# URBAN INDIA



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# **Special Issue on Migration**

Overview of Migration Seasonal Migration Gendered Migration

Migrant Child Labour

Job Search and Labour Market Outcomes

Migration and Conflict

Legal Aspects of Migration

Book Reviews





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# URBAN INDIA

volume 34	issue i	January-June 2014	13314 0970-9043
Preface			ii
Editorial			iv
Acknowledgemer	nts		)
Internal Migration S Chandrasekhar an		ng the Context	1
Drivers and Impact	ts of Migration		
Rural-urban Seaso	onal Migration	tanding the Process of in India	c
Migration Study	Report of Gaisil	at Block of Bargarh District of ra Tripathi, Jadumani Pradhan	Odisha
Labour Market in (	Cities		
at the Destination	n: The Case of L	onditions of Migrants .ucknow	47
Well-being of Mig Daily Labour Mar Karthikeya Narapara	kets in Navi Mu		68
Migrants in Hyde	rabad	e <b>ga City: A Study of</b> darshini, Sayed Nayeem, P. Raghavo	endra 87
The Socio-econon Bangalore and In Smita Premchander,	nic Status of Mi tervention Plan V. Prameela, Sha	grant Construction Workers in to Improve Their Livelihoods	1
		a: A Gendered Perspective	134





# Legal Protection for Migrant Workers

Child Labour in Cotton Seed Production: A Case of Cotton Seed Farms in North Gujarat	
Ashok Khandelwal, Sudhir Katiyar, Madan Vaishnav	157
Policies to Safeguard Migrants' Rights: A Critical Approach Debolina Kundu	184
<b>Legal Primer: Child Labour</b> Ashok Khandelwal, Sudhir Katiyar, Madan Vaishnav	213
Legal Primer: Brick Kiln Workers and Bonded Labour Action Aid, Hyderabad	220
Book Reviews	
'Urbanization in India-Challenges, Opportunities and the Way Forward' Edited by Isher Judge Ahluwalia, Ravi Kanbur and P. K. Mohanty, Published by Sage Publications, New Delhi. Chetan Vaidya	228
'Perspective in Urban Development: Issues in Infrastructure, Planning and Governance' Edited by Ramanath Jha and Jyoti Chandiramani,	
Published by Capital Publishing Company, New Delhi Pragya Sharma	232
'India: The Urban Transition - A Case Study of Development Urbanism' by Henrik Valeur,  Published by Architectura and Natura,	
Book Sellers and Publishers, Amsterdam Mukta Naik	235



# INTERNAL MIGRATION IN INDIA: SETTING THE CONTEXT

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# Introduction

When it comes to creating jobs, India needs to start over. Starting over is not easy when India has fallen way behind on creating jobs. So how far did India fall behind? India's gross domestic product increased 3.8 times from \$494 billion in 2001 to \$ 1.88 trillion in 2011. Normally, one would have expected sufficient number of jobs to be created on the way to becoming a trillion dollar economy. Yet, this did not happen. During this period there was a miniscule increase in the workforce participation rate from 39.1 to 39.8 percent. In effect, the number of workers increased by 79.5 million. This is an aberration for an economy whose GDP is closing in on the two trillion dollar mark. Another aberration was the way the composition of gross domestic product changed. In 2001, the composition of gross domestic product of India was: agriculture and allied services 22.26 percent, industry 27.25 percent and services 50.49 percent. In 2011, the corresponding numbers was 14.59 percent, 27.92 percent and 57.49 percent respectively.1 The fact that India never built a robust manufacturing sector is well known but it is also true that it is an oddity rather than the norm. India's growth story was driven by the services sector. India proved to be an outlier in comparison to other countries in similar stages of development. In a recent article reviewing India's growth performance, Kotwal et al. (2011) outlined the basic challenge as follows: "An important component of growth-moving labour from low to high productivity activities has been conspicuous by its absence in India. Also, as the labour to land ratio grows, it becomes that much more difficult to increase agricultural wages and reduce poverty" (p. 1195). In short, India's labour market, and in particular the rural labour market, has been under pressure.

Source: http://planningcommission.nic.in/data/datatable/0814/table 4.pdf



# **Worker Mobility**

Jan Breman, who studied the transition in the rural economy of southern Gujarat over a span of 30 years, not only documented the changing importance of non-agricultural activities in rural India, but also highlighted the mobility of workers in search of work. He finds that on account of slow growth and stagnation in job creation in agriculture, rural workers are moving towards the urban economy. Much of what he talked about in his book - seasonal migrants and foot loose labour - has become extremely relevant today in the context of understanding mobility of India's workforce (Breman, 1996).

In the fifteen year span of jobless growth there has been an increase in worker mobility. Worker mobility refers to those who migrate either for short periods of time (short-term/seasonal) or permanently (long-term) or those who commute long distances of work either daily or weekly.

Short-term migration has become important in recent years. A 2007-08 NSSO survey estimated that there are 12.58 million short-term migrant workers residing in rural India (Government of India 2010), while scholars like Deshingkar (2006) and Srivastava (2005) estimate much higher numbers. As per NSSO, short-term migrant is one who migrated for more than one month but less than six months. The six-month cut off has proved to be a lightning rod for criticism of official estimates since insights from the field suggest that many short-term migrants could be away for periods of six to nine months and continue to reside in rural areas.

Seasonal migration is one of the most common strategies adopted by the rural people especially when they face challenges that affect their work related to agriculture like lack of irrigation water, extreme climatic conditions. In addition to working in textile sector and mining, majority of short-term migrants end up in the construction and brick kiln sector. This is not surprising since the construction sector accounted for 8.1 percent of gross domestic product in 2007-08 and has also grown at well above over 5 percent per annum (Government of India, 2013). However, finding employment in the construction and allied sectors did not prove to be a ticket to improved livelihoods. Field studies have established that the rights of construction workers are routinely violated leading to litigation. The Supreme Court of India has ordered the full implementation of the Building and Other Construction Workers (Regulation of Employment and Condition of Service)



Act, 1996, and the Building and Other Construction Workers Welfare Cess Act, 1996. Despite this the working conditions of construction workers have not necessarily improved.

When feasible, an alternative to migration is to commute long distances to work. This is particularly so in the current context where the seasonality in availability of jobs and anaemic growth in nonfarm employment has meant that workers seek opportunities on a daily basis and commute to where jobs are available. In the last couple of decades, the number of two-way commuters between rural and urban areas on a daily basis has seen an explosive growth. This includes a large number of workers engaged in menial service sector jobs who do not have a fixed place of work. Considering rural-urban, urban-rural commuters and those with no fixed place of work between 1993-94 and 2009-10, India has seen a nearly fourfold increase (from 6.34 million to 24.62 million) in the number of two-way commuters between rural and urban areas (Sharma and Chandrasekhar, 2014). These estimates are from the National Sample Survey Organization's survey on employment and unemployment.

The same macro factors that drive migration also drive commuting: a lack of jobs in rural India and its small towns; an increase in employment opportunities just outside city boundaries; rural-urban wage differentials; and a shift in the location of the formal (informal) manufacturing sector from urban to rural (rural to urban) areas. From the perspective of rural residents, since the benefits of rural development programs are not portable, commuting, if feasible, is more attractive than migration. Urban residents would rather commute than migrate to rural areas since urban amenities are better than rural amenities.

The unfortunate fact is that we still do not know much about either short-term migration or commuting in any great detail. In that sense, both these phenomena are a black box and we need to unravel them to understand and address the well being of households. First, we need to understand how the sources of income of rural households in India have changed over time. We need estimates that would establish the importance of remittances by migrants and economic contributions of commuting workers as a source of income. Second, we need to understand why estimates of various types of migration flows, in particular short migration flows, captured by official data are at variance with localized studies. It is important to identify and plug the source of this disconnect. Third, we do not fully understand the extent to which





rural-urban migration contributes to the phenomenon of urbanization of poverty, i.e. an absolute increase in the number of urban poor. And finally, given the concern over exclusionary urbanization we need to understand the legal and structural impediments to migration. Hence, in order to have meaningful conversation that goes beyond the descriptive, we need rich data on the costs and benefits of commuting and short-term migration.

### What the Government Needs to Address

There are two issues that the government needs to address. The first is to fill key data gaps. The second is universal portability of rights.

Nationally representative data sets available as part of Census of India<sup>2</sup> and surveys conducted by National Sample Survey Organisation<sup>3</sup> (NSSO) provide reliable estimates on extent of internal migration in India. Without doubt, the analysis of these data sets has helped identify the different migration streams and the household characteristics of migrants. One major constraint of working with NSSO data is that they do not have information on the economic condition (income or consumption) of the migrant household before migration. Very limited information on status before migration is collected thereby not facilitating any ex-ante and ex-post analysis of migration outcomes. To study the behaviour and factors influencing migration of individuals, historical information is of utmost importance. Lack of panel dataset on migration is a very big limitation for studying the growth and dynamic aspects of migrants and also formulating appropriate policies.

<sup>&</sup>lt;sup>2</sup> For operational purposes Census of India refers to internal migration as "any movement within the political boundaries of a nation which results in a change of usual place of residence. It may consist of the crossing of a village or town boundary as a minimum condition for qualifying the movement as internal migration. Thus, the concept of internal migration involves implicitly an imposition of boundary lines which must be crossed before a movement is counted as internal migration". A migrant is defined "as a person who has moved from one politically defined area to another similar area. In Indian context, these areas are generally a village in rural and a town in urban. Thus a person who moves out from one village or town to another village or town is termed as a migrant provided his/her movement is not of purely temporary nature on account of casual leave, visits, tours, etc."

<sup>&</sup>lt;sup>3</sup> NSSO conducts regular surveys on the employment and unemployment situation in India along with occasional surveys on Migration in India (July 2007-June 2008, July 1999-June 2000, Jan-June 1993, July 1987- June 1988 and Jan- Dec 1983). These surveys provide socio-economic, demographic particulars and employment outcomes of the migrant households, out-migrants and non-migrants.



Detailed discussion on the data gaps and disagreement over estimates of migration is available in Chandrasekhar and Sharma (2012).

Some government programmes have the feature of portability built into them. Consider the case of Rashtriya Swasthya Bima Yojana (RSBY), a health insurance scheme for below poverty line families. Under RSBY it is possible to issue a split card in case a member of the household is moving to another district. The split card can be used at a district different from the place of issue. The total amount covered with the two split cards is equal to the amount of coverage before the card was split. While the RSBY is at least on paper migrant friendly, the same cannot be said about the ability of migrants to avail of the necessary documents. Access to several government schemes is not possible once people are working outside their panchayats. Hence the migrant is unable to benefit from the public distribution system. While efforts are on to specifically link migrants with such schemes at the destination, it is particularly important for policy level deliberations on universal portability of rights which make access to schemes and services independent of location or domicile status.

# The Role of Non-government Actors

Many Non-Governmental Organisations (NGOs)have been playing multiple roles in assisting migrant workers. These organisations are working closely with migrants at source, at destination and along specific trade corridors. Over two lakh migrants have benefitted from the efforts of 33 NGO partners under the Tata Trust Migration program. The objective of this program is to reduce the vulnerability and enhance the income and savings potential of migrant households, thereby contributing to their financial security, wellbeing, social and family support structures.

While the Reserve Bank of India has taken measures to promote financial inclusion, it is the NGOs who have acted as facilitators. They have assisted in the process of opening of bank accounts and issuance of PAN cards. There has been some success with certain banks accepting NGO issued identity cards as proofs of residence based on proper authentication and validation by local self governing bodies like the Panchayats. Providing handholding to link workers with life insurance and investment cum pension products like NPS Lite has clearly emerged as a promising avenue of financial security. Financial literacy campaigns for migrants at construction sites and brick kilns





have been found to be very useful in generating awareness. For a target group that contributes not only to the rapid growth of the urban economy, but also to the regional economy through remittances, it is important to explore how savings and investments can be better harnessed, while providing for post-retirement benefits and access to loans.

Progress in financial inclusion has, however, been tardy in regions with a large concentration of India's nearly 66 million rural labour households (Chandrasekhar, 2014). Lack of collateral limits the ability of agricultural labourers to borrow. As per the Census of India 2011, less than 40 percent of households availed banking services in large parts of Madhya Pradesh, Chhattisgarh, Orissa, West Bengal, Jharkhand, Bihar, and North East. These states have a large number of households whose members work primarily as labourers. They are landless, poor and hence tend to migrate. As is well known, these states account for a large share of short-term migrants. Financial inclusion alone will not translate into credit worthiness. If lack of access to land constrains progress in access to credit markets then it is a cause for concern since land is scarce and hence linkages with insurance and pension products as well. Also, not all rural households will be able to offer the comfort of having an asset to the lender.

The civil society actors have also worked out localised strategies to cater to migrant individuals and migrant households. While a large proportion of migrants are single male migrants who live together at destinations, there are also several migration corridors that witness the movement of family units. This is particularly true in case of brick kiln workers and certain categories of construction workers. In case of such groups, special inputs on health, hygiene and education are required at the sites to support migrant families. Mapping of such kilns and sites have proved useful to inform the administration to include such locations in the plans of the local administration at the destination under programs like the mid-day meal scheme, immunization drives etc. Shelter, housing and rain baseras (night shelters) have also emerged as important since expenditure on housing is reported to be the single biggest cost element at the destination, followed by expenditure on healthcare. The approaches are getting refined as part of an ongoing learning process across the network of 63 migrant resource centres supported by Tata Trust Migration program.

So far, the program has established 67 migrant resource centres across the country. At these centres, 2.5 lakh migrants have been registered, 12,000



trained in varying skills and insurance claims of Rs 5.8 crore have been settled. A strong technical and research unit, the Centre for Migration and Labour Solutions (CMLS) in partnership with Ajeevika Bureau has been set up and a Certificate Program in Migration was initiated last year. With a repository of information and resources in the form of the SHRAM portal and a successful policy partnership with UNESCO, the program is now positioned to be intensified through its NGO and research partners.

Since migrants are a transient group who are available at source locations at limited periods of time and without proper access to habitat at the destination, finding opportunities to meet them to address their issues is a challenge. To this effect, the network of migrant resource centres has played an important role by acting as drop-in centres. These centres act as a one-stop shop for various services like counselling, legal literacy and employment linkages. There is great scope to leverage technology to track, map and stay in touch with this segment, which is always on the move. Initiation of tools like labour helplines have helped migrants to come to the centres when the need arises, as opposed to service providers trying to reach out to them all the time. A large segment of labour market issues are in the form of disputes with the employer or contractor for non-payment of wages. Experiences of cases reveal that tracking and follow up with the support of pro-bono lawyers or paralegal workers goes a long way in improving awareness and helping in settlement of claims. Scaling up such facilities by the government and active involvement of local elected bodies in activities like registration of migrants and setting up an active contact platform will help mainstream such interventions.

# **Discussion**

Current approaches to understanding the process of migration or commuting often overlook just their contribution to the urban economy. Also overlooked is the human perspective - the reasons for the decisions to migrate and the conditions of the individuals who decide to migrate. Today, at the rural end the district administration views migration as an indicator of failure of rural development programs. At the urban end, municipalities view migration as putting pressure on the cities fragile resources. The reality is that with a changing economic model, such movements are bound to happen as people seek alternatives and gravitate towards locations where jobs are available. An empathetic local administration willing to test out some innovative



practices is critical to reduce vulnerability of migrants. This will enable enumeration of migrants at both rural and urban ends and ensuring access to services at both ends so that migrants don't fall through the cracks.

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