

Economic Impact of Pandemic COVID-19 on Migrant Labours' in India

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Abstract

Migration has been a global and growing phenomenon since the period of human civilization. Migration takes place due to the many factors such as transferring of family from one place to another place, job and employment, to take the advantages of education by the students in the different cities, some are of forced migration due to the conflicts and natural disasters etc. etc. Of late, the migration has been tremendously seen for employment. Most of India's labor markets are being dominated by migrant workers. The cities and town have been experiencing the shortage of semi skilled laborer and the results the employer often have to bring laborers from the rural areas. This paper is attempted to highlight the economic impact of Pandemic COVID-19 virus on Indian migrants' workers. Due to the rapid expansion of COVID-19 virus like a forest fire and implementation of the control measures by the Government of India in the different phase; namely JANATA CURFEW followed by 21 days total country lockdown and 19 more days of lockdown and so on in the country has severely caused the economic conditions of migrant laborers. The migrant workers fall under the unorganized sector labor. They are not protected with social security measures announced by the Government such as Insurance, Provident Fund and other benefits. These labourers are paid wages by the employer on a daily basis. Some of bread-and-butter earners in the family have also died in COVID-19 due to the unaware of its prevention measures. This has brought uncountable number of problems in the many hundreds of migrant workers in the country.

Keywords: Migrant Labour, Economic Condition, Occupation, Structure

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Introduction

As per the definition provided by the Wikipedia migrant workers are person who is either migrates to home country or outside the country for seeking job. Migration can be understood by way of movement of people from one place to another place for different purpose. When a person is moving to other places for seeking job and employment than that phenomenon is basically known as migrant workers. Migrants' workers are generally seen on seasonal basis hence this is also said to be seasonal migrants. Migration of laborer in India has become an important factor for the socio-economic development. According to the National Sample Survey 2007-08 data available in the census 2011 total of 28.3% workers are seen migrants. Thus, the migrant workforce has become an important human capital for fueling the economic growth of the nation. The Ministry of Programme Implementation, Government of India on January 2017 states that, the total GDP of the country was seen growing 7.9% in the year 2015-16 with the help of migrant workers. The gradual rise of GDP with the help of migrant laborers in the country has led the government on India to launch Make in India Program in September 2014 which sets as a part of economic reform. The aim of

launching the make in India programs is to accelerate GDP by 25% in manufacturing sector. But the Covid-19 has totally changed the scenario of migrant workers activity. The pandemic has stopped all the migrant and non-migrant workers from moving from one place to another place for their survival.

Objectives of the Study:

The researcher has undertaken following objectives for preparing the paper;

- i. To know the percentage of migrant workers in the country,
- ii. To know the economic impact of COVID-19 on Migrants workers in India
- iii. To know the relief measures announced by the Government of India to Migrant workers
- iv.

Research Methodology

The research paper is fully based on the secondary source of data. The data has been collected from the publications of National Sample Survey 2007-08, Census of India 2001 & 2011, Report of the working group on migration prepared by Ministry of Housing and Poverty Alleviation 2017 and the various publication relating to migrant labours in India. The data were collected and analysed in a best possible manner to bring the outcome of the study.

Review of Literature

There are some important articles and writes up on these issues. Some of the relevant works and literatures on the migrant workers and its economic impact by the covid 19 have been considered for this study.

McNeill (1984), the country India has a long history of migration which has bent its culture, social history, and pattern of development. The spread of the population during the pre-colonial era were mainly for business and religious purposes.

Hutton (1986), migration taking place due to the military agitation, also played a significant role. People had to travel long distance for searching pastures for their livestock. The shifting of nomadic migration even for the short distances was a significant characteristic of the Ghatik Valley. This kind of practices are still seen in some parts of Madhya Pradesh and Rajasthan in central India, which is one of the oldest forms of migration in the history of human civilization.

Kingsley Davis (1951), in his work on India argued that Indians were seen less mobile in case of migration. His findings were based on inter-provincial and state migration. This shows 3.6 per cent in India in 1931 in-comparison to 23 per cent in the United States in the year 1940. Davis has attributed the fact that the prevalence of the joint families, wide diversity of culture and languages, caste system, traditional values, the lack of education, semi-feudal land relations and the predominance of agriculture system in India. Moreover, it is seen that Indian migration is predominated within the state.

Boyle et al. (1998), India has faced particular difficulties as a result of the coronavirus. The main causes of this include the 1.3-billion-person population living in many States with varying degrees of health infrastructure as well as social, cultural, and economic disparities. There have been significant differences in how prepared state governments have been to combat the virus. Kerala used thorough testing, contact tracing, etc. after contracting the Nipah virus in 2018 to stop the spread. Similar to this, the State of Odisha has had a number of natural calamities, and the State administration responded appropriately in each case. Migration can be defined as the temporary migration of people from one location to another.

Mishra and Sayeed (2020), The virus drastically altered the existing systems and created a whirlwind of difficulties that the people had never encountered before and

had no idea how to handle. Due to the novelty of the crisis, the uncertainty it brought with it about how and when things will return back to normal, as well as the sense of impending catastrophe, this finally caused overwhelming panic and increasing anxiety among the population.

Results and Discussion

Intercensal Migration Streams:

Since the dawn of human civilization, migration has become an international phenomenon. As a result, employment has emerged as the main driver of migration. The following table categorizes the types of movements that people make in search of job, including rural to rural, rural to urban, urban to urban, and urban to urban. It can be seen from the table-calculated statistics of the censuses in 2001 and 2011 that the percentage of persons moving for job has varied from region to region and year to year.

Table 1: Streams of Intercensal Migration

Area	2001	2011	% Change
Rural to Rural	12.3%	11.20%	-1.1%
Rural to Urban	39.6%	42.55%	+2.95%
Urban to Rural	19.2%	15.58%	-3.62%
Urban to Urban	28.87%	30.64%	+1.77%
Total	100%	100%	-

Source: Authors calculation using data from census 2001 and 2011

12.3% of persons moved from rural-to-rural areas in the year 2001; by 2011, this number had dropped to 11.20%. There has been a -1.1% change in percentage during the past two years. More migrant workers were observed in the rural to urban group. It has contributed 39.6% in 2001 and 42.55% in 2011, while from 2001 to 2011, urban to urban contributions ranged from 28.87% to 30.64%. The percentage of migratory labour has increased from rural to urban by 2.95% and from urban to urban by 1.77%. It's interesting to note that both rural to rural and urban to rural migration of labour is experiencing a drop in two phenomena. The majority of the migratory labour is seen to be migrating to metropolitan regions. The previous section said that foreign workers make up the majority of the labour force in India. They typically travel from the countryside in search of seasonal work in industries like manufacturing, public service, construction, etc.

The movement of labour is a significant factor influencing India's socioeconomic development. About 28.3% of the workforce in India is made up of migrants, according to data from the National Sample Survey (NSS) in 2007–08 (the scant data from Census 2011 does not include employees). By transporting human capital to areas where it is required, migrants help the Indian economy by facilitating the development of new talents and a higher standard of living (Korra 2011). In the past, rural-urban migration has contributed significantly, if not primarily, to the urbanization process (Mitra and Murayama, 2011). In addition, there has been concern over the economic, social, and political marginalization of these migratory workers. Table no. 2 shows the 73% of total female have their shared on the migrant record from the rural whereas a significant percentage i.e. only 6% contribute by male of rural areas. When we see the variance with the rural and urban than the urban migrants amongst the male and female does not show much differences. However, the percentage has significant difference in number i.e., share of male migrants specially in urban is 33% and 56% are from female categories.

The result shows that more female workers are contributing the share in migrant workers record in the difference sectors of activities. The activities taken into the consideration are primary, manufacturing, public sector, construct, traditional service and modern service.

Table 2: Share of Migrant Workers in Total Workers by Major Sectors

Sectors	Rural		Urban	
	Male	Female	Male	Female
Primary	4%	75%	20%	65%
Manufacturing	13%	59%	38%	51%
Public service	16%	69%	40%	56%
Construction	8%	73%	32%	67%
Traditional service	10%	65%	29%	55%
Modern service	16%	66%	40%	52%
Total	6%	73%	33%	56%

Source: NSS 2007-08 * Using the National Industrial Classification codes of 2004 (NIC)

This discussion seems to suggest that, on the whole, migrant workers' access to employment is not a significant binding constraint. We examine this problem in depth. To evaluate if there are any notable differences in the makeup of migrant and non-migrant workers, we first take a look at their occupational structure. The fluctuation in the share of migrant employees in Table 2 suggested that certain differences can be anticipated. However, Table 3 suggests that this might not be a significant issue. First, there are not many differences in the occupational composition of female migrant and non-migrant workers in urban or rural locations, with the exception that migrants are slightly overrepresented in primary sectors and underrepresented in manufacturing.

The occupational structure of migrant workers and non-migrant workers shows significant differences in the different types of industry. It is noticeable that the percentage of migrant worker is higher than the non-migrant workers in the different occupational structure in rural and urban areas.

Table 3: Occupation Structure of Migrant and Non-Migrant Male Workers

Industry Type	Rural		Urban	
	Migrant	Non-migrant	Migrant	Non-migrant
Primary	65%	37%	7%	3%
Manufacturing	8%	17%	22%	27%
Public service	4%	11%	8%	11%
Construction	8%	10%	10%	9%
Traditional service	12%	20%	41%	33%
Modern service	2%	5%	12%	16%
Total	100%	10%	100%	100%

Source: NSS 2007-08* Using the National Industrial Classification codes of 2004 (NIC)

While there is an expected significant difference for males in rural areas, where non-migrants are significantly more involved in primary activities, the gap in urban areas is not very pronounced. Although there is a slight underrepresentation of immigrants in traditional services and a slight overrepresentation in manufacturing, it would be difficult to conclude from these overall trends that immigrants are systematically excluded from urban labour markets. This does not imply that there have not been attempts to do so, as will be addressed later; it only means that those attempts

have not been clearly successful. We should keep up the pressure to prevent any form of discrimination against immigrants on the job market.

Economic impact of COVID-19 on Migrants workers

The COVID-19 pandemic-related countrywide shutdown in India has severely uprooted its immigrant community. Hundreds of thousands of migrants were forced to travel hundreds of kilometers back to their home towns since they had neither employment or money, and public transit had been shut down. Some of the migrants perished on the route. As soon as there were 500 or more COVID-19 cases in India, the national government ordered a lockdown and shut down all enterprises. Millions of migrant laborer's were left stranded as local authorities implemented tough containment zones to block off hotspots. The swift response of the nation stopped the disease's spread, but it also sparked worries that it would exacerbate already-existing disparities and vulnerabilities.

Research on 'how the Covid-19 outbreak's lockdown has affected the migrant workers in the nation' reveals a very high level of economic suffering, with many of them being driven dangerously near to famine. Only 51% of the more than 11,000 workers surveyed in research by the NGO SWAN (Stranded Workers Action Network) had enough food for less than a day, and 72% predicted they would run out in two days, according to the report(*No Country for Workers: Latest Stranded Workers Action Network Report | Center for Contemporary South Asia*, n.d.) . Many people had been eating sparingly and some had even been on the verge of famine due to a lack of money and food. This research also emphasizes that the respondents experienced severe physical and psychological pain and trauma, as well as a desperate desire to go back home.

The report makes the important point that the rate of hunger and suffering was significantly higher than the pace at which migrant workers are being helped. Only 1% of the trapped workers had gotten meals from the government two weeks into the lockdown, and only 4% had received rations after three weeks. The study also emphasizes that 96% of people had not received government rations. 70% hadn't got any cooked meals, 78% of people have less than Rs 300 in their pockets and 89% of workers have not received any pay from their companies during the shutdown.

According to the report, while millions of migrants made it to their home states successfully only to be imprisoned in camps, many others are still trapped far from their homes with little access to food or money. The report considers 11,159 migrant employees, of which roughly 17% are wage earners on a daily basis and factory/construction workers, 8% are wage earners on a daily basis who are not part of a group (such domestic workers and drivers), and 8% are self-employed. (Vendors and sari employees). The workers' median daily wage is Rs 400 and their average daily wage is Rs 402.

The research claims that the majority of stranded workers were unable to recall the name of the primary builder or business they had been employed by. They had no access to a social network at their place of employment. Their contractor was the only person they had contact with in the town or city where they were working. They were only able to identify their contractor, and they had no idea who owned the registered business that the contractor was affiliated with. Contractors typically had their phones off, allowing employees to fend for themselves. According to the report, 89% of the stranded workers were not paid by their employers during the shutdown despite a Ministry of Home Affairs decree requiring businesses to do so. 74% of the migrant workers polled had less than half their daily income left over for the duration of the lockdown. With only Rs 200 in their pockets, they were forced to buy things like soap, oil, cooking gas, sanitary pads, medicines, phone recharges, and transportation costs in order to get back home after the lockdown in addition to their meagre rations. At a period when

they had no income, they had to pay rent (in the range of Rs 2,000-3,000) for their housing.

Relief Measures

Nirmala Sitharaman, the finance minister, unveiled a spending plan for the underprivileged that included 1.7 lakh crore (US\$21 billion) immediately after the announcement of the statewide lockdown in late March. This included food security measures and cash handouts. By 3 April, the central government had given states and UTs under the NDRF a total of 11,092 crore to pay for migrant food and housing needs. As of 1 April, the average daily wage under the MGNREGA was raised from 182 (US\$2.30) to 202 (US\$2.50), in an effort to help offer jobs and pay to workers. On May 13, the PM CARES Fund designated Rs. 1 billion for the support of migrant workers. The Garib Kalyan Rojgar Abhiyaan effort was started by the Government of India to address COVID-19's effects on migrant labourers in India. A rural public works programme with an initial budget of 50,000 crore (US\$6.3 billion) for 116 districts in 6 states was introduced on June 20, 2020. About 8 Crore migrant workers who were not covered by NFSA or State scheme PDS cards received food grains free of charge under the Atma Nirbhar Bharat package at a rate of 5 Kg per month for two months, i.e. May and June 2020. The Government of India took a responsibility for covering the estimated total cost of Rs. 3500 Crore to implement this scheme. Under this program, 8 lakh metric tonnes of food grains will be distributed throughout India.

Food Corporation of India had started delivering food grains under this program. The governments of Tamil Nadu and Kerala received 1109 MT and 151 MT of rice, respectively, for distribution to the qualified migrant workers. All necessary arrangements were established for the delivery of food grains under this programme across the nation, and ample supplies have been placed in each Indian state and union territory (UT) (*Atma Nirbhar Bharat Scheme to Provide Free Food Grains to Migrant Labour Kicks Off*, n.d.).

However, the relief measures given by the government to the migrant workers were not sufficient. The scheme did not reach to the masses of migrant worker. Many migrant workers were not registered as migrant therefore, they did not receive benefit from these schemes.

Conclusion

The country has experienced high unemployment, inactivity, and economic stagnation during the pandemic covid-19. It was a great challenging to effectively interact with or reach out to domestic migrant workers in order to provide financial help, food security, or healthcare services due to the lack of detailed data on them. Despite, the migrant labour constitutes the backbone of many industries in the nation, making substantial contributions to the development of the infrastructure, the food and manufacturing industries, the textile industry, the security sector, domestic service, and even tea and cardamom plantations, these industries severely affected as the workers were not allowed to work in the factories. The immigrant workers were substantially affected causing vulnerabilities, including a higher incidence of poverty, and a high concentration in unemployment because of closure of industries. To get the nation back on track, the government of India implemented different methods. The government's 20 lakh crore relief package, also known as the "Atmanirbhar Bharat Package," was one of the major plans that it came up with. It was expected to increase the economy's GDP and improve the conditions of migrant workers. However, due to the non-registration of migrant worker, the government grants such as Atmanirbhar Bharat and other special package designed for them did not cover all the migrants' workers.

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