

INTRODUCTION

I. Introduction

Development is a process that creates growth, progress, positive change or the addition of physical, economic, environmental, social and demographic components. The purpose of development is a rise in the level and quality of life of the population, and the creation or expansion of local regional income and employment opportunities, without damaging the resources of the environment. (Meidan 2018). Development is the route of economic and social growth in terms of the value of human life, which can be measured in terms of culture, wealth, education, healthcare, opportunities. Economic development is a process by which one nation improves its economic, political and social wellbeing of its human resources. (Howell 2007). According to Rucha (2016) human resources generally means size of the population of a country along-with its efficiency, educational qualities, productivity, organizational abilities and farsightedness.

The Indian economy is characterised by the existence of a vast majority of informal or unorganized sector. As per a survey carried out by the National Sample Survey Organisation (NSSO) in 2009–10, the total employment in the country was of 46.5 crore comprising around 2.8 crore in the organised and the remaining 43.7 crore workers in the unorganised sector. Out of these workers in the unorganised sector, there are 24.6 crore workers employed in agricultural sector, about 4.4 crore in construction work and remaining in manufacturing and service sector. In the labour market of India there is high domination made by the informal sector. As this sector is providing about half of the country's Gross Domestic Product, its dominance in the employment front is such that more than 90 percent of the total workforce has been engaged in the informal economy.

As per the report of the National Commission for Enterprises of Government of India (Sengupta 2009, Misra and Alam 2014) stated that the total employment in informal sector in India was 86 percent in the year 2004-2005. Where agricultural sector consists are mainly informal workers and in case of the non-agriculture workers 36.5 percent of them were self-employed. The NSSO (2012) report stated that in 2009-10 the non-agriculture sector had about 71 percent of workers from rural areas and 67 percent from urban areas. Informal sector were mainly from manufacturing, construction, transport etc. (Mishra and Alam 2014)

Migration has been considered as one of the important component of economic development. There exists a two-way causation between migration and economic development. Migration induces economic development while economic development induces further migration. Migrants are often considered as 2nd class citizen, and often relegated to three Ds jobs (Dirty, Dangerous and Difficult) because of their low literacy level and poverty condition (Moyce and Schenker 2018). As per the World Migration Report (2005), the concerns that surround migration are loss of jobs, lower wages, increased welfare costs and the belief that migration is spiraling out of control. Migration has historically an important role to play in human development. In the twenty-first century there is huge growth in the population of people from rural to urban areas (Saunders, 2010 and Housen 2014) which is been followed by peoples those who were moving to international borders. In World Bank (2011) report it is been found that 215 million people were living outside their country of origin.

Migrant labours are found to get employed in informal sector in urban areas because of their low skill and illiteracy level. Due to this there is huge development of dual labour market in urban area as it is difficult for the migrant labours to get employed into organized sector. In dual labour market system there are two kind of people where one kind is found to be employed in low wages and they do not have any form of social security and the other kind is highly skilled labours who are employed in formal jobs and they enjoy better security system with high paid works. Even though migrants feel that they are earning good income than the income they received at their place of origin their work is unrecognized and they are receiving income lesser than normal pay presiding at the destination (Khan 2013 and Kishore and Kiran 2013).

The informal labour market is of two kinds of people one kind of them include workers from informal sector and other kind is of casual workers who are working in the formal sector. Informal labour market is generally a huge part of the agriculture sector but it plays important role in the urban sector. The difference among the formal sector employment and informal sector employment is in terms of their working condition, social security and insurance (Misra & Alam 2014).

Eisenstadt (1953) defined migration as “the physical transition of an individual or a group from one society to another. This transition usually involves abandonance of existing social setting and entering another and permanent one”. According to

Caplow (1954), "Migration is, strictly speaking, a change of residence and need not necessarily involve any change of occupation, but it is closely associated with occupational shifts of one kind or another, the principal directions of migration are illustrated by more or less continuous movements from rural areas towards the city, from areas of stable population towards centers of industrial or commercial opportunity, from densely settled countries and from the center of cities to their suburbs". From the demographic point of view, migration is one of the three basic components of population growth of any area, the others being fertility, mortality which were reported by Bhagat (2005), Doddarasaiah and Shivalingappa (2008) and Lamani, (2009). But, whereas both fertility and mortality operate within the biological framework, migration does not. It influences size, composition and distribution of population.

Human migration is a universal phenomenon. It is a process through which people move from a permanent place of residence to another more or less permanent one for a substantial period of time (Gill, 1998, Chand et al., 1998, Chakravarthi, 2001; Chand, 2002, Naik et al., 2009, Chakraborty and Kuri, 2008, Awasthi, 2010). In the Indian economy migrant labours plays an important role in sectors like construction, manufacturing, industries, brick kiln, quarries and hospitality services. These migrants are working with less available resources as they are basically from poor family background they find it difficult to access physical and financial resources. Their human capital is been restricted and they chance to have better standard of living is been controlled by the low social and political status (Lobo 2004).

Migration takes place in various forms generally it is of internal and international. In case of international migration the migrants enumerate to different countries and internal migration takes place within the boundaries of the country. Internal migration is an integral part of the development process (Srivastava, 1998, Chandra, 2002, Chakraborty and Kuri, 2008) and it has impact on the reduction of poverty and also it makes huge contribution towards the development of contry through international migration. There are four important reasons which is as follows,

- Internal migration is found to have a strong base where lesser amount of money is been evenly spent on the distribution to poor families by remittances.

- Internal migration continues to improve faster rate of development than that of international migration.
- Internal migration is found to improve people from poor areas and it is important for reaching the target of the MDGs.
- It is an important driver of growth in many sectors including agriculture, manufacturing, construction and services (Deshingkar, 2006)

Internal migration plays significant role in moulding the social, economic and other structurally characteristics of a population of a country or region (Khan 2010, White and Woods 1980). Migration occurs when various factors operate together [Kosinski and Prothero 1975; Bhagat and Mohanty 2009] and the importance of factors responsible for migration varies from place to place.

India as a nation has seen a high migration rate in recent years. As per Census 2011 migration report of India it is found that rural to rural migration is found to be high as it is of 47.4 percent which is followed by urban to urban migration which is of 22.6 percent, rural migration to urban migration is of about 22.1 percent and urban migration to rural migration is of about 7.9 percent. From census 2001 and 2011 it can be found that rural migration to urban migration has shown a steady increase from 21.8 percent to 22.1 percent and in case of urban migration to urban migration the growth rate is from 15.2 percent to 22.6 percent. In case of family related migration the growth rate is from 28 percent to 36 percent from 2001 to 2011. In case of reasons for migration 87 percent of women stated that they are migrating for family related reasons and 50 percent of men are migrating for work related reasons. The share of work related migration has show a downwards growth from 16 percent to 13 percent from 2001 to 2011. Whereas absolute numbers work related migration has shown a increase from 5.7 million to 6.9 million from rural areas and for urban areas it is 4.8 million.

As per the [State of World Population report](#) (2016), half of the population of the world is found to be in urban areas and there is growth in this population every year through migration. In India huge number of the population is found to be depending on agriculture for their livelihood and there is no change in this trend. From the Census of India report of 2001 and 2011 it is found that urbanization had increased from 27.81 to 31.16. This is because of the demographic explosion and poverty related rural-

urban migration. [The Economic Survey of India 2017](#) showed that inter-state migration in India is recently growing which is close to 9 million from 2011 to 2016. The total number of internal migration in India is 139 million and Uttar Pradesh and Bihar are the biggest source states, followed closely by Madhya Pradesh, Punjab, Rajasthan, Uttarakhand, Jammu and Kashmir and West Bengal; the major destination states are Delhi, Maharashtra, Tamil Nadu, Gujarat, Andhra Pradesh and Kerala.

Many studies have been carried out on reasons for migration (Lewis 1954, Harris-Todaro model 1970, Williamson 1988, Lucas 1997, Tunali 2000, Kumar 2001, Gupta and Mithra 2002, Singh and Kaur 2007, De Haas, 2010, Kaur et.al 2011, Castelli 2018). All these studies indicated that marriage was cited as the pre-dominant reason for migration among females. As per the Census 2001 report about 42.4 million migrants out of total 65.4 million female migrants cited this as the reason for migration, among males, the most important reason for migration was work/employment, with 12.3 million male migrant`s.

Tamil Nadu Migration Survey (2015) has highlighted that for most of the migrant workers (79.3 per cent) cited their reason for migration is to get employment. The migrant workers with all the promises made by the agents, friends and relatives goes out with the dream of making a good, decent living with fair wages. All other aspects such as to make more savings, marriage of children/siblings, purchasing a home, repaying debts and educating children were indicated as auxiliary reasons for migration. Initially men and women migrate individually in search of employment which means that families and spouses are left behind in the place of origin. Migrants who move to urban centers in their country of origin often send money back to their relatives and family members. Remittances have also been recognized as "an important and stable source of external development finance" (Ratha, 2005,) which can move people out of poverty and lead to economic growth. It represent a vital source of income for the receiving households who are often living in poor, rural areas with less opportunities to meet basic needs and attain livelihood security.

Remittances are the funds that are transferred to households by workers who are working away from their usual place of residence. The volume of migrants' remittances is increasing year to year. The World Bank (2016) estimated worldwide remittances as US\$ 601 billion in 2015, out of which the flow to developing countries

was 73.4 percent (US\$ 441 billion). In 2015, the top four recipients of international remittances were India, China, the Philippines and Mexico – accounted for nearly one-third of the total remittance inflow worldwide.

International transfers (remittances) are considered as one of the important aspect in the GDP of the nation with high out-migration (Ekanayake & Mihalis, 2008, Housen 2014). These transfers are very much important for the process of development of the economy (Giuliano & Ruiz-Arranz, 2008; World Bank, 2005, 2008, 2011). There is large body of research on the international migration and remittances it is found that globally it is about 325\$ billion dollars for most of the developing countries (World Bank, 2011). There is less research on the impact that is been made by internal transfers made in India. An estimated 740 million people, representing over 12 per cent of the world's total population, are internal migrants within their own countries (UNDP, 2009). These kind of internal remittances are mostly smaller than that of international remittances (Deshingkar and Farrington, 2006; Deshingkar, Kumar, Chobey, and Kumar, 2006, Housen 2014).

Remittances have certain characteristics which make them advantageous compared to other financial sources. They are often targeted towards the poor, and they are stable and counter-cyclical (Munzele Maimbo & Ratha, 2005, Nilson 2014). As a consequence, they can potentially lift poor households out of poverty by increasing the income and consumption of the household. In addition, they can solve credit constraints which can help the household make investments in human capital such as education and health, improved shelter to protect against natural disasters, and other important aspects of livelihoods. This can in turn improve the livelihood security for the poor rural households by making them less vulnerable to trends, seasonality and shocks. Migration (and the subsequent remittance sending) is therefore a livelihood strategy that represents one of the alternatives open for households when attempting to improve on their situation (Scoones, 1998, Nilson 2014).

Despite a widespread focus on international remittances as a remediation for poverty, a growing body of evidence finds that across the global south, internal remittances occur in higher volumes and target lower income households more so than international remittances. Thus, internal remittances are not only an important

consideration for public policy, but for international organizations seeking to provide interventions to economically vulnerable populations. In the remittance literature, the effect or influence of internal remittances can be minimized, and even overlooked, due to the small amounts sent by individuals in comparison to international remitters. However, a growing body of research finds that, internal remittances occur in a larger volume as compared to international remittances (Acosta, Fajnzylber & Lopez, 2007; Castaldo, Deshingkar & McKay, 2012; McKay & Deshingkar, 2014, Zook 2017).

Developing countries face a low level of employment and income along with high levels of poverty and inequality in the distribution of revenue. Many households in these countries are income-constrained and remittances directly go to those households. At the household level, it is an additional income that creates economic security, minimizes the incidence of poverty, creates economic security, enhances social status of the families and eases their livelihood. For the government, remittance has become an important source of revenue and a tool for the poverty reduction. Hence, remittances received by households may have an effect both at micro and macro levels. Some studies suggest that a significant portion of remittance is spent for conspicuous consumptions, household durables, and the rest is invested in trade and business (Edwards and Ureta, 2003; Acosta, 2006, Pant 2017).

Tamil Nadu is home to more than a million migrant workers. As Tamil Nadu Survey (2016) a majority of the 10.67 lakh migrant workers in the state are unskilled workers. About 27percent are employed in the manufacturing sector, 14 percent in textile industries and 11.41percent in the construction sector. The availability of better wages and employment opportunities in TN draw workers from West Bengal, Odisha, Bihar, Jharkhand and Assam. In the construction sector, activists complain, several migrant workers were not registered under the Tamil Nadu Construction Workers Welfare Board, leaving them at the mercy of builders and contractors. According to the migrant worker survey (2016), 20.9percent of migrant workers in Tamil Nadu live in Kancheepuram, Coimbatore and Tirupur district. (The Times of India 2016)

The garments industry is one of the leading segments of the Indian economy and the largest source of foreign exchange earnings for India. India's share of global exports of textiles and apparel increased from 2.8 percent in 2008 to 6.3 percent in 2012. Readymade garments industry is the indication of overall development of the

economy as it plays a pivotal role due to its contribution in the industrial output, employment generation and foreign exchange earnings. The industry accounts for approximately four percent to the GDP. The industry being highly labor intensive provides direct employment to nearly thirty million people and is the second highest employer in the country. Readymade garments industry is one of the few industries of India which is self-reliant and complete in the highest value added products-garments. Therefore, the growth and development of this industry has a significant bearing on the overall development of the economy.

India is the world's second largest producer of garments after China. The garment industry plays a pivotal role in the Indian economy. It is a major foreign exchange earner and, after agriculture, it is the largest employer with a total workforce of 35 millions. In 2009 textiles and garments accounted for about 16 per cent of industrial production and 18 per cent of export earnings. The Indian textile industry is as diverse and complex as country itself and it combines with equal equanimity this immense diversity into a cohesive whole. Endowed with largest loom age in the world, the second highest spindle age, next only to China, a strong multi-fiber raw material base, a vast pool of skilled workers, flexible production systems, a dynamic entrepreneurship together with vibrant design creativity, have all contributed to creating a vibrant textile industry that has long been the mainstay of the Indian economy. The Indian textile garment industry is an enormous complex entity.

In a study conducted by Sreerekha (2016) it was found that garment industry places an economic life of many people in India. it is playing a vital role in industrial output process, employment generation process and also in the export earning process in the country. Huge number of workers in this sector is of migrant population. Garment company exports are using a long run strategy so as to achieve target in planning and flexibility in working to market shifts. The main push factor which influences internal migration are famine, drought, land fragmentation, river bank erosion, family and personal problems. The main pull factors are the desire to earn more, to acquire new skills, to gain new experiences, the thirst of freedom and equality. Large numbers of migrant labours are found to move from rural areas where they have very little access towards exploitation. The migrant workers are facing problems such as poor accommodation, work without holidays, lack of health care, food problems,

seizure of personal documents, contract substitution, irregular job placement, low wage rates, pathetic working conditions and lack of payment for overtime. Wages for migrant workers vary from sector to sector and region to region hence they are easily exploited.

Due to the high demand for labour in the garment industry, workers move across the country for job opportunities. In Tamil Nadu, there is a strong in-state migration. According to Cividep Report 2016, about 88 percent of the workers in Tamil Nadu spinning mills are migrants from other parts of Tamil Nadu and 12 percent come from other states, such as Andhra Pradesh, Telangana, Kerala, Karnataka, Odisha, Jharkhand, Bihar, West Bengal, Assam, Meghalaya, Mizoram, and Manipur. Because the industry mostly serves the spring/summer fashion season, it experiences fluctuations in production volume. Therefore, many workers are employed as casual (migrant) workers. Casual workers in the north generally go back to their rural villages for the harvesting season when the garment industry slows down production, while those working in the south go back to their villages for the festival season (Stakeholder interview 2016)

With this background the researcher has made an attempt in the current study on “**Determinants of Remittances and Assessment of Living Conditions of Migrant Workers**” in order to study the various determinants of remittances and the living condition of the migrant workers working in garment industry of Tirupur district with the following objectives.

Objectives of the Study

1. To examine the social, economic and demographic characteristics of the migrant workers
2. To study the working conditions of migrants and factors of migration
3. To find the remittance behavior of migrants
4. To compare between the quality of life of migrants before and after migration
5. To explore the living conditions of migrants
6. To identify the problems faced by the migrants at the place of destination.

Hypotheses

The following hypotheses were tested in the course of study.

- Migration is independent of sex/type of family/age/educational level.
- Remittance is independent of income.
- Pull factor is predominant in migration.
- Migration has improved the quality of life of the migrants.
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Significance of the study

The investigator through her research work on “**Determinants of Remittances and Assessment of Living Conditions of Migrant Workers**” will bring out the reasons for their migration; remittance determinants and its impact on migrants and to find how migration has improved their standard of living and the benefits accrued to the migrants because of migration and also the problems encountered by them due to migration. The findings will be helpful to the government authorities in providing ways for the improvement of the migrants.

Need for the study

In the development of the economy, employment of migrant workers is being one of crucial problems. Generally workers are forced to migrate from their native place because of lack of employment opportunities, lack of development, inadequate agricultural land, caste discrimination, low wages, mounting debts and poor economic development of their family. After migration the migrants face many problems in adapting to the environment, changes in language, difference in culture, food and tradition. These migrants find their shelters mostly in private unorganized sectors. Mainly in Tirupur district a large number of migrants are finding their employment easily. So, large people from Uttar Pradesh, Assam, Bihar. Orissa, Kerala, Andhra Pradesh are migrating to Tirupur and also from southern districts such as Kanniyakumari, Ramanadhapuram, Salem, Madurai and Trichy. The unorganized sector prefers these kinds of migrant workers because they prefer to take workers for low wages. But in spite of this low wage they are found to remit their income to the place of origin.

Scope of the Study

As per International Organization for Migration (2017) the estimated internal migrants are 763 million. In the foreseeable future, remittances from internal migration will continue to play a key role in the development and poverty reduction in the place of origin of the migrants. The receipt of internal remittances, even if smaller in amount, has the potential to improve standards of living and overall wellbeing of migrant households (McKay and Deshingkar, 2014, Yeboah 2016). The current study empirically examines internal migration and remittances and its impact on welfare, covering various migrant workers employed in Tirupur district as a case study. The study has made an attempt to provide the socio-economic and demographic background of the migrants of various states employed in Tirupur district. In the study the researcher had made a comparison on the conditions of migrants and the impact of the migration by comparing both north migrants and south migrants. The study had contributed in providing information on remittances and its impact at migrants' households at the places of their origin.

Limitation of the Study

The present study can be viewed as a micro study of migrant garment workers and it cannot be taken as a representative of the garment sector. A study of small coverage has its own limitations. During intensive stages of garment work, it was difficult to get responses from the sample units. The limitations pertaining to primary data are applicable to this study. The respondents had to give details based on recall method; which could not be cent percent accurate. There are chances where the sample respondents would have responded in desirable way this might result in bias of the result.