# Rationalization of the Economy through Migrant Workers in the Unorganized Sector of Kerala

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#### **ABSTRACT**

**Purpose:** Kerala has seen a considerable influx of migrant workers from various parts of India in recent years. Kerala is an attractive job market for workers from outside the state because of higher earnings, plentiful employment options, and a scarcity of local labourers. The goal of this article is to look at the availability of casual migrant workers in Kerala's labour market as well as their impact on the state's economy. Also looked at how migrants' financial and social status improves as a result of migration.

**Design/Methodology/Approach:** Descriptive Research was used in this study, which is focused on secondary data sources. Secondary data is gathered through books, newspapers, journals, articles, and government websites.

**Originality:** The influences of migrant workers in the rationalization of the economy are discussed.

**Value:** The study will aid in assessing the financial and social upliftment of migrant workers owing to migration by looking at the availability of migrant workers, labour force participation rate, worker population ratio, and wage rate.

**Findings:** There has been a whopping increase in the number of migrant workers in the labour market of Kerala, it figured out that there were 4,12,849 migrants in 2001 and it soared to 31,50,000 migrants in 2020. It is mostly owing to increased job availability and high remuneration rates, which can be seen even in Kerala's unorganised industry. 60% of migrant workers are employed in construction, 8% in manufacturing, 7% in hotels and restaurants, 2% in trade and 2% in agriculture, with the remaining 23% engaged in other occupations. As a result of migration, people's quality of life increases. By educating people about different cultures, traditions, and languages, it enhances their social lives and encourages intergroup harmony, which in turn helps society as a whole.

**Paper Type:** Descriptive study

**Keywords:** Migrant workers, Unorganized sector, Internal migration, Labour market, Financial upliftment, SWOT analysis.

# 1. INTRODUCTION:

The term "rationalisation" in economics describes the process of changing an ad hoc workflow into one that adheres to a set of predetermined rules. The quantification of effort, knowledge, and experience is a modern trend. By making better use of the available resources, rationalisation aims to increase efficiency. With fewer resources or the same techniques, the same impact can be produced. "The organisation of life through a division and coordination of activities on the basis of a precise study of men's relations with each other, with their tools, and with their surroundings, for the purpose of achieving higher efficiency and production," according to Julien Freund [1]. According to Philip Snowden M.P., "rationalisation seeks to reorganise the business in such a way as to eliminate all waste in production and distribution, and will fully utilise mechanical and scientific knowledge, as well as secure the cooperation of all relevant partners in the industry" [2]. The bulk of migrant workers in Kerala are unskilled and casual employees who migrate around in a systematic manner from one

location to another, giving their services on a temporary basis due to better possibilities other economic considerations. When the bulk of casual migrant labourers are part of the subsidized economy- when a group of individuals or a geographically concentrated people or a set of people who do not receive any training or do not wish to work because they do not seek economic and social upliftment on their own, the whole economy suffers- the available inputs are dispersed efficiently among migrants in order to make them capable of doing work, their contribution is eventually reflected in the economy, thus their progress leads to economic growth.

#### 2. RELATED WORKS:

Moving from one place to another with the intention of settling there permanently or temporarily is known as human migration (geographic region). A "migrant worker" is defined in the International Labour Organization (ILO) instruments as a person who migrates to another country (or has migrated to another country) with the intent to work for someone else other than himself, and this includes anyone who is regularly admitted as a migrant for employment [3]. While migrant workers contribute significantly to the development and prosperity of their host countries, their home nations also greatly profit from the remittances they send home and the skills they acquire while working abroad [4].

**Table 1:** This table reviews the various works of literature on migrant labour in Kerala.

Sl. No.	Area	Contribution	Authors
1.	Migration and the national economy	Despite being a component of active livelihood strategies, migration is also influenced by social context, norms and structures, household composition and size, gendered ideologies, caste structure, and social contracts and networks. These factors all have an effect on who migrates and who is able to take advantage of opportunities that arise in other places. People are drawn to metropolitan areas by the concentration of institutional and other economic activities. Because of the economies of scale, people are investing more and more in urban regions. As a result, different regions of the country are experiencing migration driven by prosperity, poverty, and vice versa.	Siddiqui, et al., (2004). [5]
2.	Internal migration in Kerala.	In the context of Kerala's economy, the study investigates the relationship between migration and development. According to the study, the surge in migratory remittances is to blame for the stall in growth, particularly in the goodsproducing sectors. Overall, the surge in migration remittances has been determined to be beneficial to the area economy.	Chandrasekhar & Sharma (2015). [6]
3.	International migration.	In India, interstate migrants are more likely to relocate from rural to urban areas than other types of internal migrants, who are more likely to go from rural-to-rural areas, according to a study comparing India and Ghana. Internal migration data reveals that people migrate from areas of relative poverty to places of relative affluence. Internal migration should be included in development planning, according to the study.	Castaldo, et al., (2011). [7]

4.	Migration from	The exodus from Kerala is discussed in the	Joseph& Rajan
	Kerala and the	context of India's migratory movement. Kerala's	(2016).
	inward	development and migratory progress have been	[8]
	remittance.	aided by education. The cash accumulated in	
		Kerala as a result of migrant inward remittances	
		has been the primary source of funding for the	
		ostentatious expenditure that has become a	
		hallmark of Keralites' lifestyle.	
5.	Labour	Push factors such as land ownership disparity,	R. Srivastava
	migration and	poverty, and agricultural backwardness,	(2019).
	market	according to micro studies on migration in India,	[9]
	inequality.	are mostly responsible for out migration. This	
		study looks at how factors that are common at	
		the lower end of the labour market, such as	
		informalization, migration, segmentation, and	
		social discrimination, have contributed to well-	
		being deficits and rising labour market	
		inequality.	

Source: Compiled by the author

Stagnation and volatility in agriculture are currently a serious challenge in most emerging countries, with India being no exception. As a result, it appears that the potential for generating livelihood choices outside of agriculture in rural areas is restricted, given that much of the growth in non-farm employment in many states has been caused by poverty. This is especially true for seasonal migrant workers. He also claims that seasonal migration is caused by short-term transfers of regular workers, temporary postings of marketing and extension personnel, and other reasons, rather than by push factors. A major segment of seasonal migrants maybe those who use coping strategies or make temporary arrangements for a living during the lean season [10].

According to Kumar (2011), who is researching the aspects of migrant labourer vulnerability in Kerala, the state has seen a considerable influx of migrant labourers from other states. Interstate migrants are denied some of the entitlements or benefits from the federal and state governments that they had before migrating, according to his study, due to limitations in entitlement portability. The host state fails to provide migrant employees with the same legal and social protections as local workers. The survey also discovered that interstate migrants experience language hurdles while seeking health care and asserting their rights. Although a migrant worker welfare programme was established in 2010, it has several limitations [11].

#### 3. RESEARCH GAP:

Given its importance for the economy and society as a whole, migration study has gained traction in today's globalised world. A number of studies have been conducted on various elements of Keralites' migration to other nations, particularly those in the Middle East. However, experts have paid very little attention to the state's expanding in-migration. More in-depth and policy-oriented study on internal migration is urgently needed, with an emphasis on the labour market, poverty reduction, and social and economic upliftment through migration. The nature of migration, its seasonality, and its impact on work schedule in Kerala, as well as the reasons for preferring migrant construction workers, recruitment trends, and migrant employees' work styles, are all issues relating to the labour market.

#### 4. METHODOLOGY:

The methodology used in this study is Descriptive Research, which is based on secondary data sources. Kerala is the focus of the research. Books, journals, newspapers, articles, and government websites are used to gather secondary data. Through Google scholar and Sci-hub, data was gathered using the terms rural labour market, migrant labourers, construction sector, and economic development. Electronic searches yielded the required articles, which were then manually inspected.

The study's main goal is to examine the economy's rationalisation through migrant workers in Kerala's construction sector, with the specific goals of observing the extent of native labour and migrant labour

availability in the rural labour market, as well as examining the actual growth of the Kerala economy as a result of migrant workers.

#### 5. RESEARCH AGENDA:

- (1) What is the availability of migrant workers in the Kerala economy?
- (2) What is the employment and labour force availability in the Kerala economy?
- (3) What is the contribution of migrant workers to the Kerala economy?
- (4) How does migration lead to the financial up-gradation of the migrants?
- (5) How does migration cause social upliftment of the migrants and their families?
- (6) How can the needs of the Keralites be met through migration?

## 6. OBJECTIVES:

- (1) To observe the extent of migrant worker's availability in the construction sector of Kerala.
- (2) To observe the employment and labour force availability in the Kerala economy.
- (3) To find out the availability of native workers in the construction sector of Kerala.
- (4) To find out the extent of the financial up-gradation of the migrants due to migration.
- (5) To find out the extent of the social upliftment of the migrants and their families due to migration.

#### 7. THEORETICAL OVERVIEW OF THE STUDY:

There are several migration theories which discuss the migration process and its economic implications.

- According to Lewis (1954), agricultural labourers are drawn to higher salary rates in the modern sector at destination locations, resulting in migration from rural to better urban regions [12].
- The dual economy theory of migration proposed by Lewis, Fei, and Ranis (1961) discusses the subsistence farming sector, which is characterised by excess labour and unemployment/underemployment, and the modern industrial sector, which is characterised by full employment. Wages in the modern sector are substantially greater than the average pay in the agricultural sector [13].
- Harris-Todaro (1970) proposed another major rural-urban migration hypothesis, which states that migration is predominantly influenced by economic factors. According to the idea, the decision to move is influenced by predicted better pay (real wage differentials) and the likelihood of landing a job in the city [14].

#### 8. RESULTS OF THE STUDY:

Internal migrants are those seeking a new temporary or permanent residency within their country's borders, regardless of their motives for doing so. Up until 2001, Kerala received the majority of its immigrants from the neighbouring states of Tamil Nadu, Karnataka, and Maharashtra. However, after 2011, the tendency has shifted. West Bengal, Assam, Odisha, and Bihar have all made significant contributions to Kerala's expanding migration trends in recent years. Between 2001 and 2011, there was just a slight increase in migration. Following that, however, there is a major increase in the number of migrants. [15], [16], [17], [18].

Around 25 lakh migrant workers from other Indian states, Bangladesh, and Nepal lived in Kerala, making up around 7% of the state's current population. Typically, they were physically fit young males between the ages of 18 and 30. They were mostly long-distance migrants from rural areas of eastern Indian states like West Bengal, Assam, Odisha, and Bihar who did not have families. They belonged to the SC, ST, or OBC [19].

**Table 2:** Availability of migrant workers in the Kerala labour market

S. No.	YEAR	MIGRANTS
1.	2001	4,12,849
2.	2011	6,50,000
3.	2012	25,65,000
4.	2013	32,00,000
5.	2014	34,35,000

6.	2018	31,00,000
7.	2019	31,07,422
8.	2020	31,50,000

Source: Kerala economic review 2016,2017,2018,2019,2021 [20],[21],[22],[23],[24].

The overall estimated number of other state migrants in Kerala is 31.5 lakhs, according to 'A Study on In-migration, Informal Employment, and Urbanisation in Kerala - Dr Jajati Keshari Parida and Dr K. Raviraman, State Planning Board, March 2021'[25]. It is pre-Covid-19; in Covid-19 and post-Covid-19 situations, a decrease in guest workers should have happened. The construction industry is at the top of the list. Of all other state migrants, 17.5 lakh are thought to work in the construction sector. The second-largest industry, manufacturing, draws a sizable number of immigrants from neighbouring Indian states. It employs 6.3 million migrant workers. The high wage in Kerala is one of the causes of the migration of such people from other states [26].

## **Labour Force Participation Rate:**

The labour force, or "economically active" population, is made up of both employed and unemployed people. Estimates of the labour force were generated using two approaches: the Usual Status (ps+ss) Approach, which takes into account both the main and secondary activities, and the Current Weekly Status Approach. The estimated labour force in the usual status (ps+ss) consists of (a) all individuals who worked or were available for work for the majority of the 365 days prior to the survey date and (b) all individuals from the remaining population who worked for at least 30 days during the reference period of 365 days prior to the survey date.

As seen in the table below, the LFPR in India has declined from 52.5 in 2013-14 to 50.3 in 2015-16, and then again by 13.4% in 2017-18. However, when compared to 2017-18, the LFPR (for all ages) has marginally increased by 0.6 percent in 2018-19 (Rural + Urban). LFPR (all ages) was 40.1 percent in 2019-20. In Kerala, the LFPR (Rural + Urban) for all ages was 49.7 in 2013-14, slightly increased to 50 in 2015-16, but then dropped by 13.4% in 2017-18, slightly increased to 39.5 in 2018-19, and then increased to 40.5 in 2019-20.

**Table 3:** Labour Force Participation Rate (in per cent) according to Usual Status(ps+ss)

PERIOD		RURAL	URBAN	RURAL+ URBAN
		PERSONS	PERSONS	PERSONS
2013-14	KERALA	50.6	47.7	49.7
	INDIA	54.7	47.2	52.5
2015-16	KERALA	50.7	49.3	50
	INDIA	53	43.5	50.3
2017-18	KERALA	36.4	36.8	36.6
	INDIA	37	36.8	36.9
2018-19	KERALA	39.7	39.2	39.5
	INDIA	37.7	36.9	37.5
2019-20	KERALA	42.9	38.1	40.5
	INDIA	40.8	38.6	40.1

Source: Kerala economic review 2017,2018,2019,2021 [19],[21],[22],[23],[24],[25].

#### **Worker Population Ratio (WPR):**

WPR is a statistic for evaluating employment and figuring out what percentage of the population actively contributes to the creation of products and services in the economy. The percentage of the population that is employed is known as the Workforce Participation Rate (WPR).

Table 4: Worker Population Ratio (WPR) (in per cent) according to Usual Status

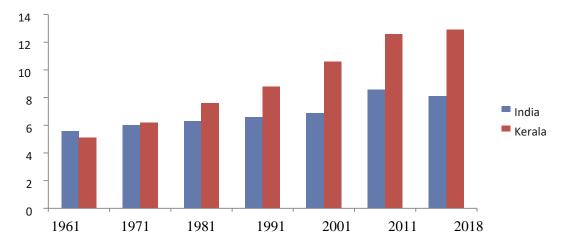
PERIOD		RURAL	URBAN	RURAL+ URBAN
		PERSONS	PERSONS	PERSONS
2011-12	KERALA	38.8	37.7	38.2
	INDIA	41.85	34.6	38.3

2013-14	KERALA	44.6	42.1	43.8	
	INDIA	52.1	44.6	49.9	
2015-16	KERALA	44.3	43.1	43.8	
	INDIA	50.4	41.4	47.8	
2017-18	KERALA	32.7	32	32.4	
	INDIA	35	33.9	34.7	
2018-19	KERALA	36.4	35.4	35.9	
	INDIA	35.8	34.1	35.3	
2019-20	KERALA	38.7	34.2	36.5	
	INDIA	39.2	35.9	38.2	

Source: Kerala economic review 2012, 2015, 2016, 2017, 2018, 2019, 2021 [17],[18][19],[21],[22],[23],[24],[25].

In 2011-12, 2013-14, 2015-16, 2017-18, 2018-19, and 2019-20, Table 3 illustrates the Worker Population Ratio (in percent) by Usual Status. In India, the Worker Population Ratio (Rural + Urban) (at all ages) climbed from 38.3 in 2011-12 to 49.9 in 2013-14, with a little decrease of 2.1 in 2015-16, but gradually increasing from 34.7 in 2017-18 to 35.3 in 2018-19. It was 38.2 percent in 2019-20. Kerala's WPR climbed from 38.2 percent in 2011-12 to 43.8 percent in 2013-14. In 2015-16, it remained at 43.8 percent, but increased from 32.4 percent in 2017-18 to 35.9 percent in 2018-19 and 36.5 percent in 2019-20.

# **Demographic Transition:**



**Fig. 1:** Percentage of Elderly population in India and Kerala Source: India Ageing Report 2017 [27].

Kerala is growing older at a quicker rate than the rest of India. In 1961, its population of those aged 60 and up was 5.1 percent, compared to 5.6 percent nationally. Kerala has surpassed the rest of India in terms of old age population, with a proportion of 10.6% in 2001, compared to a national average of 6.9%. By 2011, 12.6 percent of Kerala's population had reached the age of 60, compared to 8.6 percent across India. According to population estimates, Kerala's old population climbed to 12.9% in 2018, compared to an all-India average of 8.1 percent.

# **Diminishing Rate of Population Growth in Kerala:**

Between 2011 and 2036, Kerala's population is expected to increase from 3.34 million to 3.69 million. The population density will increase from 860 to 951 individuals per square kilometre as a result. The percentage of children under the age of 15 is anticipated to decrease from 23.5 to 17.7 percent between 2011 and 2036, while the proportion of persons in the middle age range (15-59 years) will decrease from 63.9 percent in 2011 to 59.5 percent in 2036.

The increased migration of Kerala's skilled and unskilled casual workers to other countries, particularly the Middle East, the migration of professionals due to Kerala's high literacy rate (96.11 percent), better education, and lack of professional and skilled jobs, as well as the state's growing elderly population, has resulted in a decrease in the workforce's availability in recent years, particularly in unskilled jobs, which has encouraged the migration.

#### Wage Rate in Kerala:

According to the International Labour Organization's India Wage Report, Kerala, Jammu & Kashmir, Punjab, and Haryana are the states with the most consistent casual salaries in both rural and urban areas (ILO 2018).

**Table 5:** Average wage earnings per day from casual labour work

PERIOD		RURAL		URBAN		RURAL+ URBAN	
		Male	Female	Male	Female	Male	Female
2018	Kerala	659.41	377.8	678.44	365.85	666.26	375.43
	India	286.84	185.64	348.76	226.25	297.86	190.26
2019	Kerala	732.17	388.32	736.51	372.25	710.77	381.59
	India	305.40	199.24	384.32	244.15	309.77	204.49
2020	Kerala	715.96	430.54	729.58	351.86	722.77	391.2
	India	315.13	205.43	391.31	264.86	353.22	235.15

Source: Kerala economic review 2019, 2021 [23],[24],[25].

Among the South Asian subnational entities, Kerala has the greatest unorganized sector incomes, which can appeal to migratory workers. According to Table 4, Kerala's casual labour workers' average daily pay/salary wages (in CWS) are significantly higher than the national average [a] for all of India. In both urban and rural areas, Kerala's average wage rate is higher than India's, according to PLFS.

The most relevant aspect is that casual worker pay in Kerala are around 65 percent higher than in India. Despite the fact that women's wages in Kerala are lower than men's, wage rates for women in other states are higher. [25]

#### 9. SWOT ANALYSIS:

The key findings are summarised in Table 5 as a SWOT analysis. Although it is most generally employed in the field of business management, it is also utilised in a variety of other fields to provide an overview of the scenario under investigation and as a starting point for decision-making in complex situations [28]. It has also been used to plan strategies for rural development [29]. The following sections go through some of the findings of our SWOT analysis in further depth.

#### **STRENGTH:**

There is ample evidence that the flexibility of the labour market is crucial to understanding how migration, and particularly labour migration, affect welfare in both sending and receiving countries. Numerous studies have also demonstrated the many benefits of immigration, including how it promotes job development and economic expansion. People's willingness to take risks in different contexts is closely related to economic growth and the creation of new jobs, whereas job availability regulates the movement of job seekers [30].

- **Job openings can be occupied:** Migration can benefit the host state in a number of ways. It has the capacity to close skills gaps in the workforce, fill job openings, increase corporate productivity, and boost state productivity [31].
- Leads to economic development: Low-skilled labour migrants frequently outweigh the risks and expenses to the host state economically. In some circumstances, immigrants can even be regarded as an essential component of the cultural fabric of the state. Migration can benefit the host state in a number of ways. It has the capacity to close skills gaps in the workforce, fill job openings, increase corporate productivity, and boost state productivity [32].
- Can be advantageous in areas where the bulk of the population is elderly: When an economy becomes stagnant as a result of a labour shortage, fewer young people relocate into the area. They

- can fill the gap in the elderly population by migrating. They bring with them new ideas and talents that can help revitalize the economy because they are younger.
- Additional tax revenue for the hosting country: Kerala is undergoing a demographic transition as the population of the state decreases and the number of individuals who are able to work decreases. On the other side, this population decline can be benefited from by allowing migration from other states. The contributions of new, youthful workers, who also pay taxes, help close the pension gap [33].

#### **WEAKNESS:**

However, relocating has a number of drawbacks, the most significant of which is being the language barrier. It will be difficult for migrants to find and keep jobs if they do not know how to read or speak their original language. Migrating, in any case, is a difficult task. It can be a very challenging and stressful situation. Nonetheless, there are slew of options for making your transition easier and more successful. If you plan ahead of time, you'll be able to breeze through the process with little worry.

- Wage depreciation: Too much rivalry for jobs can be one of the biggest drawbacks of migration. In some circumstances, migrants may be forced to accept a lower-paying job than native workers. Additionally, as more individuals migrate, the cost of products and services rises, resulting in lower wages. When migrants are willing to labour for less money, this is also true.
- Employee benefit packages may be overlooked by businesses: More workers are willing to move away from their home states as a result of salary pressures. However, as a result of businesses being able to get away with paying "low" salaries because they can save money by hiring foreign employees, worker productivity and development have decreased [34].
- Can lead to exploitation: The economy may suffer as a result of migration, which might be risky. Although some migrants can find employment and support themselves, others may fall prey to exploitation as a result of their voyage. Since they may be exploited due to linguistic hurdles or because they put their trust in individuals who don't want them to succeed, migrants must defend their rights [34].
- **Public services are under strain:** As the population rises, the strain on public services could rise. The more people there are, the more towns and cities must be built to house them, along with new housing, educational facilities, and healthcare facilities. The government's finances are put under pressure as a result.
- **Dislocation of jobs:** The amount of people that migrate into a country might have economic and social consequences. When a large number of individuals move into a certain area, it can have negative repercussions such as job displacement, unemployment, and limited access to resources. There are also disadvantages, such as higher crime rates, health hazards, and climate change.
- It takes time to adjust to a new situation: Even while integration and acceptance can be attained in a short amount of time, there are still difficulties in this process. There are many difficulties, including prejudice, health issues, language barriers, and threats of violence and terrorism [35].
- Crime rates have risen: People movement can help facilitate organised crime and human trafficking. Organized criminals may find it easier to transfer drugs, firearms, and other unlawful commodities because to the ease of movement.

#### **OPPORTUNITIES:**

Over the previous few decades, a large number of people have migrated to Kerala, and the majority of them have chosen to reside in new cities or towns. Some people may believe that migrating is a good idea since it would provide them with additional chances. Kerala is a place where migration is particularly beneficial economically. In light of an ageing population and a need for more skilled labour, immigrants may be able to contribute significantly to the economy. In a larger economic sense, favourable short- and long-term benefits of migration on the labour market are anticipated. Depending on work motivation and driving causes, it's important to understand both the short- and long-term effects of migration on the labour market. [36].

Migrants, in general, serve as a link between their home state and the host state, and they have a considerable positive impact on the state's transportation system (host state). Furthermore, increased labour mobility facilitates trade. The promotion of cultural variety may help to boost trade. Migrants

may be able to make a significant economic contribution in the face of an ageing population and a demand for specific talents. The majority of migrants are relocating from poor to wealthy countries.

#### **THREATS:**

The transfer of people or their belongings from one location to another, typically across large distances, is known as migration. There are numerous advantages to migration, including the ability to relocate in the event of natural calamities or economic difficulties. There are however certain risks associated with migration, such as the displacement of native communities and the loss of culture, as well as overpopulation and discrimination.

**Table 6:** SWOT Analysis of migration in general [37]

CTDENCTH	
STRENGTH	WEAKNESS
<ul> <li>Vacancies in the labour market can be filled.</li> <li>Economic growth.</li> <li>Contribution to the problem of ageing.</li> <li>Tax revenue (direct tax).</li> <li>Tax revenue (indirect tax).</li> <li>In-migrant adaptability and flexibility.</li> <li>Relationship with locals.</li> <li>Less competition with native labourers.</li> <li>Rich transportation network.</li> <li>Favourable climate.</li> <li>Economic conditions.</li> <li>Accommodation facility.</li> <li>Developed infrastructure and pavement.</li> <li>Varied labour supply.</li> <li>Labour productivity.</li> </ul>	<ul> <li>Relationship with locals (narrow-minded society, unwillingness to change.)</li> <li>Language problem.</li> <li>Dual society.</li> <li>Loss of social trust.</li> </ul>
OPPORTUNITIES	THREATS
<ul> <li>Ageing and depopulation of local communities.</li> <li>Second generation entry.</li> <li>Availability of housing and land.</li> <li>Internalization.</li> <li>Flexibility.</li> <li>New markets.</li> </ul>	<ul> <li>Changing demography and culture.</li> <li>Overcrowding.</li> <li>Displacement of native communities.</li> <li>Loss of culture.</li> <li>Discrimination.</li> <li>Poor industrialization.</li> </ul>

Source: Compiled by the author

#### 10. FINDINGS:

- There has been a whopping increase in the number of migrant workers in the labour market of Kerala and figures out noted that there is a shortage of native labour in Kerala's labour market due to the immigration of Keralites and the diminishing rate of population growth in Kerala.
- Construction employs 60% of migrant workers, followed by manufacturing with 8%, hotels and restaurants with 7%, trade and agriculture with 2% each, and other occupations with the remaining 23% of workers [25].
- The majority of research also found that the frequency of such migration has increased over time, resulting in a large expansion in the urban unorganised economy. "All of these are leading to a significant expansion in the urban population in numerous countries," writes Kundu (2008), "with the majority of migrants being absorbed into the informal economy" [11].
- In fact, it has been noted that there were 4,12,849 migrants in 2001 and it soared to 31,50,000 migrants in 2020. It is mostly owing to increased job availability and high remuneration rates, which can be seen even in Kerala's unorganised industry [17],[19],[22],[23],[24],[25].

- By filling labour shortages, making purchases, and paying taxes, immigrants support economic growth. When there are more workers, productivity increases [38].
- When a migrant worker comes to Kerala and enters the labour market, he may expect to earn an average of 723 rupees per day, which is more than the national average of 354 rupees, giving them a 369-rupee advantage [25].
- Migrants contribute remittances, which help people who remain behind by raising spending and improving living conditions [38].
- The labour force in Kerala is expanded, with higher compensation, and capital accumulation for both migrants and natives are boosted as a result of accepting more migrants.
- As a result of migration, people's quality of life increases. As people learn about various cultures, practices, and languages, it helps to better their social life. This fosters greater intergroup harmony, which advances society progress [38].

#### 11. SUGGESTIONS:

- While the state's construction, hospitality, and retail industries, among other sectors, require a competent labour force, the bulk of migrant workers lacks any unique talents. The skill gap cannot be filled by unskilled migrant labour. The establishment of skill development institutes has been recommended for the state. It must be utilised by migrants.
- In Kerala, which historically has had the highest literacy rate in India, there are also concerns about the low enrolment of children from migrant households in schools and declining literacy levels.

#### 12. CONCLUSION:

Internal migration has the potential to help achieve rapid economic growth and poverty reduction. Outmigration benefits rural communities through remittances, and migration, particularly rural-urban mobility, serves to enhance the efficiency of labour utilisation. When migrant workers became part of the Kerala labour force, i.e., the subsidised economy became a part of the whole cross-section of the economy, the growth of the Kerala economy is accompanied by the arrival of migrants, who are fulfilling the demands of the Keralites, resulting in the migrants' socio-economic advancement. As a result of seeing this prosperity among a particular set of people, the rest of the community is enticed to strive for excellence in educational, economic, and social areas. In the end, it leads to the entire society's inclusive growth.

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