



## INVESTMENT PATTERN OF MIGRATED LABOUR IN KERALA- A STUDY WITH SPECIAL REFERENCE TO KOTTAYAM DISTRICT

### Commerce

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### ABSTRACT

Kerala is a state with a large number of migrant labour from different parts of the country such as Orissa, West Bengal and Bihar. It would not be wrong to say that the development of Kerala, especially at the grass root level lies in the hands of these non-Keralite labourers. Keralities both skilled and unskilled have moved to gulf countries as a result of which the migrant labourers have dominated the labour markets of Kerala not only in the field of construction and manual labour but also in the field of agriculture and industry.

Despite all these, these migrant labour live in pathetic conditions. The aim of this research is to study the income levels, standard of living and investment patterns of these migrant labourers and to study if there is any dependency between level of income and investment pattern. The study concluded that the investment pattern of migrated labour is dependent on their income levels.

### KEYWORDS

Migrant Labour, Investment Pattern, Income Level

### INTRODUCTION

The term "migrant worker" has different official meanings and connotations in different parts of the world. International Labour Organization defines migrant labour as "the movement of people from one country to another for the purpose of employment". As a result, a growing number of both sending and receiving countries view international labour migration as an integral part of their national development and employment strategies. The term can also be used to describe someone who migrates with in a country, possibly their own, in order to pursue work such as seasonal work. The term migration refers to the phenomenon of the flow of people over shorter or longer destination either for temporary or permanent settlement. Labour migration may be defined as a form of labour mobility towards district or states or outside where industry or employments are expanding. In fact, the history of population and migration is as old as man itself.

Today almost all major urban and semi urban centres in "Gods own country" are taken over by thousands of migrant labours from distant states. It's an ultimate fact that Kerala, which thrives on the remittance of its more than 2.5 million strong Diasporas in gulf and western countries, has become a heaven for migrants from other Indian states. About 1,20,000 Indian labours seeking employment arrive in the southern state of India each week and annual remittance are being sent by the 2 million non-keralite workers in the state, most of who hail from Orissa, West Bengal, and Bihar.

Kerala is widely known for exporting skilled labour, with about 2.5 million Keralites living abroad, many in Gulf countries. Migrants to Kerala were mostly men between the ages of 18 to 35. They earn 300-500 rupees a day working as labourers on construction sites, electricians and carpenters. These migrants are willing to do anything because they knew even the lowest of pay would be able to make back home.

According to some experts, these migrant workers are filling jobs that expatriate Keralites have left behind or those who remained have no desire to do. Kerala has an ageing population that 'does not want to carry bricks to build anything. In a nutshell migrants coming into Kerala are the backbone of Kerala's growing economy.

### REVIEW OF LITERATURE

Livelihoods and poverty: The role of migration – a critical review of the migration literature-Arjan de Haan(1999) : This review of the literature concludes that development studies have paid insufficient attention to labour migration, and makes a plea to integrate analyses of migration within those of agricultural and rural development. It emphasises that population mobility is much more common than is

often assumed. A review of empirical studies shows that it may not be possible to generalise about the characteristics of migrants, or about the effects of migration.. The review concludes that, given the importance of migration for the rural livelihoods of many people, policies should be supportive of population mobility, and possibilities should be explored to enhance the positive effects of migration.

Migration, Money and Masculinity in Kerala-Filippo Osella & Caroline Osella (2003): This article examines migration, styles of masculinity and male trajectories through the life-cycle in Kerala, South India, in a region with a long history of high migration, most lately to the Persian Gulf states. Ethnography suggests that migration may be integrated into wider identity projects and form part of local subjectivities. The article considers four important local categories: substantial personal wealth, supporting many dependents and clients. Another theme to emerge is the relationship between masculinity and cash: migration appears as particularly relevant to masculinity in its enhanced relationship with money, Wages, Employment and Output in Interrelated Labour Markets in an Agrarian Economy: A Study of Kerala -T N Krishnan (1994): This paper examines the wage structure and wage movements and their relation to employment and output in an agrarian economy in transition. In order to explain wage movements in such an economy, the paper develops the concept of 'interrelated labourmarkets'. It analyses the wage structure in agriculture and in construction activity both in the rural and urban sectors for those categories of labour that are paid daily wages. The validity of the concept of interrelated labour markets is verified by estimating vector autoregressions and testing for significant causal relations among the included wage rates. It develops a theory of wage structure in the context of interrelated labour markets which emphasises the importance of social norms in labour market behaviour. It examines movements in wage in relation to changes in product demand. It also develops analytical model to explain employment behaviour in interrelated labour markets.

### STATEMENT OF PROBLEM

Most of the migrant labour lives in apathetic condition. Some are being provided with accommodation. Migrant workers are not much interested in maintaining saving habit even though they get a daily wage of Rs 500-900. The study notes that migrant workers live in poor conditions. They feel insecure as Kerala has seen many clashes between them and locals.

The shortage of local labour, higher wages for unskilled labour in the state and opportunities for employment led to massive influx of migrant labour to the state. It is interesting to note that while many Keralites migrate to gulf countries, both as skilled and unskilled

labourers; labourers from other parts of the country consider Kerala as their gulf.

The study intends to analyse whether they are able to save and make investments and whether they are happy with the living conditions provided to them.

**OBJECTIVES OF THE STUDY**

The main objectives which were analyzed are:-  
The investment pattern of migrated labourers in Kottayam district, and also evaluation of the standard of living of migrated labourers.

**SIGNIFICANCE OF THE STUDY**

Migrant labour live in pathetic conditions. The aim of this research is to study the income levels, standard of living and investment patterns of these migrant labourers and to study if there is any dependency between level of income and investment pattern. The study concluded that the investment pattern of migrated labour is dependent on their income levels.

**RESEARCH METHODOLOGY:**

**Universe of the study**

The population for the present investigation consisted of migrated labourers from other states working in Kottayam district.

**Sample size and Sample procedure**

A sample size of 200 migrated labourers was taken as representation of population. As the population size is unknown, non- random sampling technique of convenience sampling was used.

**Data Collection**

Primary data was gathered and assembled specifically for the project at hand. Primary data was collected with the help of structured questionnaire. The investigator supplied questionnaire among the labourers for collecting data about their investment pattern. Tools utilized for analysis of data are percentage and chi-square test.

**Hypothesis**

H0: There is no dependence between level of income and investment pattern.

H1: There is no dependence between level of income and investment pattern.

**LIMITATIONS OF THE STUDY**

A major limitation in this study was the language problem – as most of the migrant labourers were from Orissa, West Bengal and Bihar, the questions had to be translated to Hindi to make it understandable to them.

The study was conducted in Kottayam but generalized to the entire state.



**DATA ANALYSIS AND INTERPRETATION**

The study shows that out of the 50 respondents, majority belongs to the age group 20-25 (60%) and 30% belongs to the age group of 26-30.

The majority of respondents have only primary education (i.e.70%) and 20% of the respondents are illiterate.

The study reveals that majority of the respondents are in Kerala aspiring to getting better employment. (60%) and 20% of the labourers have migrated to Kerala to find money for meeting their household expenditure and another 20% are here to find funds to meet repayment of debts.

The analysis of earning per day of respondents reveals that majority of the respondents are earning from 500 to 750 rupees per day and 20% are earning below 500 rupees per day, and another 20% above 750 rupees per day.



The living conditions of the respondents shows that majority of them stay in working sites groups (i.e.70 %).20% opt for rented houses on sharing basis.

The study shows that majority belongs to the weekly payment group. (I.e. 70%).20% of the labourers are paid on the daily basis Migrated labourers are interested in maintaining savings account in

banks. (i.e. 40%) and 30% are interested in post office savings in their own village.

Migrated labourers have better basic living standards in their domestic village with concrete house, electricity, schooling... etc

**TESTING OF HYPOTHESIS**

To analyze whether there was any influence of income on investment pattern, chi-square test was carried out. The results obtained are given in the Table below.

**Table 1: Table showing method of investment pattern**

	250-500	501-750	751-1000	Total
Saving A/c	20	60	0	80
P.O. saving	0	20	40	60
Chitty	0	20	0	20
others	20	20	0	40
Total	40	120	40	200

Chi-square=(O-E)<sup>2</sup>/E

Degree of freedom (r-1)(c-1)=(4-1)(3-1)= 3×2=6

Level of significance = 5%

Calculated value = 144.44

Table value = 12.592

At 5 percent level of significance the table value is 12.59 which is less than computed value (2=36.04).

So the null hypothesis is rejected.

**ie, there is a dependence between the level of income of the migrants and investment pattern.**

**FINDINGS, SUGGESTIONS AND CONCLUSIONS**

The major suggestions put forward from the study are -The Government should introduce new policies to improve the investment pattern of the employees. The employers have to make it mandatory that the employees have to keep an amount as savings from their salaries. Adequate leave should be provided. Good working environment should be provided. Employees should be given more facilities.

Kerala is witnessing large and diverse flow of internal migration for the past few decades. Migration goes hand in hand with the growth and development. The study explores the level of income and the pattern of investment among migrants. There is a need to understand the skill of migrant workers and increase the level of confidence through capacity building programs which surely will increase their productivity and boost their confidence which directly gives a boost to our GDP and increase their standard of living. A strong strategy that ensures better access to entitlements and basic working conditions will be essential in building a sustainable and equitable path way to the development and progress of the people

The study concludes that the migrant labour force is the hand that helps to build the modern Kerala, when Keralites are moving out of Kerala in search of greener pastures and hence they may be provided with better living conditions and pays that are sufficient enough for them to make investments

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