop-out rates. There is greater preference among migrants for private schools and these households also show higher private expenditures per school going child.

- A higher percentage of migrant households own land in both villages but a higher proportion of non-migrants *operate* land.
- There are little overall differences in total productive assets per households (excluding land and residential housing) (although there are variations across the two villages). But in both villages, non-migrants own a higher value of livestock per household while migrants own a higher average value of irrigation and transport equipment, durable household goods, and residential housing. They have also spent more on repairs and construction activity. Migrant households also show higher average income from non-agricultural enterprises.
- In all investment by migrants, remittances are an important source of finance.
- Both employment days and daily earnings are higher for migrants than for non-migrants. As a result, total wage earnings are also higher for migrant labourers compared to non-migrant labourers.
- Monthly per capita food and non-food expenses are higher on average among migrant households than among non-migrant households.
- A sizeable proportion of both migrant and non-migrant labour households see an improvement in their (a) socio-economic position; (b) access to basic infrastructure and sanitation; (c) health services; (d) education services, compared to 5 and 10 years ago. However, migrants perceive themselves to be better off even at the outset.
- Migrant households perceive themselves to be more capable of bargaining with functionaries at the local level.

Thus, first, both the perception questions and the asset ownership questions are not able to conclusively establish that the migrant households were no different from the non-migrant households initially. As noted above, the value of residential housing and land, which are the two biggest assets owned by households, are higher for migrant households. This may be because many households have been participating in migration for several years. Second, the asset ownership pattern and the pattern of land operation reflects the labour endowments of the two types of households. Non-migrant households are more likely to own livestock and operate land (generally leased). Third, however, wage incomes are distinctly higher for migrant workers and this is both due to higher days of employment and higher wages. This has also led to higher remittance income which in turn has meant higher consumption standards, and higher levels of expenditure on education, residential housing and land, and has also been ploughed into other assets.

### **4.3 Impact of Migration to the Construction Sector on Poverty**

The main objective of this study is to examine the impact on labour migration in the construction sector on the poverty status of the migrant workers and their

households. However, the concept of poverty can be approached from different perspectives. In a narrow sense, poverty is defined as low and insufficient income, or more specifically as low and insufficient consumption expenditure, which is considered more stable and easier to measure. In common parlance, this definition is known as income or economic poverty wherein a person's actual consumption expenditure may be compared to a threshold level of 'minimum' expenditure ('poverty line') considered adequate to buy a minimum necessary bundle of goods and services.

In recent years, it is usual to describe poverty in a broader sense variously encompassing the whole spectrum of deprivation, ill-being or lack of capabilities and/or human rights. Dreze and Sen (1995) make a distinction between 'poverty' which they describe "not merely as the impoverished state in which people live, but also to the lack of real opportunity" and 'economic poverty' ("low income, meagre possessions and other aspects"). They (ibid.) refer to the sequence of things a person does or achieves as a collection of 'functionings'. 'Capability' refers to the alternative combination of functionings from which a person can choose. The notion of capability is essentially one of freedom - the range of options a person has in deciding what kind of life to lead. Poverty refers to the lack of real opportunity, due to social constraints and personal circumstances, to choose other types of living. Poverty is thus a matter of "capability deprivation". Economic poverty which refers to low incomes, meagre possessions and other related aspects also has to be seen in its role in severely restricting the choices people have to lead valuable and valued lives (ibid. p.10-11).

Lipton and Ravallion (1995) provide useful counter-arguments outlining the limitations of the "capability approach". The "basic needs" approach has the strength of taking into account merit-goods which have an impact on well-being. There are multi-dimensional measures of poverty which take into account deficits in relation to basic needs, or in some cases, combine these indicators with outcome or capability indicators.

Chambers makes further distinction between poverty and other forms of deprivation. He describes poverty as 'lack of physical necessities, assets and income. It includes but is more than being income poor. Poverty can be distinguished from other dimensions of deprivation such as physical weakness, isolation, vulnerability and powerlessness with which it interacts.' (Chambers, 1983) Deprivation refers to lacking what is needed for well-being and a full and good life. Its dimensions are physical, social, economic, political, and psychological. It includes forms of disadvantage such as physical weakness, isolation, poverty, vulnerability and powerlessness. Well-being is the experience of good quality of life. Thus, well-being and ill-being refer to experience, poverty more to physical lack and deprivation to a much wider range of lacks and disadvantages. 'Poverty and deprivation' is short for 'poverty and other forms of deprivation'. (Chambers, 1995, p. 5) Chambers mentions eight criteria of deprivation, of which poverty (defined as lack of physical necessities, assets and income) is only one. The others include *social*

*inferiority, isolation, physical weakness, vulnerability, seasonality, powerlessness and humiliation.* In the case of the poor, many of these dimensions may be quite imperfectly correlated with income poverty. For instance, vulnerability may increase even if there is an increase in income, and for poor people there may be trade-offs between income and security. Programmes designed to raise incomes may raise incomes but may also increase the vulnerability of the poor. Seasonality is another dimension the implications of which may be underplayed in conventional treatments of poverty.

None of these approaches directly considers the perceptions of the "actors" themselves who may have a different understanding of deprivation and their own priorities.

Mukherjee (1993) points out that using measured income as an indicator of poverty poses several problems in the case of rural households who follow diverse and complex livelihood strategies which overlap and fluctuate virtually from day to day. The economic evaluation of many of these activities is a difficult task. Moreover, using income as a single criterion of poverty ignores the complex inter-relationship between the different strategies and processes which influence poverty. Further, many dimensions fall outside the purview of economic measurability but may be important indicators of a household's well-being.

This study points to the contradictory outcomes of labour migration and the many dilemmas associated with conceptualizing its impact on poverty in the broader sense.

In destinations, workers have poor living and working conditions, lack citizenship rights, entitlements and voice. Their wages are lower than the legal minimum. However, at the cost of hardship and low consumption levels, they manage to save a good portion of their income which they remit or take back home. At origin, it is clear that migrants are able to secure employment for longer duration as well as receive higher wages than non-migrants. Their remittances are used to boost consumption, the condition of residential housing, expenditure on children's education, and selective investment in other assets. Although it is not possible to control differences in initial conditions, higher wage incomes among migrants, compared to non-migrants indicate that migrant labourers have more income to deploy in order to improve living conditions of family members.

The surveys collected data on the monthly consumption expenditure of migrant and non-migrant households at destination and at source.<sup>19</sup> These results are presented in Table 4.1 which also estimates the percentage of sample households and population which were below the poverty line based on the Tendulkar Committee methodology and also the proportion of households who were found to be below the \$2PPP figure used by the World Bank as a poverty benchmark.<sup>20</sup>

These results show that the current (consumption) poverty level of migrant households in both Samastipur and Malda is significantly less than the corresponding level among non-migrant households. These differences persist even at the higher

benchmark (\$2PPP) Migrant worker consumption levels at destination are, however, quite depressing and are, in fact, below the level of their families at origin. Between the two source villages, both migrant and non-migrant households have much higher levels of poverty which may be due both because of somewhat higher land ownership among labour households as well as access to non-farm employment (*beedi* making).

Recent data on consumption expenditure indicates that there has been a relatively more rapid decline in the percentage of people below the level of consumption expenditure suggested as the poverty line level of expenditure by the Planning Commission Expert Committee on Poverty Estimates chaired by late Prof. Tendulkar (Planning Commission 2009). The decline in these proportions has also been more rapid in rural areas.<sup>21</sup> The decline has also been faster amongst casual labourers, although the incidence of poverty amongst them is still the highest.<sup>22</sup> This is also a period which has seen a rapid rise in the numbers of workers employed in the construction sector and in rural-urban labour circulation as well as increase in rural and urban real wages, with however, the latter being much higher than the former. Greater labour circulation appears to have allowed laboring rural households to have accessed urban employment at higher wages, impacting on consumption poverty

**Table 4.1**  
**Average Monthly Per capita consumption expenditure (Rs.) and Percentage of Households/Population below Poverty Line**

	Delhi	Samastipur (Bihar)			Malda (West Bengal)		
	Migrant labour	Migrant labour households	Non-migrant labour households	All labour households	Migrant labour households	Non-migrant labour households	All labour households
Average MPCE month (INR/month)	1314.22	1302.23	742.69	1184.43	2134.1	1225.73	1744.8
Percentage of households below Tendulkar PL	56	26.67	75	36.84	8.33	22.22	14.29
Percentage of population below Tendulkar PL	68.77	26.59	68.09	50	8.2	24.68	14.57
Percentage of households below \$2 (PPP)	72.67	73.33	100	78.95	29.17	83.33	47.62
Percentage of Population below \$2 (PPP)	82.57	72.83	100	78.64	32.79	87.01	53.77

Source : Survey Data (Worker Survey and Tracer Survey).

levels. In turn, this may also have affected growth in rural wages, thereby also impacting non-migrant labour households, although to a smaller degree, since employment in rural areas is meagre. In summary, the main reason for the observed decline in the proportion of the population below the Tendulkar poverty line appears to be the rising wage rates in the rural and urban areas, the latter trickling back to the rural areas through the savings and remittances of migrant workers.

Given the scale of this study, its results can only be termed as exploratory. However, they suggest that labour migrants are able to improve their income due to higher employment and wages, compared to non-migrant labourers. An increase in consumption expenditure of households, relative to non-migrants, is the most obvious outcome of higher incomes due to such migration. However, these gains are subject to the availability of employment in the construction industry, and life cycle issues. We have noted that construction labourers are young, and workers in migrant households tend to be significantly younger than workers in non-migrant households. The accrual of long term gains would depend upon the continued growth of non-farm employment and productive investment of current savings. Our evidence shows that the other gains over time appear to be larger levels of expenditure on housing and, in some cases, on land. There are no marked differentials in investment in other productive assets, but there are some differences in the pattern of investment in children's education. Labourers who acquire skills are much better placed, with higher earnings compared to low skilled workers. But the probability of skill acquisition is still low and differentiated across social groups, despite skill shortages in the industry. Together, the changes described in this study suggest that the improved incomes of labour migrants may be one factor accounting for lower rural consumption poverty estimated in macro-surveys in India for recent years. However, these improvements are likely to mark a sustained increase out of income poverty only in cases where land and other productive assets, or skills, have been acquired. However, both in this section and in earlier sections, we have also analysed the flip side of higher incomes that labour migrants face in terms of working and living conditions at destination.

#### **4.4 Policy Issues**

This section discusses some policy issues which emerge from the findings of this study. While these findings may have some general relevance to labour migration generally, they focus on labour migration in the construction sector in India.

1. As has been pointed out, most migrant workers in our sample lack local identification. The absence of any form of official local identity for the bulk of construction labourers constrains their access to services and benefits which they would be normally entitled to as local citizens. This includes access to local schools, health clinics, food rations, pensions (in the case of old-age dependents) and so on. Further, their migratory status and temporary residence makes them more vulnerable to communicable diseases while at the same time deprives them and their families of health inspections,

vaccinations etc. These issues have been discussed in Srivastava (2012). The Government of India is implementing a form of resident identification by issuing a unique identification number (UID). However, the UID is associated with residential location and is unlikely to facilitate the acquisition of entitlements. If seasonal migrants are to secure local entitlements, these must be universal and portable and must be delivered in a fashion that they can reach migrants working in isolated spatial settings. It helps if these entitlements are delivered as a legal right and if there are penalties for obstructing the realization of these rights. The Right to Education Act makes it mandatory for schools to admit children who are moving from one area or state to another for any reason, and for schools at origin to grant transfer certificates expeditiously (Clause 5(2) and 5(3) of the Act.<sup>23</sup> Thus no child can be denied education at destination under the Act and it is for the jurisdictions to evolve a suitable modality. As a next step, modalities should be worked out by the central and state governments so that the right of the migrant child to education can be protected. However, the movement of children with migratory parents exposes them to harsh environments and the alternative is to provide them with schooling at origin through stay arrangements in seasonal hostels. In contrast to the Right to Education Act, the National Food Security Act does not provide for portability.

2. Labour migration is almost entirely unregulated and, in the construction sector, mediated by (a chain of) intermediaries. There are, however, a plethora of labour laws that apply to migrant labour. apart from the laws that apply to unorganized labourers generally (these include the Minimum Wages Act, the payment of Wages Act, and the Contract Labour Act), there is a specific legislation that regulates the conditions of recruitment, transportation and work of interstate migrants (the Interstate Migrant Workmen Act, 1979). These laws remain unimplemented because of lack of emphasis, a debilitated labour department machinery, and because most recruitment is through intermediary chains making it difficult to fix responsibility on the principal employer, as required by law.<sup>24</sup> A proper implementation of existing laws would improve the working and living conditions and wages of the workers.
3. At the same time, it is also recognized that these laws are cumbersome and complex, making implementation difficult. Various tripartite bodies as well as expert commissions, including the Second National Commission on Labour (2002) and the National Commission on Enterprises in the Unorganised Sector (NCEUS, 2009) have suggested simplification of labour laws and restructuring into fewer comprehensive laws. The NCEUS recommended a comprehensive law for workers in the unorganized sector with a simple tri-partite structure for more effective implementation (NCEUS 2007). Implementation of these recommendations would provide for a much better legislative architecture and environment for the protection of labour.
4. The revolution in communication technologies and improvement in transport infrastructure has the potential of lowering search costs and transaction costs

and eliminating labour intermediaries. But this has not happened. This is because these intermediaries also play other roles for both employers and labourers. For labourers, contractors may help smooth income/ consumption over lean periods by extending loans. among other things, they also reduce unemployment risk due to their contacts with firms / employers. However, much more important, as long as employers use contractors to recruit batches of workers and to extract work from them, labourers do not have the option of seeking employment without them. The Contract Labour and the Interstate Migrant Workmen's Act needs serious reconsideration. Non-registration of contractors, on-issuance of wage slips, and non-payment of full dues by contractors must attract serious penalties for both employers and contractors. The worker's dues and working conditions must be treated as a joint liability of contractors and outsourcers

5. The Building and Construction Workers' Welfare Act is a historic Act which aims at providing social security to construction workers. Under the Act a cess of up to 1% of cost is imposed on building costs above a certain project cost. More than Rs. 200 billion has accumulated as cess under the Act which can be used for social security measures. But there are serious problems of implementation due to the isolated and segmented nature of the workforce as well as its migratory nature. Workers cannot be easily registered and if registered cannot be easily traced as they move from one place to another. Moreover, many of these workers oscillate between countryside and urban areas. Some recent amendments have been suggested to the Act. These will make registration easier and also allow the fund to be used for purposes that benefit the collectivity of such workers. While the former may also open the system to abuse, the latter change can easily be used to benefit construction workers and their families through creation of shelters, crèches, health camps, health clinics, etc.
6. Given its size, and the incidence of injury and accidents, safety and injury compensation should be covered under a separate legislation for this sector.
7. Migration is mainly a response to the uneven spread of economic opportunity. However, it is also precipitated by displacement or other cataclysmic events. While such migration mitigates adversity, regional and urban development strategies can obviate distress migration as well as lower the costs of migration and increase opportunity-led migration.
8. As shown in this paper, skill acquisition provides a major route out of poverty. In this study, the limited amount of skill upgradation observed has been on account of on the job learning and has been made possible due to the scarcity of skilled labour. Such skill upgradation is limited, patchy, and subject to social inequities. Although the government and the National Skill development Corporation have initiated support for skill building in the construction sector, the outcomes of these moves were not observable in this fieldwork.

### Notes

1. See, for example, PRAXIS, 2002, Mosse *et al.*, 2002, Hirway *et al.*, 2002, Haberfeld *et al.*, 1999; Rogaly *et al.*, 2001, Srivastava and Sasikumar, 2005; Srivastava, 1998, 2011a.
2. The share of migrant in the construction workers, based on estimates from NSS 64<sup>th</sup> round may be underestimates to the extent such survey underestimates the short-term migrants.
3. The terms “organized” and “unorganized” sector in India are used to differentiate between firms and establishments on the basis of size, registration, and social security entitlements. In the manufacturing sector, organized sector firms are those that employ 10 or more workers with power, or 20 or more workers without power, and are registered under the Factories Act, 1948. In the case of other establishments, the definition varies from sector to sector, but usually establishments employing 20 or more workers are deemed to be in the organized sector (see NCEUS 2008 and National Statistical Commission 2012). NCEUS (2008) suggests that the terms “organized” and “unorganized” can be considered as “formal” and “informal” with some distinctions.
4. Construction activity takes place in different stages and involves different skill types and workers. In this study, we have focused on the initial stages, in which the proportion of unskilled workers is higher. In the initial interviews, an attempt has been made to assess the proportion of workers belonging to different skill levels and to different migration streams. Thereafter, although snow balling was used to contact other workers, the effort was to sample workers roughly representing the broad universe to the extent that this was operationally possible.
5. This corroborates findings of several other studies which also conclude that there is a high preponderance of illiterate or semi-literate among seasonal migrants (Connell, *et al.*, 1976; Rogaly *et al.*, 2001 Haberfeld, *et al.*, 1999; Srivastava, 2011a)
6. In our definition, workers engaged as manual labourer and concrete worker are considered as unskilled workers and workers engaged in other works are considered as skilled workers. The other works include carpenter, steel bender, electric welder, scaffolder, electrician, crane operators, signalman, painter, plumber, mason and other
7. In this study, workers who oscillate between destination and source at the end of each work-period (less than a year, but usually more than a few weeks), are considered to be seasonal migrants. Workers who oscillate between destination and source at the end of an irregular and undefined period, usually more than a year, and who may also move from one job to another, or from one destination to another, during their period of emigration, are considered to be circular migrants.
8. The 8 hours minimum wages set by the government of Delhi, UP, and Haryana are as follows:-  
Noida (UP) valid till 31-03-2013 unskilled worker –Rs 149, skilled worker - Rs187.08  
Gurgaon (Haryana) valid till 31-12-2012 Unskilled workers - Rs 191.04 , Delhi valid till 31-03-2013 Unskilled worker Rs 279 Skilled Worker Rs 339
9. Similar pattern of recruitment in the sector through organized migration and its effect on segmentation of workforce has been noted in the earlier literature (see, for example, Mazumdar, 1983; Dasgupta 1987; Mehta, 1987; and Piore 1983)

10. In the unorganized sector, wherever wages are time rates, an eight-hour work day is common. Exceptions to this are tasks which are piece rated and where skilled workers or sub-contractors are involved.
11. Migrant workers facing lack of access to formal training in the jobs, thus limiting the possibility of economic mobility through acquisition of skills has been extensively documented in the earlier literature (Haberfeld Y, 1999; Moss *et al.* 1997; Mitra 2010)
12. The estimates are calculated by dropping 25 observations, based on our observation as outliers which are either less than half or more than twice the average per capita expenses reported by the workers.
13. Throughout this study, remittances refer both to amounts remitted by workers to their families in source areas, in cash or kind, through formal or informal channels, as well as savings taken back periodically on home visits, in cash or in kind.
14. In this study, both resident and non-resident (migrant) members are enumerated as members of the household. However, the computation of per capita consumption expenditure is based on the number of ordinarily resident household members.
15. Total assets include livestock, farming and irrigation equipments, transport equipments and consumer durables possessed by rural households.
16. The use of remittances by migrant households for purchase of farm assets has been also documented in the earlier literature (Oberoi and Singh, 1983, Krishnaiah 1997, Sharma 1997)
17. The monthly per capita expenditure on education estimated from the details of expenses on education incurred by the households on children of the age group of 5 to 14 years roughly gives the similar picture. In V1, the per capita monthly expenses on education incurred by construction migrant worker household, other migrant worker household and non-migrant worker households are Rs 49.85, Rs 36.16, and Rs 4.27, respectively. Similarly, the expenses reported by the construction migrant worker households, other migrant worker households, and other non-migrant worker households in V2 are Rs 80.12, Rs 208.67, and Rs 29.32, respectively. Thus, both villages confirm the trend of migrant households spending higher on education than their non migrant counterparts.
18. Using NSS data, Deshingkar and Sandi (2011) report that migrants report higher average spending on food and health, but lower (average) spending on housing and education. They also note that the marginal spending effects of higher total consumption are negative for both food expenditure and education expenditure. The former can be understood in terms of the Engel's effect. They, thus single out food and health expenditure as the two main components of expenditure on which migrants spend more, on average. However, these conclusions pertain to migrants documented by the NSS, who are permanent or semi-permanent migrants and who face different choices and constraints on spending.
19. As explained earlier, the schedules used in the collection of information on consumption expenditure were quite detailed, but less elaborate than that used by the NSSO in its consumption expenditure surveys. Hence, estimates of expenditure obtained in this study are likely to be slight underestimates and our estimates of poverty may, therefore, be slightly biased upwards. The results reported here need to keep this caveat in mind.
20. The estimates of households and population living below \$2PPP poverty line are based on the purchasing parity conversion of 0.3 in the year 2005. The rationale for considering PPP rupee dollar conversion ratio not later than 2005 is that the series thereafter is based on projection and not actual survey. We however updated the PPP value of rupee based

on difference of CPI in United states and CPI for Industrial worker and Agricultural labour in India as the case may be. The poverty lines thus obtained for industrial worker and agricultural labour at all-India level are then adjusted for state specific poverty line based on the Tendulkar estimates of poverty line for respective states. This exercise gives us a \$2 PPP poverty benchmark (per capita per month) of Rs 1501 for agricultural workers in rural Bihar, Rs 1507 for rural Bengal and Rs 1596 for industrial workers in Delhi.

21. Although the Tendulkar-revised poverty line led to a one-time increase in the rural poverty line and the corresponding HCR, the rates of decline in rural poverty been higher. According to Planning Commission estimates, the all-India HCR (using poverty lines based on the Tendulkar committee methodology) declined by 8.1 percentage points in 11 years between 1993 and 1994 and 2004 and 2005 (8.3% in rural areas and 6.1% in urban areas) and 7.3 percentage points from 37.2% in 2004/05 to 29.8% in 2009/10, with rural poverty declining by 8.0 percentage points (from 41.8% to 33.8%) and urban poverty declining by 4.8 percentage points (from 25.7% to 20.9%). More recent Planning Commission estimates (Planning Commission 2013) show a much sharper decline between 2004 and 2005 and 2011 and 2012. According to these estimates, between 2004 and 2005 and 2011 and 2012, rural poverty declined by 16.1 percent points and urban poverty 12 percent points. The period since 2004 and 2005 also coincides with an acceleration in rural and urban wage rates.
22. Nearly 50% of agricultural labourers and 40% of other labourers are below the poverty line in rural areas, whereas in urban areas, the poverty ratio for casual labourers is 47.1% (Planning Commission, 2012). Thorat and Dubey (2012) have used the 1993 Expert Group derived poverty lines (updated till 2009/10) to analyse inter-group changes in population below this poverty line. Between 2004 and 2005 and 2009 and 2010, this percentage declined by 4.4% per year compared to a rate of 2.2% between 1993 and 1994 and 2009 and 2010. While the rate of decline in poverty was lower than average for labour households during 1993 and 1994 and 2004 and 2005, it became on par with the latter during 2004 and 2005 and 2009 and 2010 suggesting a faster rate of decline in poverty for this occupational group. This is no doubt partly due to improvement in local wages, but our survey also suggests that remittances/savings of rural-urban labour migrants has led to a greater impact on migrant households in the rural areas.
23. <http://www.education.nic.in/elementary/free%20and%20compulsory.pdf>
24. For a fuller discussion of these laws, the interested reader may refer to NCEUS (2007), especially chapters 6, 11, and 13.

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