

Superfluity of migrant workers in the domestic labour market of Kerala –Causes and Consequences

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ABSTRACT

Migration is considered as an activity of changing one's own social conditions by a movement from the present location to a new one. Usually, people move from areas of less economic opportunities and retarded social development towards the developed and fast developing areas where they can expect greater pecuniary gains and consequently better socio economic status. Recently, the labour market of Kerala is characterized by the superfluity of interstate migrant workers in every sector. Their presence is explicit in construction sector, manufacturing sector, service sector including hotels, restaurants, retail and even in agriculture. They are the part and parcel of the blue collar jobs where the local labour is abstinent and unwilling to exert physical efforts needed for its completion. Of course, there exist some factors or forces that initiated this flock movement to every nook and corner of the state of Kerala on one side and it might have created some issues in the present labour market after the inclusion of the migrants in the domestic labour market. This paper is intended to study the problems, prospects and post- immigration issues in the domestic labour market of Kerala.

1. Introduction

Migration, as a topic of discussion and research, is hidden beneath its many facets and different aspects. It is also covered up by buzz words used by the demographers, politicians, economists and industrialists. Various studies in this area have contributed to the complexity of the topic. However, migration remains a burning topic throughout civilizations. It is the movement of people from one place of origin to another place of destination for a stay permanently or temporarily in search of better living conditions. Over 215 million people or 3 per cent of world population are believed to live outside their countries of birth (UN, 2009)¹. People may migrate in order to improve their economic situation or in order to escape civil strife, persecution and environmental disasters. Traditionally, the reasons that encouraging an individual to migrate are categorized as *push* or *pull* factors. While push factors (negative forces) operate in the area of origin such as lack of employment, natural calamity, famine, terrorism; the pull factors (positive forces) act at destination place such as better employment opportunity, infrastructure facilities, peace and tranquility, climatic conditions, better standard of living etc. Usually, people move from less economic opportunities and retarded social development towards the developed and fast developing areas where migrants can expect greater pecuniary gains and consequently better social living conditions. On the other side, these people encounter different problems in the destination places varying from finding a convenient job to the adjusting and language problems. As the labour market is characterized by local workers so far, the entry of inmigrants may create reluctance on the part of existing labourers on one side and local people on other side. This can be eliminated by proper intervention of employers and governmental agencies in this regard.

2. Statement of problem

In every economic transition phase there will be changes in the existing market situation including labour markets. In Kerala significant numbers of employees have migrated to Gulf countries for better earnings and consequent living conditions. At the same time, being part of an emerging liberalized Indian economy, Kerala is also developing in its full swing. The economic development is evident from the growth of construction, infrastructure, real estate and service sectors. Out-migration of local labourers to overseas market has brought large gap in the supply of domestic labourers for many of the manufacturing sectors. (Zachariah et al., 2003)². This gap could be sizably filled by the use of inmigrant labour in the sphere. Contractors or employers are the key persons in mobilizing inmigrant labourers to different sectors and sites as on the demand. There exist some factors or forces that initiated them to depend on interstate migrant workers to complete their task engaged. These factors or problems faced by contractors or employers in the domestic labour market include shortage of local labour, higher wage rates, gawking wages, lack of regularity and enthusiasm of local labourers at work etc. At the same time the employers are facing myriad of issues once the inmigrant workers are included in their labour pool. To address these aspects which are not discussed so far the present study has been undertaken.

3. Objective of the study

- 1) To trace out the reasons that fuelled large immigration to Kerala.
- 2) To understand the consequent issues of post immigration in the labour market of Kerala
- 3) To identify the reasons for preferring inmigrant workers in the labour market of Kerala.

4. Methodology

The stem of this paper was developed with the help of both primary and secondary data. Employers and contractors are the real incumbents related to the problems and prospects of labour market and therefore, the study covered 120 employers who have been engaged in different sectors across the state of Kerala. An interview schedule which consists of major sections such as sector of working, experience in each sector, problems encountered in the present labour market, post migration issues faced, reasons for preferring interstate migrant workers etc. were developed for the collection of primary data. Multi stage judgment sampling is resorted to collect data. Secondary data available from Labour Directorate, Kerala, 64th round of National **Sample Survey Organization (2007)**³ on migration and Census report 2001 and 2011⁴ are also considered.

Quantitative Techniques and Analysis Strategy.

The primary data collected were put in to analysis using different statistical tools for getting sufficient inferences. The tools applied during analysis include Descriptive Statistics, Z test, Kruskal Wallis Test, and Mann Whitney U Test. For receiving valuable inferences, migrants were classified as those from the state of West Bengal and those from other states for some cross verifications. Likewise, the sectors in which the migrant workers are engaged are classified into construction & allied and other sectors.

Theoretical Overview

Since its formation, the state of Kerala has been a haven of immigrants like the Konkans, Patter Brahmins, and The Rowther Muslims etc. from the neighboring states. Even trading communities like the Gugaratis (marvadis), Sindhis and Chettis have their ethnic enclaves in the commercial centre of the state whereas significant numbers of people here are migrated to Gulf countries for better earnings and consequent living conditions. At the same time, being part of an emerging liberalized Indian economy, Kerala is also developing in its full swing. The economic development is evident from the growth of construction, infrastructure, real-estate and service sectors. Outmigration of local labourers to overseas market has brought large shrinkage in the supply of domestic labourers for many of these sectors. This gap has been sizably filled by the immigrant labour working here. That is why migration is considered as an activity involving the calculation of cost and returns (**Sjaastad, 1962**)⁵. **They** showed a propensity to live closer and to maintain a high level of interaction with each other people from the same area; same village and same caste and preferred to stay in the same locality. **Neethu, (2003)**⁶ **opined that** personal and social net working is not only found important in the employment of the migrant as domestics but also in their peaceful living, the basic motivation for migration is predominantly economic all over the world. Mitra (1967)⁷ are of

the view that people move from one place to another in search of better opportunities for employment and income for economic security. In short migration is undertaken by people with the hope of raising resources necessary for improving the standard of living of themselves and their kin's and kiths in a sustainable basis.

5. Analysis and interpretation

1. Problems in the Labour Market.

This section of analysis is intended to perceive the problems, if any, experienced in the labour market of Kerala that initiated a flock movement of interstate migrants. It is divided into two parts as first part to analyze various problems faced by the employers or labour contractors in the labour market of Kerala and second part being specified with the preference of interstate migrant, if any, to domestic labour for transacting business in their operational areas. Table 1 presents the problems experienced by contractors/employers with their rank and mean score. Further, the problems are again cross examined with the sector of working and experience in their field and the result of the same is reported in Tables 2 and 3.

Table 1: Ranking of problems experienced

Problem	Mean Score	Rank
Non availability of local workers	5.8	1
High wage rates	4.6	2
Shortage of skilled/semiskilled workers	3.9	3
Lack of regularity and enthusiasm at work	3.4	4
Gawking wages (NokkuKooli)	1.9	5
Interference of local trade unions	1.8	6

Source: Primary Data.

In this context, the problems experienced/encountered by the contractors in the labour market of Kerala are analyzed. From the response of the contractors surveyed (reported in Table 1), it came to know that non availability of local workers contribute to the major problem in the labour market they experienced. High wage rate prevailing in the labour market is also found as an important problem they encountered. When interference of local trade unions and gawking wages were ranked at average level, shortage of workers and lack of regularity and enthusiasm perceived at low scales by the respondent. It is pertinent to mention that the non availability of local workers is the most significant problem and not their wage rate.

1.1 Problem Experienced and Working Sector.

H0: There is no difference between working sector and problems experienced in the labour market.

Table: 2 Comparison of problems experienced and working sector.

Problems	Construction & relating		Manufacturing & relating		Z	p
	Mean Score	Rank	Mean Score	Rank		
Non availability of local workers	5.9	1	5.7	1	1.53	0.127

High wage rates	3.9	3	4.8	2	8.28	0.046*
Shortage of skilled/semiskilled workers	4.4	2	3.9	3	0.35	0.724
Lack of regularity and enthusiasm at work	3.1	4	3.7	4	1	0.320
Gawking wages (NokkuKooli)	2.1	5	1.7	5	1.16	0.246
Interference of local trade unions	1.9	6	1.7	6	0.72	0.473

*: - Significant 0.05 levels

Source:-Primary Data.

Problems encountered by the contractors/employers are also analyzed with the sector they involved in their work life in Kerala. The value as reported in Table 2 shows that the factor namely non availability of local workers shows a high mean score in both sectors of construction and manufacturing. While factors like shortage of skilled workers and lack of regularity and enthusiasm were moderately ranked, gawking wages and interference of local trade unions were ranked at lower scales. It is also evident that as compared to construction, manufacturing segment were facing high wage rate issue in the labour market, on the contrary shortage of skilled labourers were affecting the construction segment. Mann-Whitney U Test administered to verify the statistical significance of difference

among different working sector showed a significant difference of opinion among different working sector in the variable namely high wage rates. All other factors described here are perceived convergent ranking by different working sector respondents and hence we can't conclude that the sectoral classification is significant in understanding the problems encountered by contractors/employers of labour market in Kerala.

1.2 Problem Experienced and Work Experience.

H0: There is no difference between work experience and problems faced in the labour market.

Table 3: Comparison of problems faced and experience in their field

Problems	<=10		>10		Z	p
	Mean Score	Rank	Mean Score	Rank		
Non availability of local workers	5.9	1	5.6	1	1.72	0.085
High wage rates	4.5	2	4.4	2	0.15	0.880
Shortage of skilled/semiskilled workers	4.1	3	3.8	3	0.51	0.608
Lack of regularity and enthusiasm at work	3.1	4	3.7	4	1.44	0.151
Gawking wages (NokkuKooli)	1.8	6	1.9	5	0.1	0.921
Interference of local trade unions	1.9	5	1.7	6	0.28	0.776

Source:-Primary Data.

In this section of analysis, the problem factors faced by the contractors while mobilizing migrant workers to their work place are compared with their experience in respective field. Irrespective of the experience factor, non-availability of local workers has been projected as the most significant problem prevailing in the labour market of Kerala and it is interesting to note that the interference of local trade unions is the least important and most insignificant problem for all contractors irrespective of their work experience. Mann –Whitney U test administered to see significant difference if any, in case of the problems they confronted, fails to support the null hypothesis that there no significant difference between contractors towards the problems faced in the labour market of Kerala. This nullifies

the effect of such experience wise classification in studying the problems faced by them.

2. Post migration issues in the labour market of Kerala.

To have a clear view on the issues, the contractor's perception on the problems faced by them after the arrival of migrant community in the labour market in Kerala and inclusion of them in the labour pool are also analyzed and the results of the same are presented in Table 4 based on the ranks assigned to them. The issues are further analyzed on the basis of the work experience and sector of working of contractors in Tables 5 and 6.

Table 4: Ranking of issues felt after the arrival of migrant community in the labour market.

Issues	Mean Score	Rank
Accommodation and primary amenities	3.9	1
Threat from Trade Unions	2.6	2
Unemployment of Local labour	2.3	3
Conflict /Dispute between local labour and ISM workers	1.3	4

Source: Primary Data.

The Table 4 is a real depiction of the issues felt by the contractors as a result of the mass movement of interstate

migrant workers to the state of Kerala. Contractors ranked their issues varying from unemployment of local labour,

accommodation and primary facility, dispute between local labour and migrant workers and threat from trade unions. Among these variables finding a provision for accommodation and primary amenities has ranked first and dispute between local and migrant workers are placed as the least important issue. It is learnt from the sample survey that the local people are reluctant to provide accommodation and they fear the nearness of these migrants.

3. Preference level of migrants

Migration is the process of shifting ones settlement to another place either temporarily or permanently. It is the activity of relocating ones residence to another area for some causes and consequent effects. Various studies conducted all over the world revealed that their absorption or repulsion depends on the acceptability and adaptability to the new horizons. Bhattacharya (2002)⁸, observed that migrants who have obtained high level of education are likely to be absorbed in the formal sector while, less educated or unskilled are absorbed in the informal sector where high level of physical

exertions are required. Usually migrant’s acceptability to any community depends on their adaptability to the environment also, Kundu and Sarangi (2007)⁹.

The present study also made an attempt to understand the preference level of migrant workers in the present labour market of Kerala. The contractors or employers who were the real beneficiaries of the effort of migrant workers responded positively to the problem. As part of the study it is attempted to see the extent of preference, if any, by tracing out the variables such as non availability of local labour, high wages of local labour, hard working nature of migrant workers and their regularity and punctuality at work.. The reasons for preference have further cross examined with the working sector and work experience in the field to get more statistical inferences, if any. The reasons as per the preference given by contractors are depicted in Table 3.1 and the same are further cross-examined with sector of working and experience in the field in Tables 3.2 and 3.3.

Table 3.1: Ranking of reason for preferring migrant workers

Reason	Mean Score	Rank
Non availability of local labour	3.5	1
High wages of local labour	3.4	2
Regularity and Punctuality at work	1.6	3
Hard working nature of ISM workers	1.5	4

Source: Primary Data.

The Table 3.1 is a clear depiction of reasons for preferring immigrant workers in the labour market of Kerala. The variables identified in this regard include non-availability of local labour, high wage rate of local labour, hard working nature and regularity of work. All these are well addressed and when

asked for ranking, the variable namely non-availability of local labour has come on the top of the ranking showing the significance of this variable. On the contrary, hard working nature of migrant labour may not form a priority for the contractors to prefer them to local labourers.

Table 3.2: Comparison of reason for preferring migrant workers based on the working sector.

Reason	Construction & relating		Manufacturing & relating		Z	p
	Mean Score	Rank	Mean Score	Rank		
Non availability of local labour	3.9	1	3.0	2	5.46	0.001*
High wages of local labour	3.1	2	3.8	1	5.53	0.001*
Hard working nature of ISM workers	1.5	4	1.5	4	0.12	0.907
Regularity and Punctuality at work	1.5	3	1.7	3	0.75	0.454

*: - Significant at 0.05 levels

Source:-Primary Data.

The reason for preferring and including migrant workers in the labour pool by contractors and employers of different working sector were analyzed with Mann-Whitney U Test. High wage rate of local labour and their non availability in the labour market of Kerala have shown a highly significant difference between contractors/employers of construction and manufacturing sector. The factor namely

local labour and the high wage rate prevailing in the labour market of Kerala as two major factors. The study also reported the difference of opinion among employers under construction sector and other sectors and those having different work experience. The study also verified the issues they encountered after the inclusion of migrant workers in their labour pool. Finding a provision for accommodation for the immigrants and threats from the trade unions are the major post migration issues felt in this regard. Slight variations in the opinion were noted among employers of construction sector and others and those with different work experience.

6. Conclusion

To conclude, it is very much evident from the above discussions that in the section of analysis related to problems in the labour market of Kerala that persuaded the employers to depend on the interstate migrant workers, non availability of

The study also extended its search for tracing the preference level and the reasons for preferring migrant workers in the labour market of Kerala from the perspective of employers/contractors. It is observed from the analysis that non availability and high wage rate of local labour are the main

reasons for preferring migrant workers here. It is interesting to note a cause and effect relation arise from the problems in the labour market and reason for preferring migrants in the state of Kerala. Problems experienced in the labour market become the reasons for preferring them in the domestic labour market.

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