Internal Labour Migration to the Construction Sector in South Asia and its Impact on Poverty and Wellbeing

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MIGRATING OUT OF POVERTY?
A STUDY OF MIGRANT CONSTRUCTION SECTOR WORKERS IN INDIA, NEPAL AND BANGLADESH

1. Introduction

Construction has emerged as one of the fastest growing industries in India, Bangladesh and Nepal in recent decades, drawing an ever-increasing pool of labour from rural areas. In India, the contribution of the construction industry to GDP grew on average by 14.6 percent annually for the period 2001-02 to 2012 (RBI 2012). In Bangladesh, construction is the second largest sector, accounting for 9.8 percent of Bangladesh’s GDP (Ahmed and Akter, 2011). In Nepal too, the construction and real estate industry grew significantly to account for 15 percent of the GDP over the last decade.

According to 2012 World Bank poverty statistics, 53.8 percent of 1,649.2 million people in South Asia are poor1 and the proportions of the population living on less than $1.25 a day (PPP) are Nepal (24.8 percent ), Bangladesh (43.3 percent ) and India (32.7 percent ). In absolute terms, India has one of the largest population of poor in the world (Sumner 2010). In all the three countries, a great majority of the poor belong to disadvantaged communities concentrated largely in the resource poor regions (CBS 2013, World Bank, BBS and UNWFP, 2009). Migration has emerged as an important livelihood strategy and an increasing proportion of rural poor from resource poor regions have been undertaking migration to metropolitan cities.

Though each of the three countries India, Nepal and Bangladesh has a long history of migration, the pattern of internal migration has taken a new form over the last few decades with increasing migration from rural to urban areas (Afsar, 2005; WFP 2005; Srivastava, 2011a). Further, migration flows are dominated by disadvantaged communities hailing from resource poor regions (Gurung 2008, WFI & NDRI 2008, Garrett and Chowdhury 2004, Srivastava and Sasikumar 2005).

A significant portion of these migrants get employed in the construction sector in, and around, the metropolitan cities. This is not surprising given that the sector has emerged as one of the largest employer in all three countries. In India, the sector employs approximately 50 million people in 2011-12 (Soundararajan, 2013). According to latest National Sample Survey figures for 2007-08, construction offers the main occupation for short duration migrants, absorbing 36.2 percent of total short duration migration, followed by agriculture (20.4 percent) and manufacturing (15.9 percent) (Srivastava 2011a). In Bangladesh, a 2006 survey by the Bangladesh Institute of Labour Studies (BILS) estimated an annual growth rate of 6.5 percent in the labour force in the construction sector, much of it migrant labour. In Nepal, the Labour Force Survey of 2008, estimates that the sector employs 367,000 people, accounting for 3.1 percent of all currently employed people in Nepal (CBS 2008: 76), many of whom are migrants. Although the proportion

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1http://povertydata.worldbank.org/poverty/region/SAS
of the workforce employed in construction in Nepal is smaller than the other two countries, it is nevertheless one of the largest employers outside of agriculture in the country.

Despite growing importance of the construction sector as an employer of short term seasonal migrants in all three countries, there is little research that documents the link between poverty and migration in general, and migration to the construction sector in particular. Given the short term or seasonal nature of migration, much of such migration is invisible in policy discourse (Keshri and Bhagat 2012, Deshingkar and Farrington 2009).

The lack of evidence, both at macro and micro level, belies the enormous significance that migration to the construction sector has for rural livelihoods in a region that perhaps has the largest concentration of poverty in the world. The present study of migrant construction workers adds to the literature by generating evidence from three countries on the impact of such migration on the migrants themselves, as well as their families in rural areas. The study is conducted in two phases. The first part of the paper focuses on the living and working conditions of migrant construction workers in the capital cities of the three countries, some of whom are later traced back to the source area. The second part entails the comparison of living standards maintained by the migrant worker families in the source area with a comparable control group, with the former including some households of migrant workers interviewed in the capital cities in the first phase.

2. Methodology and Approach:-

The first phase of the study entailed a quantitative household survey of construction workers in the regions in and around the national capitals of all three countries. The survey covered workers engaged in two “large” and “small” firms. Large firms included private and public projects (Category 1 and 2 firms), with the former including international companies in two of the countries, while small firms (Category 3) only involved smaller private operators. The notion of large and small was subjective and relative and not based on strict objective indicators. The rationale behind the choice of three different firm types is that working conditions and the mode of recruitment in large scale migration vary across firms, providing us with an opportunity to assess how such variations affect the working and living conditions of workers in the destinations.

A total of 150 workers were interviewed in each of these three countries. In India, the survey of construction workers was implemented in Delhi National Capital Region (Delhi NCR), with 50 workers from each of the three categories of firms. In Bangladesh, a total of 150 workers were interviewed in the capital city of Dhaka, with a sample of 30 workers and 51 workers interviewed in the category 1 and category 2 firms respectively. A sample of 69 workers is interviewed in category 3 firms. In Nepal too, a total of 150 construction workers are interviewed in the city of Kathmandu, with 50 workers each in each of the three categories of firms.

In the second phase of the study, we traced some of the migrant workers interviewed in the capital cities of three countries to the source areas that report maximum such migrants. In India, two villages were shortlisted for the tracer survey. These include V1 from Malda district of West Bengal and V2 from Samastipur district of Bihar. In Nepal, N1 in Kavre district and N2 in Saptri district were selected for implementing the tracer survey. In Bangladesh, two villages- B11 and B12 of Chapainwabganj, and two villages – B21 and B22 villages of Chandpur were selected for the tracer survey.
In all the tracer villages in three countries, a census was first conducted to identify three categories of labour households- one category from which workers had migrated to the construction sector (Group 1), the second from whom labourers have migrated to sectors other than construction (Group 2), and the third category consisting of non-migrant labour households from which no labourer has migrated out of the village (Group 3). Households which did not rely predominantly on casual labour for their subsistence were excluded from the categorization. Thus, households from Group 1 and Group 2 constitute treatment samples and households from Group 3 constitute the control sample. In the discussion that follows, we have compared these groups separately, or Group 1 and 2 combined (where there characteristics are similar) with Group 3.

In India, a total of 80 households are enumerated during the tracer survey, of which 35 sample households have at least one member of the households as migrant to the construction sector, 19 sample households have at least one member of the household as labourer in sectors other than construction, and 26 sample households have no member migrating out of village. In Nepal, a total of 60 households are enumerated during the tracer survey, of which 12 households are construction migrant workers, 18 households are migrants to the sector other than construction and the remaining 30 households are non migrant households. In Bangladesh, a total of 160 households are enumerated in two districts, with equal representation of migrant and non-migrant labour households. Within 80 migrant households, 58 per cent of the households have at least one member working in the construction sector and 42 per cent of the households have at least one member working in sector other than construction.

The study follows a uniform research methodology and data analysis plan across countries, involving both quantitative and qualitative approaches. For the quantitative component, a uniform questionnaire and survey methodology, adapted to the specific country contexts is used. Qualitative information is collected through focus group discussions, in-depth interviews and observation to provide a more nuanced understanding of the issues.

3. Study of Worker’s Survey in the capital cities of India, Nepal and Bangladesh

3.1. Profile of Construction workers at Destination (Capital Cities)

An overwhelming share of the sample workers is male. The share of male workers in total workers varies from as high as 97.3 percent in India to 87.3 percent in Bangladesh and 86 percent in Nepal. Majority of them are young.

In India, 63.3 percent of the workforce engaged in the construction works is under 30 years. In Nepal, workers in the age group of 15-45 years account for 52 percent of the total workforce. As many as 82 percent of the workforce in Bangladesh is in the age group of 18-40. Earlier studies on construction sector in Bangladesh also confirm the trend that majority of the workforce engaged in the sector is in the range of 25-39 years (BILS 2007a, BILS 2007b, Hossain, Ahmed and Akter, 2010).

Most workers had poor educational background, even though significant variation is observed across the countries. Only 26 percent of the workers interviewed in India has education higher than primary. This figure varies from 38 percent in Bangladesh to 50Percent in Nepal.
More than half the migrant workers in the sample across countries are married. This figure varies from 50 percent in India to 59 percent in Nepal and 71 percent in Bangladesh. These results go against the received wisdom which predicts that migrants tend to be young, single and educated because they have fewer ties and greater opportunities to recover the investment in migration (Sjastaad 1962) or because young single people aspire to a life away from the village in the city (Crivello 2009).

In all three countries, most construction workers have come from poorer and socially deprived backgrounds. In India, Muslims account for as much as 36.7 percent of the sample workers, more than their representation in the general population. Similarly, “low” (SC) and “backward” castes (OBCs) as well as tribal people (ST) are also over-represented among the sample workers. The scenario in Nepal is no different, with disadvantaged groups such as Janajati and Madhesi together accounting for almost 80 percent of the sample workforce. The proportion of workers from higher castes such as Brahmin and Chettri is relatively low in comparison to their total population in Nepal. In terms of religious profile, 69 percent of the workers are Hindu and 23 percent are Buddhist, with Muslim and Christian accounting for the remaining portion of the sample. In Bangladesh, the representation of the minority community is less than their proportion in the population. One possible explanation for this could be that social networks played a major role in inducing migration. This favoured Muslim migration in Bangladesh.

Most migrants have a very poor asset base in terms of land holding and have no reliable source of income in their native village. Most of them are engaged in circular/seasonal migration as an important subsistence strategy to support their livelihood. In India, as many as 84 percent of workers report casual work as the main source of livelihood in their native place, with only 11.3 percent of workers considering farming as their main source of livelihood. Average land holding possessed by both skilled and unskilled migrant workers is meagre and measures 1.1 and 0.9 acres respectively. In Nepal too, a majority of family members of migrant workers report working as agricultural labour in the native village. The land holding of the migrant workers is below average, with the average landholding standing at 6.7 ropan which is less than national average by a margin of one-third to two-third.

In all three countries, a significant percentage of workers migrate in cohort, either with their family members and other kinsfolk or someone from their village, perhaps as some kind of protection against harsh environment in which they travel and work. The percentage of migrant workers reporting such pattern of migration varies from 40 percent in India to 45 percent in Nepal and 33 percent in Bangladesh.

Migration related to the construction sector is seasonal in nature but most migrants retain strong connections with their native place. For example, in India, 92 percent of the workers regard their native place as primary residence. This figure is relatively low in Nepal and Bangladesh. In Nepal, 78 percent of the construction workers in Kathmandu report their native village as primary residence. But in Dhaka, only 63 percent workers still identify their native place of origin as their native place. The relatively higher presence of workers who are now primarily located in the urban areas of Kathmandu or Dhaka has undoubtedly exercised some influence on the results relating to recruitment patterns and wages across countries, reported later in this paper.
While some workers are recruited for a specific duration, or seasonally, and go back to their places of origin at the end of this period, others stay on, rotating between one site and another, and return occasionally to their places of origin. In most cases, they do not have the capacity to meet the living expense when they are unemployed, forcing them to go back home. Some workers note that, once they are back in the native places, they connect with other contractors, who may have jobs at their disposal. Thus, across countries, with some differences in the pattern, most migrant workers still retain strong connections with the native place, which they visit at the end of working season or holidays or when there is not enough work at the destination. The pattern of migration, therefore, confirms that large majority of migrant workers are still seasonal or circulatory migrants.

3.3. Conditions of work, wages, social security and collective organization

One of the important channels through which migration affects the well being of the informal construction workers is the labour market. This includes how migrants secure jobs in the destination areas, their conditions of work, wages, availability of social security, and their associational and bargaining power.

Most construction workers are exposed to large uncertainties in the potential job market because of their low skill profile. They have very little knowledge about potential job market, and job search can be difficult and can entail high costs. Since most of them are inter-district or inter-state migrants, the perceived risk and costs tend to be particularly high. Middlemen (contractors or sub contractors) play an important role in mediating employment, lowering transaction costs for both employers and workers, as well as determining the conditions of work. However, the extent of the role played by contractors varies across countries, with such recruitment systems being used with greater intensity in India compared to Nepal and Bangladesh. This, as stated before, may perhaps be linked with relatively localized nature of recruitment in Nepal and Bangladesh compared to India. Moreover, substantial variation in the recruitment pattern is observed across type of projects.

At the first level, contractors, along with family members or kinsfolk of the labourers, are the ones who influence decision of the worker to migrate. In India, an overwhelming majority of construction workers engaged in Category 1 and Category 2 firms report that their decision to migrate is influenced by middlemen/contractor. However, only less than half the workers in Category 3 report being influenced by such middlemen. Workers in Category 3 firm projects arrive in the destinations often through their kinsfolk or family members, and sometimes through smaller contractors. In Nepal too, about half of the total workers engaged in Category 2 firms maintain that their decision to migrate is influenced by contractor, but this is less so in case of firms in Category 1 and Category 3. In particular, Category 1 firms (international firms) have well developed systems for direct recruitment in place. In Bangladesh, only 26 percent of the construction workers interviewed report being influenced by contractors when they take the decision to migrate to the city of Dhaka.
Even when the workers take the initial decision to migrate because of family members or kinsfolk, recruitment may be facilitated by contractors. This is particularly true in India where an overwhelming majority of workers engaged in Category 1 and Category 2 firms access employment through contractors. Even in Category 3 firms, more than half the workers access employment through contractor. In Nepal too, contractors/middlemen remains the most dominant mode of recruitment, particularly in Category 1 and Category 2 firms. In a break from the trend noted in India and Nepal, a higher percentage of workers engaged in Category 3 firms in Bangladesh access employment through contractors/ middlemen compared to those engaged in Category 1 and Category 2 firms. In India and Nepal, migration of workers to the Category 3 firms is less organized because of their smaller scale and lower requirement for labour. Workers are recruited through personal contacts or as in the case of India, from the labour chowk, a term used to denote areas where unemployed workers arrive each day to seek employment.

The contractor / middleman is generally known to migrant workers and often hails from the same source area. In India and Nepal, the contractor gives the workers advances either in the source area or after reaching the destination. Such advances not only help the workers smooth out consumption in the lean season but also serve as signal of guaranteed job once they reach the destination. The case studies in India suggest that advances are rarely settled against wages until the final settlement occurs and contractors use them to ensure uninterrupted worker availability. In India, over 80 percent of workers in Category 1 and Category 2 firm avail advances from the contractor, but comparatively lesser 52 percent of the workers receive such advance in Category 3 firms. The higher importance of advances in recruitment of workers to Category 1 and 2 firms attest to the fact that advances are part of more organized pattern of migration. In Nepal, as many as 83 percent of workers confirm that they would not work if firm or the contractor does not provide advance payments. In comparison, in Bangladesh, only slightly more than 10 percent of migrant workers accessing employment through contractors take advance before migration. Interestingly, most workers in Bangladesh get only one third of their wage as Khorak or subsistence money, while the rest of the money is paid at the end of the month. Such method of payment allows the contractor to exercise greater control over worker’s labour during the period of employment. Thus, either through payment of advance at the place of origin, as in the case of India and Nepal, or through partial payment of wages, as is the case in Bangladesh, the contractors secure labour commitment of the workers and bind them to continue working in originally stipulated conditions of work.

In India, most workers across firm categories identify the contractor as their present employers, underscoring little or no role of the actual principal employers, who, in most cases, are the construction firm manager/ project manager or owner of the building. In Nepal, an overwhelming majority of the workers in Category 2 firms, and a little more than one-fourth of workers in Category 1 firms, see the contractors as their supervisor as against only 12 percent of the workers in Category 3 firm seeing the contractor as their supervisor, indicating less organized nature of the recruitment in the latter. In Bangladesh, 69 percent of the workers consider the contractor as their employer, albeit with variations across sectors. However, higher percentage of workers in Category 3 firms (78.3 percent) and Category 2 firms (78.4 percent) see the contractor as their employer. This compares with only 30 percent of the workers from Category 1 firms reporting the contractor as employer.
Labourers recruited through *jamadar* /contractor trade their freedom of making individual contracts with employers to the relative comfort of securing advances and the promise of secure employment from contractors. In most cases, the mediatory role played by the labour contractor in recruiting labour gets extended to supervising and disciplining them at work in the construction sites, thereby obviating any need for interference by the owners/managers of sites. Employers, particularly those in the Category 1 and Category 2 firms, are able to reduce their search costs and side-step other responsibilities that comes with recruiting a mass of informal workers. The role of the contractor that starts with the recruitment of workers on behalf of the employers and ends with their supervision in the work sites is suited to sidestepping basic labour standards relating to workers such as payment of minimum wages or stipulated overtime rates.

The pervasive nature of informality is reflected in the nature of the contract received by the workers. Informal, casual, and jobs without any written contract is the norm in the construction sites across countries. Workers with some kind of written contract account for less 10 percent of the total sample workforce in all three countries (Table 1). Casual employment is the most common form of employment. However, even the so called ‘regular employment’ (i.e., contractors giving jobs on a monthly or long duration basis, on corresponding remuneration) is largely an informal arrangement without any written contract, and there is not much difference in type of contracts across countries.

| Table 1: Percentage of workers with different type of contracts across countries |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                   | Casual employment with no written contract | Regular employment with no written contract | Regular employment with written contract for less than a year | Regular employment with written contract for more than a year | Other |
| India                             | 94.7            | 4.7             | 0.7             | 0               | 0               |
| Bangladesh                        | 68.7            | 24.7            | 2.7             | 4               | 0               |
| Nepal                             | 70              | 26              | 2.7             | 1.3             | 0               |

Source: Workers' Survey in India, Nepal and Bangladesh

The evidence available from India suggests that the labour market is highly segmented and wages are often fixed by the contractors in the source area at the time of hiring the workers. In most cases, wages paid to the workers fail to meet the minimum wages set by the state-level legislations in the destination area. In most cases, the actual wages paid to the workers are found to be less than the legal minimum wages for skilled and unskilled workers in Delhi NCR. Workers are segmented
across migration streams even within the same construction site, so that wages for similar work is also found to vary across workers within the same site depending on the migration stream of which the workers are a part and their pattern of recruitment. Further, in most cases, workers hired through contractors receive lower wages than those who find work themselves or with the help of friends and relatives. This is because wages of migrant workers are fixed at origin at the time of their recruitment by labour contractors and their agents and contractors take a cut in the wages provided by employers. Further, wages in Category 1 and Category 2 (formal sector) firms are lower mainly for organized pattern of recruitment through the contractor and also because workers are employed for a long period unlike smaller companies where the workers work on day-wage basis. Such non compliance is, however, not observed in Nepal, where workers across types of firms receive more than the minimum wages set for the city of Kathmandu. In Bangladesh, workers, on average, receive both higher daily and monthly wages in Category 1 and Category 2 firms compared to their counterparts in Category 3 firms. Some of these issues need to be examined in greater detail and the present study can be only treated as exploratory, given the size of the sample. In all three countries, skilled workers get higher wages compared to unskilled workers across firm categories, indicating that acquisition of skills gives workers higher bargaining power, serving as an important route out of poverty.

Working beyond normal working hours without commensurate benefits is commonly reported in most construction sites across countries. In India and Bangladesh, the incidence of working overtime is more commonly reported in Category 1 and Category 2 firms compared to Category 3 firms. Extra wages are mostly paid at the same rate for the overtime work, rather than higher rate which is legally mandated for such work. In some cases, daily wages are fixed on the basis of a ten or twelve hour working day, rather than for an eight hour work day. In Bangladesh, a little more than 40 percent of the workers claim that they are not entitled to such allowance even after working for more than 8 hours or on holidays. Unlike India and Bangladesh, more workers in Nepal report overtime work in Category 3 firms compared to Category 1 and Category 2 firms. The case studies from India suggest that workers accept overtime work as such work helps to increase remuneration on a per day basis, which raises the possibility of generating savings out of their wages. Case studies in Nepal suggest that preference among the workers for overtime work also suit firms, as they can use the existing labour force flexibly, rather than hiring additional labourers.

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<th>Table 2: Percentage of responses on what workers need to do before they take up another employment across countries</th>
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<td><strong>Can join readily without notice to present employer</strong></td>
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<td>India</td>
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<td>Bangladesh</td>
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Even though there is no written contract in most cases, workers are required to give prior notice to the present employer and clear debt advances before they can take up another employment opportunity (Table.2). Such situation has been referred as neo-bondage in the extant literature (Breman and Guerin 2009), (Srivastava 2009a). Such neo-bondage is ‘less personalized, more contractual and monetized with elements of patronage absent from the relationship’ (Srivastava, 1997). In India, compared to Category 3 firm, a higher percentage of workers in firms in Category 1 and Category 2 need to clear debt and advances before they take up another assignment, reflecting again a more organized pattern of recruitment, largely mediated by contractors. Though payment of advance is much less common in Bangladesh, an overwhelming majority of the workers in Category 1 firm, need to serve notice before they take up employment in another firm. Relatively fewer workers are required to do so in category 2 and category 3 firms.

Working conditions are found to be seriously inadequate in most construction projects across countries, but are found to more deficient in some respects in Category 3 firms. In India, working conditions in Category 1 and Category 2 firms appear to be somewhat better in some ways, with workers in these two categories of firms reporting more tea/lunch breaks with breaks of longer duration. The system of paid holiday, casual leave, sickness or maternity leave is conspicuous by its absence in all three categories of firms. In Nepal, workers engaged in Category 1 firms report accessing relatively more and longer tea/breaks compared to Category 2 and Category 3 firms. Few workers avail weekly off days and very few of them accessing public holidays are granted paid holidays. In Bangladesh, 93 percent of the workers avail lunch breaks of 60 minutes though only 63 percent of them report getting tea breaks.

In most cases, minimum safety standards are not strictly adhered to. Fatal accidents are commonly reported in worksites, reflecting lack of safety measures. When accidents take place, employers deal with them on case by case basis and do not follow any norm or law. In India and Bangladesh, even basic safety norms such as placing safety signs at the worksites are grossly violated in the construction sector, particularly in the smaller sites. In Bangladesh, the construction sites are often referred as ‘death trap’ due to their poor safety record and high rate of occupational accidents (Repon and Chowdhury, 2010). According to Building and the Wood Workers’ International (BWI), one in every six fatal accidents on the job occurs at construction sites. The construction sites in Nepal boast off better safety records, particularly in Category 1 firms but as elsewhere, data regarding occupational safety and accidents is highly deficient in the country.

Migrant labourers work in harsh circumstances and suffer from various health hazards attributable to the nature of their works. Most workers report health problems such as cough, back pain, eye strain, allergy and exhaustion, fever, headache, asthma, diarrhoea, dysentery, skin disease, chest

| Nepal | 11 | 77 | 9 | 0 | 3 | 100 |

Source: Workers' Survey in India, Nepal and Bangladesh
pain. In India, 70 percent of the workers report back pain as the most common health problem, followed by a significant number of workers reporting exhaustion (22.7 percent), eye strain (22.7 percent), and allergy (20 percent). The incidence of such problems is found to be higher in Category 3 firms. In Bangladesh, these health problems are found to be more common among those who have already spent a significant portion of their lifetime in the construction sector. The case studies in Bangladesh show that they further cite poor quality food, low nutritional status, unhygienic living place and poor sanitation as the reasons for their illness. In Nepal, as many as 63 percent of the construction workers identify dust particles and pollution as health risk, followed by accidents (35 percent) and eye strain (15 percent). Category 1 firms seem to follow better norms for work environment as evident in lesser number of workers citing these as problems compared to Category 2 firms.

The unavailability of safety equipments at the construction sites and the lack of awareness among the workers about their use are commonly reported in all three countries. In India, the availability and use of basic industrial safety equipments such as helmets, gloves and safety belts is higher in Category 1 and Category 2 firms. In contrast, workers engaged in the construction sites in Category 3 firm are not provided any protective tools. However, more sophisticated safety equipments such as ear plugs/ muffs, goggles, dust masks are unavailable across firm types.

In Nepal, construction workers report better access to safety equipments in Category 1 firms compared to Category 2 firms. Only 36 percent of workers in Category 1 firms lack access to any of these safety equipments compared to 84 percent of the sample workers in the Category 2 firms not using any of these equipments. The record of Category 3 firms is better in terms of availability of safety equipments, with only 6 percent of the workers reporting that they do not have access to basic safety equipments. In Bangladesh, a vast majority of the workers are not provided with any safety gadgets like mask, helmet, belt and special shoes. The study team in Dhaka notes that failure to impart proper training and motivation about the need for safety devices lead to reticence among the workers in using safety equipments even if these equipments are available in some sites.

Dearth of reliable statistics of injury and death at the construction sites in the three countries India, Bangladesh and Nepal reflect the lack of concern and capacity among the Government Agencies to enforce laws regarding the safety and security of construction workers. In Bangladesh, Non Governmental Organisations such as BILS and OSHE fill that role as they keep records on construction workers’ death and injuries.

The employers rarely take up responsibility of providing access to health care. Most construction sites in all categories of firms do not have any provision of medical check-up, leaving the workers in a situation where they have to fend for themselves to meet their health requirements. In India, many workers, unable to meet the stiff expenses charged by the private doctors, visit unregistered medical practitioners. As many as 72 percent of the construction workers in Category 1 and Category 2 firms and 62 percent of the workers in Category 3 firms report approaching unregistered medical practitioners when needed. The scenario in Bangladesh is no different, with as many as 80 percent of the construction workers availing services of nearby pharmacies, most of which are staffed by unqualified salespersons who gain some informal knowledge about medicine. Only a few are attended by qualified medical practitioners who charge a fee for writing prescription. Only in serious cases, they secure the services of registered doctors or go to hospitals.
The discrimination against women workers and inadequate facilities for such workers and the children accompanying them is commonly reported in most construction sites. In India, there is little evidence on this as the workforce is overwhelmingly male dominated, with women workers constituting only 2.7 percent of the sample workforce. Women workers constitute 12.7 percent and 15.3 percent of the total sample workers in Nepal and Bangladesh respectively. In Neal, the working condition of female workers appears to be slightly better, with 52 percent of women workers reporting that they get the same wage as their male counterparts. In Bangladesh, only 10.5 percent of the women workers received the same wage as their male counterparts. Gender stereotyping by the contractor and employers that works performed by the women workers are less strenuous and that their productivity is lower is often the reason behind lower wages for the women workers. However, observations show that the work performed by women workers in construction is mostly unskilled and physical, and no less strenuous than those performed by men.

Across all categories of firms in three countries, the worksite is conspicuous by absence of any provision for childcare facilities. Children accompanying the migrant workers do not have any access to education. In Bangladesh, as many as 36.8 percent of women workers report that they do not have any access to enclosed toilet facilities. Most female workers report that they do not prefer to bring their children to the workplace because of absence of any suitable facilities for them. During some of the FGDs with women workers, there were complaints of sexual harassment and insecurity, caused by advances made by male workers and overseers.

Social security provisions for construction workers are poorly implemented even though there are legislations to this effect in all the three countries. In India, the Building and Other Construction Workers Act (BOCWA), 1996 provides for the safety, healthcare and social security of the construction workers registered under this Act. Apart from other assistance for construction workers that include provision of pension for workers above 60 years of age and expenses for treatment of major ailments and education of children, the Act directs the state governments to make employers liable for the provision of basic facilities. However, awareness among the construction workers about the Act and its provisions is abysmally low. None of the construction workers report knowing about the presence of a Welfare Board under the Act, or nor had anyone registered with it, reflecting the low penetration of the Welfare Scheme at the state and national levels (Soundararajan, 2013).

The Bangladesh Labour Law 2006 states that every employer is obliged to provide compensation to its workforce in case of injury, disability and death due to workplace accidents. In case of death at workplace or accident, the victim worker and his family rarely get the amount stated as per law. The case studies and focus group discussions suggest that except for providing a little amount as treatment cost, the authorities hardly take any responsibility in case of accidents or even in the case of death of worker. Moreover, the construction workers are deprived of other social security rights, such as provident fund, group insurance, maternity benefit etc are never implemented in the sector. The compensation that even few workers have managed to avail through successful campaign of trade unions is never the exact amount determined in the law.

In Nepal, Category 2 firms show better record in the provision of social security program for its workers compared to Category 1 and Category 3 firms. This is largely because the firms in the category 2 are better regulated by the government in this respect, which leads to better compliance of policies and regulations of the government. As many as 55 percent of construction workers report provision of insurance against health hazards and accidents. Such schemes are more widely
implemented in Category 2 firms. As many as 92 percent of the sample workers in Category 2 firms have some schemes of insurance that compares with only 26 percent of the workers in Category 1 firms and 46 percent of the workers in the Category 3 firms reporting such provision. Thus, despite being covered under the respective labour laws in all three countries, the sector has suffered from plethora of informal practices and dismal record in the application of these laws. The case studies in India and Bangladesh suggests that the worksites in the construction sector are conspicuous by virtual absence of any inspection mechanism by the government.

In all three countries, there is little or no collective activity on the part of workers that can raise their bargaining power **vis a vis** their employers or contractor. In India, membership in labour unions or any such collective action is absent in all construction sites across firm categories. Most workers are apprehensive of losing employment if they join a union. Consequently, workers feel that attempts at collective action would be futile, and therefore do not join labour unions. These responses are all the more surprising especially when an overwhelming majority of workers complain about low wages, long working hours and strenuous work. These findings are validated by workers’ lack of awareness about laws safeguarding their rights and benefits. Most workers are not familiar with any of laws that are legislated in favour of their interest such as the Trade Union Act, the Inter-state Migrant Workmen’s Act, Contract Labour (Regulation and Abolition) Act, Minimum Wages Act, Factories Act and Workmen’s Compensation Act. In this scenario, the contractor remains the principal agency whom they can approach when there are problems related to the conditions of work. In Bangladesh, most construction workers do not have membership of trade unions or any form of worker’s association nor do they observe activities of such association at their respective workplaces. The case studies document a number of reasons for lack of collective activity on the part of workers in the construction sector which include frequent movement of workers from one place to others, temporary and project based nature of the jobs, coupled with minimum requirements of labour laws that at least 30 percent of the total workforce forms a union. Moreover, because of long working hours, most construction workers hardly get any time to participate in activities of trade unions.

The construction workers in Nepal take up higher level of collective activity compared to India and Bangladesh, which has also translated into a relatively better record in insurance and social security as discussed above. In Nepal, 29 percent of the sample workers report that there is a union in the worksites though only 18 percent of them report themselves as member of such unions. This could also be linked to left (Maoists) political activism in Nepal in recent times which strongly advocates formation of worker unions. However, only a negligible proportion of the workers express awareness about various Acts and provisions related to construction workers. Only 13 percent of the workers are aware of the Labour Act, and only 5 to 10 percent of the workers are aware of various acts such as Minimum Wage Act, Provident Fund, Factory and Factory Workers Act, Bonus Act, Disability Compensation Act. In case of grievances, almost half the workers prefer to approach the contractor and another 30 percent of the workers report approaching the employer.

**3.4. Impact of Migration at the Destination**

Apart from conditions of work, migration could impact on the well-being of workers and their families in a number of ways which include the possibility of job mobility through skill
upgradation, the impact of migration on their living conditions as perceived by them, and the impact on savings and remittances.

**a) Upward Job Mobility through Skill Acquisition**

The impact of migration on the economic mobility of workers can also be examined from the changes in their occupations and how they rate their chances of moving up in their professional career through acquisition of skills in the workplace. In all three countries, majority of construction workers across firm categories are unskilled and are engaged in manual jobs that are classified as unskilled. Almost two-thirds to 70 percent of construction workers in India and Nepal are low skilled and engaged as manual labourers. Most workers in all three countries regard their chances of formally acquiring skills at the workplace as very limited, as most skills are being learned informally only on the job. Across firm categories, most skilled workers have little or no access to formal certified training and they acquire most skills through on the job training (Table 3).

| Table 3: Percentage distribution of sources of training of skilled construction workers, by firm categories and countries |
|---------------------------------|----------------|----------------|----------------|----------------|
|                                 | Category 1 firm | Category 2 firm | Category 3 firm | Over all       |
| **India**                      |                |                |                |                |
| On the job training            | 94.12          | 95.45          | 92.31          | 94.23          |
| Have formal certified training | 5.88           | 4.55           | 7.69           | 5.77           |
| **Nepal**                      |                |                |                |                |
| On the job training            | 82             | 94             | 96             | 91             |
| Have formal certified training | 18             | 6              | 4              | 9              |
| **Bangladesh**                 |                |                |                |                |
| On the job training            | 98.6           | 96.1           | 92.31          | 96.58          |
| Have formal certified training | 1.4            | 3.9            | 7.69           | 3.42           |

In India, more than two-thirds of the unskilled workers in Category 1 and Category 2 firms rate their chances of acquisition of skills informally as either nil or low, indicating that the majority of them could remain stuck in low-skilled manual work. However, a slightly higher percentage of workers in Category 3 firms regard their chances as good or fair, indicating the likelihood of such workers acquiring skills by working closely with more skilled workers, such as masons, in work teams. In Bangladesh too, 45 percent of the sample workers maintain that the chances of acquiring
better skills and moving up in their trade are nil and an overwhelming 94 percent of them acquire their existing skills on the job. Compared to India, a higher percentage of workers in Category 1 and Category 2 firms in Bangladesh report their chances of acquiring skills as good. In Nepal, majority of 91 percent of the workers who acquire whatever limited skills they have only on the job. Earlier literature also documents how migrant workers lack access to training that limits their possibility of economic mobility through acquisition of skills (Haberfeld, 1999, Mosse et al.1997, Mitra 2010)

The studies in India show that informal skilling opportunities are, however, restricted to male workers. Moreover, the chances of skill acquisition also vary across social groups, as no ST worker from India reports positively on their chances of skill acquisition.

**Impact of Migration on Living Conditions**

In India, there are sharp differences in the living conditions of workers by categories of firm. More than 90 percent workers in category 1 and category 2 firms live in accommodation provided by the employer or the contractor. In contrast, only 72 percent of the workers in category 3 firm avail similar facilities. Across categories of firms, quality of accommodation provided by the employer is poor. Most of the accommodation lacks basic amenities such as proper sanitation facilities, with more than 40 percent of the workers reporting no access to toilets and bathroom facilities. Many of them live in under construction building or in case of long term migrants, in rented accommodation. In none of the projects, employers provide any transportation facility to workers living away from the sites, and this is a significant expense for the workers. Most workers prefer to live with family/relatives or co-workers perhaps as a safeguard against harsh conditions, in which they live, work, and travel. In Nepal, almost half the workers stay in rooms/ shed provided by the employer (64 percent in Category 2, 29 percent in Category 1 firms, and 48 percent in Category 3 firms). In Bangladesh, the accommodation facilities are no better, with as many as 43 percent of the workers living in the actual construction sites. While 14 percent of the workers live in structures provided by the contractors away from the site, 35 percent live in privately rented accommodation where they have somewhat better access to toilets. Workers engaged in the lowest level menial jobs report that they lack access to drinking water and power.

Across countries, construction workers lack basic entitlement in the destination. ID cards issued by the employers are largely used to manage the security of the sites and control the passage of individuals through them. Food is generally expensive for the migrant workers. In India and Nepal, workers don’t have access to subsidized food because of their migrant status. They cook on wood fires or small gas cookers for which the fuel is more expensive on a volumetric basis.

**Impact on children**

The impact of migration on children accompanying the migrant workers is less than favourable. Across countries, the construction sites are conspicuous by absence of crèche and day-care facilities for children, exposing them to the polluted environment of the construction sites. In India, migrant children are in most cases deprived of education. The schooling system at source area does not take into account their migration pattern and migrant status at destination bars them from accessing facilities such as government run crèches (Anganwadi, ICDS). Case studies show that
workers bring their children with them for a number of reasons that include some of them being required as helpers for household chores, or looking after their younger siblings who don’t have anyone to take care of them at home at the place of origin. Migrant children accompanying adults are thus most likely to remain confined to the status of future unskilled labour much like their parents. A number of earlier literature on short-term migration in India indicate similar impact on children’s education (Rogaly et al, 2001, 2002; Smita and Panjiar 2007; Srivastava & Dasgupta 2010).

In Nepal, where migration is relatively long term in nature, the impact on migrating children seems to be less adverse, with 20 percent of the workers reporting that they send their children to schools at destination. Three out of four workers send their children to government schools, 15 percent send them to private schools, while the rest send their wards to charitable or NGO schools.

**Expenses at destination**

Migrant workers and their families maintain very poor standard of living at the destination. In India, skilled and unskilled migrant workers report per capita daily consumption expenditure of Rs 38 an R 55 respectively which put them slightly above the official urban poverty line of Rs 32 a day announced by Planning Commission in 2009-10 but this benchmark has invited sharp criticism for being too low, leading to the constitution of a new committee to re-examine issues relating to measurement of poverty. This broadly puts in perspective the standard of living maintained by the migrant labour in the construction sector, particularly those engaged as unskilled workers, who form the bulk of such workforce.

In Nepal, though there is no data on per capita consumption expenditure, monthly expenditure reported by the construction workers is indicative of the standard of living maintained by these workers. The average monthly expenditure reported by workers at destination is NPR 6128. There is, however, substantial variation in expenditure reported across companies. These monthly figures are, however, expenditures for workers and dependents (if any) and hence, they are not comparable with the benchmark poverty line figures which is NPR 3411 per capita per month.

In Bangladesh, a construction worker on average spent Tk.7,791 in Category 1 firms, Tk.7,225 in Category 2 firms and Tk.5,016 in Category 3 firms

**Remittances and Utilization**

Remittance is one of the key channels through which migrants are able to stabilize and improve their conditions of living at source and which may even influence the pattern of growth and development in the source areas. The financial resources brought in by the remittances also impact intra and inter-household relations.

Despite their poor working and living conditions, an overwhelming majority of construction workers in all three countries has managed to save part of their income and send remittances to

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their family members in the native villages. In India, out of the sample of 150 workers, 147 workers have sent remittances in the past year, with the amount varying depending on the income and skill level of the workers. The skilled workers have, on average, sent as much as Rs 36,810 as remittances that compares with Rs 22,891 sent by unskilled workers. In Nepal, as many as 78 percent of workers have sent remittances in the previous year. The average is as high as NPR 31,123 with substantial variation across categories of firms. A migrant worker in category 1 firm sends remittances of NPR 43,520 that compares with NPR 32,360 and NPR 33,490 reported by workers in Category 2 firms and Category 3 firms respectively. In Bangladesh, 88 percent of the migrant workers have saved and remitted money to their families. More than 40 percent of them are able to remit between Tk. 10,000 and Tk. 50,000 in the past year. One third of the workers, most of them employees of Category 1 firms, have remitted more than Tk. 50,000 in the previous year.

Impact of remittances

The impact of remittances on the household economy is primarily via changes in the pattern of expenditure and investment. Migrant workers across countries roughly show the same pattern of uses of remittances (Table 4). Most migrant households report spending their remittances on the purchase of consumer durables, improvements in housing, indicating definite improvement in their material condition in the native place. A good number of workers spend part of their remittances on children’s education and health. Relatively fewer migrant households, however, report using remittances to purchase land, which increase their asset base. Some micro studies from India on migration also indicate such use of remittance (Oberoi and Singh, 1983; Krishnaiah 1997, Sharma 1997). We repeat this analysis for the households in the places of origin during the tracer survey.

| Table 4: Percentage distribution of different uses of remittances by migrants by purpose across countries |
| Purpose                                                                 | India | Nepal | Bangladesh |
| Purchase or mortgaged in land                                           | 9.2   | 11    | 16.7       |
| Purchased other farm or non-farm productive assets                      | 20.6  | 7.4   | 30.7       |
| Improvement in housing                                                  | 85.7  | 56    | 55.3       |
| Purchased consumer durables                                             | 89.3  | 55.1  | 62.67      |
| Repayment of debt and credit from money lenders/ informal sources       | 33.5  | 21.1  | 32.7       |
| Higher level of consumption especially during the lean season           | 84.9  | 15.2  | 18         |
| Higher expenditure on children's education and health                   | 67.9  | 20.6  | 48         |
| Other                                                                   | 12.5  | 33.8  | 18.7       |
However, cash income earned during migration period may not always add to the net resource base of the migrant household. For example, in India, 33 percent of the sample workers report using remittances to settle debt and credit from money lenders/informal sources. Such use of remittances has been recorded in Indian context in the earlier literature (NCRL 1991, Mosse et al, 2002). Similarly, 21.10 percent of the workers in Nepal and 32.70 percent workers in Bangladesh report using remittances to pay off old debts.

3.5. Perceptions of Migrant Workers regarding Living and Working Condition at Destination and Origin

The sample workers in all three countries are asked to compare their perceptions regarding living and working conditions in their native places with those in their current destinations. Their responses show a clear dichotomy in how they perceive living conditions including housing on the one hand, and availability of employment and remuneration on the other.

In India, most workers perceive their housing and living conditions as being worse in the destination areas compared to their native places. Only 19 percent workers see their housing conditions as better at destination, and only 32 percent workers report their general living condition as better at destination compared to their native places. On the other hand, most workers report their working conditions, remuneration and availability of employment, as well as their overall assessment of how they are faring, as better at the place of destination than their native place. These responses are similar across skill status and categories of firms.

A similar situation prevails in Bangladesh, with as many as 71 percent of the workers reporting that their housing conditions are worse at destination; and 57 percent of the workers reporting other living conditions as worse at destination. But an overwhelming 80 percent of workers report the present location as better than the native village in terms of securing employment, perhaps indicating that most of the migrant workers are driven out of their native place due to the dearth of employment opportunities.

In Nepal too, an overwhelming majority of sample workers consider their present destination better in terms of access to employment and remuneration/earning. These responses indicate comparative lack of remunerative employment in the native place that forces these migrant workers to engage in seasonal/circular migration in the expectation of better livelihood. However, as many workers have noted, they continue to lead a sub-human existence with very little voice and entitlement in the destination. Overall, about half the workers report that they consider the present destination better than the native place.

4. Impact of Labour Migration on Households at Origin:

4.1. Profile of the sample households at the source area

In all three countries, migrant workers involved in the construction works belong to disadvantaged communities living in resource poor regions. In India, sample households in V1 belong to the
disadvantaged communities such as Scheduled Castes (SC) and Other Backward Castes (OBC), with SC and OBC accounting for 42.1 percent and 57.9 percent of the entire sample households. In V2, all sample households belong to Muslim community. In Nepal, the profile of sample households is no different, with 60 percent of them belonging to Janajati, 33 percent to Madhesi group and the rest comprising of Brahmins and Chettris. In Bangladesh too, migrant households hail from the resource poor regions in North west and South west divisions of Bangladesh, a region marked with low agricultural productivity and natural disasters (especially from riverbank erosion, floods, cyclones and tidal waves) and *Monga* (the cyclical phenomenon of poverty and hunger) (World Bank, BBS and UNWFP, 2009: 10-11).

Migrant labour households are relatively better placed compared to nonmigrant households in terms of access to education. In India, a higher percentage of family members of nonmigrant households are illiterate compared to migrant families. In V1, 35.1 percent and 39.4 percent of family members of migrant and non migrant households respectively are illiterate, the corresponding figures for migrant and nonmigrant households in V2 are 43.3 percent and 55.9 percent. In Nepal too, a little over 20 percent of family members of migrant households are illiterate. In contrast, as many as 37 percent of family members of non migrant households are illiterate.

A comparison of ownership of land across migrant and non migrant households shows no common pattern across countries. In India, a higher percentage of migrant households report ownership of land. Moreover, the average size of farm reported by migrant households is larger than their non migrant counterparts, indicating either better initial asset base of the former or subsequent land purchases made by them. In Nepal, both migrant and non migrant households report similar size of land holding (0.50 hectare), which is, however, less than national average of 0.70 hectare. However, non migrant households lease in land to support their livelihood. In Bangladesh, though almost all migrant and non migrant households report ownership of land, but fewer non migrant households work on their land, citing inability to meet higher cost required to work on their land.

4.2. Impact of Migration

The existing migration literature indicates that the impact of short term and seasonal migration on the source area depends on a number of factors, and their net impact determines the nature and extent of benefits accruing to migrant households and the area concerned (Srivastava, 2005, 2009b). The impact on the source area may occur through a number of channels, which include changes in the labour market, income, assets, and how the remittances earned through migration is spent by the migrant households. Some of the less direct ways through which migration impacts the source area include changes in attitudes and awareness, resulting in better perception of education and other qualities of life. Migrant labour, once they have better exposure in the destination, become more assertive in their demand for better conditions and better wages even in the local labour market. Their attitude towards personalized labour relations also undergoes changes (Srivastava, 1999).

a) Impact on education

The impact of migration on schooling and education of children is ambiguous. While migration with family limits access to education by migrating children, the effect on education in the source area seems to be positive. In India, migrant households report higher percentage of school goers
in 5-14 years age group compared to non migrant households. In V1, both migrant and non migrant households report equal percentage of dropped out in the age group of 5-14 years in V1. In V2, migrant household report 6.7 percent of children as dropped out in the age group of 5-14 years compared to non migrant household reporting similar status for 10 percent of the children in the same age group. In Bangladesh too, incidence of both not attending and dropout is higher among non-migrant households compared to migrant households. Migrant households report 12 percent of their children as dropped out vis a vis 19Percent of the children from the non-migrant families reporting similar status. On average, only 2 percent of the children of migrant households report that they never attended schools compared to 9 percent of the children of non-migrant households reporting similar status.

In all three countries, compared to non migrant households, migrant households shows higher proclivity to choose private schools for education of their wards. In India, children from both migrant and non migrant households access only public schooling in V1 because of unavailability of private school. In V2, 36.7 percent of migrant households access private schools for their children compared to no one among nonmigrant households sending their children to private schools. In Nepal too, migrant households display higher propensity to send their wards to private schools. While 75 percent of the children of the construction migrant households and 68 percent of the children of the other wage migrant households go to private schools, only 59 percent of the children of non-migrant households access private schools. The case studies show that greater preference among migrant households to choose private schools is driven by their belief that these schools provide a superior education compared to state schools. Migrant households also tend to believe that their children will learn English and do well in life as many of the private schools claim to be English medium.

<table>
<thead>
<tr>
<th>Table 5: Expenditure on education of children by sample households across migrant status and countries (local currencies)</th>
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<td>Tuition fees</td>
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</tr>
<tr>
<td>India</td>
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<tr>
<td>Migrant</td>
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Note: Figures are in local currency units.

In all three countries, migrant households spend more on the education of their wards compared to non-migrant households, which reflects both their attitudes and higher spending ability. They report higher average expenses on education per child compared to non-migrant households (Table 5). In India, evidence of importance attached to education by migrant households has also been noted in worker survey in NCR. The data from NSS 65th Round also reports that as many as 37.4 percent of migrant households spend part of their remittances to meet education and health expenditure of their children (Srivastava, 2012). Even in Bangladesh, where there is provision of free primary education, migrant households show higher propensity to spend on education of their wards compared to their non-migrant counterparts. In Nepal too, the average expense on education reported by migrant households is 4 to 5 times higher than those reported by nonmigrant households. The informal discussion and case studies in all three countries show that migrant workers, after being exposed to the outer world, imbibe a strong belief that access to better education by their children will help them earn better livelihood in future.

Overall, the effect of labour migration on child education appears to be mixed. Where children migrate with parents, they may not be able to access schooling in the destination areas. On the other hand, if they stay at home, there is a slightly greater likelihood that they will be schooled and certainly the propensity to send them to private schools and the expenditure on their schooling appears to exceed that being made on average on non-migrants' children.

b) Impact on asset portfolio

Apart from impacting on education expenses, remittances may impact household well being by adding to the asset base of the migrant labour in their native place and may even influence the pattern of growth and development in the source area. However, as worker surveys in all three countries and the evidence documented in other extant literature shows, remittances may be used mainly to purchase only consumer durables and their impact on the acquisition of productive assets could be relatively less (Srivastava 2011c).

The pattern emerging from three countries show that the asset base of migrant labour households is larger, primarily because of the use of remittances, but the absolute value of the differential is quite small in all cases, underscoring the weak asset base of labour households, whether migrant or non-migrant.

Like other principally rain-fed areas, the ownership of livestock remains a key component of strategy towards diversification of livelihood in the survey villages. A good majority of sample households across migrant status report ownership of livestock. In India, fewer percentage of migrant households report ownership of livestock compared to nonmigrant households, but they draw largely on remittances to make such purchase. In Nepal, the ownership of livestock reflects similar pattern as non-migrant households report higher average number of animals per household compared to the migrant households. In Bangladesh, while a higher percentage of non-migrant households report ownership of draught animals and milch cow compared to the migrant households, a higher percentage of migrant households report ownership of relatively expensive livestock such as milch buffaloes and calves. In Bangladesh, migrant households on average report higher value of livestock products compared to the non-migrant households.
In India and Bangladesh, migrant households rely on remittances to purchase farm equipment. In India, migrant households report average purchase value of farm equipments at Rs 793 which compares with Rs 321 reported by non-migrant households. Migrant households draw as much as 50 percent of finance required for purchasing farm assets from remittances. Such uses of remittance have also been corroborated in the worker survey in NCR and other extant literature (Oberoi and Singh, 1983, Krishnaiah 1997, Sharma 1997). In Bangladesh, the average purchase value of farm equipments does not vary much across migrant status. Migrant households on average report Tk 2643 that compares with Tk 2592 reported by non migrant households. In Bangladesh, as many as 53 percent of migrant households report using remittances sent by their migrant members as main source of funding for such purchase.

In all three countries, a higher percentage of migrant households own transport vehicles compared to non migrant households. In India and Bangladesh, migrant households report higher average purchase value of transport vehicles compared to non migrant households. In India, migrant households report average value of Rs 3969 that compares with Rs 1019 reported by non migrant households. In Bangladesh, migrant households report possession of transport vehicle, which is worth Tk 25085 that compares with Tk 22493 reported by non migrant households.

In all three countries, migrant households report higher values of their residential properties and higher spending on repair/ construction of their houses, indicating both their better initial wealth position and higher capacity to spend on reconstruction. In India, migrant households report present value of residential properties at Rs 128872 that compares with Rs 10307 reported by non migrant households. As many as 59.3 percent of migrant households report spending on the repair/reconstruction over last ten years that compares with only 53.3Percent of nonmigrant households reporting similar expense. Migrant households report average expense of Rs 39549 over repair and reconstruction that compares with non migrant households reporting Rs16346 over the same period. For migrant households, remittances account for 84 percent of finance required for such expenses.

In Nepal too, higher percentage of migrant households report better residential houses compared to non-migrant households. A higher percentage of migrant households built or purchased new households compared to non-migrant households, with the former largely relying on remittances to finance such expense. In Bangladesh, no significant difference is noted in housing pattern of both migrant and non-migrant households. Little more than 60 percent of households across migrant status report that their houses are made of pacca or semi pacca. However, migrant households, on average, spend NPR 39851 over last ten years, compared with NPR 35476 reported by non-migrant households.

Across countries, migrant households have shown preferences to spend remittances/ savings on consumer durables. Such preferences have also been corroborated in the trend noted in worker survey. In India, migrant households report average purchase value of consumer durables worth Rs 10267 over last ten years that compares with Rs 4949 reported by non-migrant households. For migrant households, financial resources for much of these assets came from remittances, accounting for as much as 76 percent of such purchase made by them. In Nepal, households with family members working as migrant report consumer durables worth over NPR 45000 that compares with only NPR 12880 reported by non migrant households. In Bangladesh too, migrant households report consumer durables worth Tk 4553 that compares with Tk 3882 reported by
nonmigrant households. In both the countries, migrant households use remittances to purchase consumer durables.

Qualitative information and case studies from India also confirm improved access of migrant households to food, medical treatment and education for their children. Though some of the migrant households even report purchase of durable assets such as scooter and motorcycle, earnings through migration are, however, rarely either used, or are enough, to enable them to purchase land and other productive assets which could lift them out of cycle of migration.

c) Debt Liabilities of Migrant and Non-migrant Labour Households

Incidence of indebtedness is commonly witnessed among migrant households across all countries. Though less compared to nonmigrant households, a good number of migrant households report indebtedness. In India, 9.3 percent of migrant households report indebtedness that compares with 26.9 percent of nonmigrant households reporting similar status. In Bangladesh, a significant percentage (73 percent) of migrant households report indebtedness. But an even higher 91 percent of non-migrant households report debts. In Nepal, migrant households report greater indebtedness compared to non-migrant households. Though the percentage of households reporting indebtedness does not vary across migrant status, migrant workers report higher average amount of loan compared to non-migrant workers. While the latter report debt of NPR 42000 per household, construction migrant workers report an average debt of NPR 126000 per household and other migrant workers report an average debt of NPR 52000 per household. Overall, the evidence accumulated from India, Nepal and Bangladesh suggests that a significant portion of migrant households take loans and migrant households use remittances to settle the loans. Workers’ surveys in capital cities of all three countries also confirm that a significant portion of migrant workers use remittances to settle debts and loans.

Most sample households lack access to formal credit as they take loan from informal sources. In India, three quarter of sample households report money lenders as their source of loans. In Bangladesh, the reasons cited by migrant households for availing loans in case studies include meeting daily household expenses, medical treatment, and marriage of children. Such evidence of migrant workers using their remittances has also been documented in earlier studies (NCRL 1991 Mosse et.al. 2002), raising the question of whether such migration is itself a result of debt at home, or whether it leads to debt-labour inter-locking involving employers in the destination areas or their middlemen. Migration triggered by such indebtedness may not add to the welfare of rural households.

d) Impact on labour market

One of the major channels through which migration impacts the source area is labour market. The changes in labour market due to migration may occur in more than one ways. While rural outmigration may help migrant family smooth employment over annual cycle, it may also cause a tightening of labour market, resulting in higher wages and thus benefiting even non-migrant labour households. However, such benefits may not occur if migrant households are replaced by female or child labour. Migration may bring other qualitative changes in conditions of local labour market including better employment conditions. There are a number of well documented studies of how migrant labour, after being exposed to urban market, refuse to accept poorer working conditions
at the source areas. The information available only from India gives some tentative evidence on the impact of migration on the labour market in the source area.

Migrant workers earn higher wages compared to non-migrant workers for both skilled and unskilled categories, indicating that higher wages work as motivation to migrate to the destination in the expectation of higher earnings. A skilled migrant worker reports daily wage of Rs 400 and Rs 475 in V1 and V2 respectively, which compares with Rs 249 and Rs 150 reported by skilled non-migrant in the respective villages. Likewise, an unskilled male migrant worker reports daily wage of Rs 236 and Rs 221 in V1 and V2 respectively, which compares with Rs 151 and Rs 130 reported by unskilled non-migrant male worker in the respective villages.

Migrant workers avail higher employment days. An unskilled migrant worker from V1 reports 239 days of employment which compares with 113 days of employment availed by an unskilled worker in the native village. In V2, similar trend is noted as an unskilled migrant worker reports 221 days of employment compared to 153 days of employment reported by an unskilled worker in the native village.

Interestingly, no female has reported as migrant worker, pointing to the male selective nature of labour outmigration for construction work in the study villages in India. However, significant participation of women as casual workers is noted in the source area. In V1, 29.6 percent women from SC and 24.3 percent women from OBC report participation in local workforce, and 32.9 percent among females in V2 report as wage workers. Rural outmigration may not cause tightening of labour market as labour of male member is replaced by female labour in the source area. Such high participation of women in local labour market may also point towards feminization of agricultural casual workforce.

Overall, comparative scenario of labour markets in both source and destination areas suggests that both markets are conspicuous by absence of regular jobs, even for skilled workers. The level of wages for unskilled labour both at source and destination, and the number of employment days available attest to poorer conditions in the source area. Workers’ response in NCR survey indicates similar scenario at the source area. Further, a comparison of wages reported by workers in construction worker survey in NCR and those earned by non-migrant labour in the source area, suggests that while wages in the destination fail to meet the minimum wages criteria set by the respective states in NCR, they are higher than those earned by the non-migrant in the source area. In other words, migration out of village is clearly influenced by the expected earning differential between source and destination. However, as noted in the earlier section, wages received by migrant labourers at destination bear little relation to local labour market conditions at destination, due to the segmentation of labour markets. Such segmentation in the labour market is facilitated by contractors as middlemen in the organised recruitment process.

e) Impact on consumption expenditure

Migration brings in remittances, which can be used to address a hierarchy of needs but studies show that consumption is one of the prime objects for which remittances are utilized (Deshingkar et. al. 2006; 2008; Srivastava 2011c). In India, migrant households report higher monthly per capita consumption expenditure compared to nonmigrant households in both survey villages. In V1, construction migrant and other migrant worker households report on average monthly per capita expenditure of Rs 1396 and Rs 1082 respectively that compares with Rs 743 reported by
non-migrant households. In V2, migrant labour households to construction sector report higher average monthly per capita expenditure (Rs. 2361), followed by other migrant labour households (Rs. 1862), and non-migrant households (Rs. 1226). It seems that higher wages and remittances reported by migrant workers translate into higher expenditure on food and other essential consumption items by households. The break-up of monthly per capita expenditure shows that expenditure on health gives a mixed picture. In V1, migrant households spend lower amount on health compared to their nonmigrant neighbours. NSSO 64th round indicates similar use of remittance, with 75 percent migrant households using remittance to purchase food and 45.1 percent households purchasing other essential consumption items (Srivastava 2012).

In Nepal too, migrant households in both construction and other sectors report on average higher expenditure compared to nonmigrant households. The construction migrant households report average annual expenditure of NPR 94000 and other migrant households report NPR 88000 that compare with NPR 83000 reported by nonmigrant households. Migrant households, on average, report higher expenditure on all categories of consumption - food, fuel, and non-food expenditure compared to non-migrant households. The remittances contribute 40 percent of migrant households’ income, part of which translate into expenditure on food and non-food expenditure reported by migrant households.

Comparison of average monthly expenditure reported by migrant and non-migrant households in Bangladesh indicates similar findings. The migrant households report monthly expenditure of Tk. 9816 which compares with Tk. 8243 reported by non-migrant households. The average monthly expenditure, when disaggregated into sub-groups of food and non-food that includes medical and education, indicate that migrant households spend more on all sub-groups of expenses compared to their non-migrant counterparts. That migrant households, on average, spend more than their nonmigrant counterparts on children’s education has also been corroborated by detailed expenses reported by the sample households on different sub headings of education.

4.3. Perception among the rural households on change in socio-economic status

All sample households migrant and non-migrant, are asked as to how they perceive their socio-economic status presently, and five and ten years ago, in relation to other neighbours and community members in four categories "Low", "Lower middle", "High Middle" and "Wealthy". They are also asked as to how they perceive changes in their family’s status on three separate major dimensions viz. a) health, sanitation and hygiene; b) education of children; c) food adequacy, at present, and 5 years and 10 years ago. These responses are categorised into "Poor", "Somewhat better", "Good", and "Very Good". The responses of sample households in all three countries confirm the trend noted in quantitative data.

In India, households of all sample categories- both migrant and non-migrant households perceive improvements in socio-economic position over last 10 years. Hardly any of these households sees itself as being "Wealthy" at any point of time. However, a higher percentage of migrant households think that they are in lower and high middle class compared to non-migrant households. They also witness higher rate of changes in their perception from low class to middle classes over last 10 years, perhaps indicating positive impact of migration on their quality of life. Migrant households seem to be somewhat better placed even at the starting point (ten years ago)- as 60 percent of them perceive themselves to be in "Low Class" and the remaining think they are in "Lower Middle Class" but among non-migrants, these percentages are 88.5 and 11.5 respectively.
Migrant households also perceive their status to be better off even ten years ago in health, hygiene and sanitation. Only 43.8 percent migrant households perceived their health and sanitation status to be poor compared to 84.6 percent non-migrants reporting similar status ten years ago. More than two-thirds among migrant households now see their health status to be good or very good now compared to a negligible percentage ten years ago, whereas less than a quarter of non-migrants households see their current health and sanitation status as being good.

However, perceptions of migrant households on status of their community on community infrastructure, sanitation and hygiene status is more negative than non-migrants. It seems their views on community level facilities are influenced by a different set of expectations regarding these facilities compared to non-migrants. As many as 41.7 percent of migrant households see infrastructure, sanitation and hygiene of their community as good compared to 65.4 percent of non-migrant worker households.

Regarding perceptions of food adequacy, both migrant and non-migrant households have witnessed improvement in adequacy of food, but a higher percentage of migrant households think that their food consumption is adequate or plenty compared to non-migrant households. Like other perceptive indicators, migrant households have witnessed much faster improvements in status of their food adequacy from ‘food inadequacy’ to ‘food plenty’ compared to their non-migrant neighbours.

In Bangladesh, migrant households are relatively better off compared to non-migrant households on issues of food adequacy. Only 14 percent of migrant households see themselves as chronic deficit compared to 25 percent of non-migrant household having similar opinion about the status of their food adequacy. However, 62.5 percent of migrant households report their status on food adequacy as slightly inadequate compared to 56.3 percent of non-migrant households reporting similar status. As many as 24 percent of migrant households report their status on food adequacy as break even compared to only 16 percent of non-migrant households reporting similar status.

As regards access to health, sanitation and hygiene, as many as 38 percent of migrant households see their status as good compared to only 18 percent of non-migrant households having similar perception. Only 9 percent of migrant households see their status on health, sanitation and hygiene as poor compared to 15 percent of non-migrant households having similar opinion. As many as 72 percent of migrant households perceive that they could improve the status of education of their children compared to 65 percent of nonmigrant households having similar perception. A good number of migrant households attribute improved status of education of their children to their increased awareness and exposure to outside world.

In Nepal too, a higher percentage of migrant households maintain that they have experienced positive changes in the status of health, sanitation and food compared to nonmigrant households. Only moderate changes in wealth status has been noted among non migrant households although they have experienced positive changes in health and sanitation compared to their own position 5 years and 10 years ago.

The responses of workers show that migrant households had better perception of their lives on most indicators such as socio-economic position, access to health, sanitation and hygiene and adequacy of food even before 10 years. As noted by Mosse et al (2002) and testified by some other studies, migrants are not only differentially placed at the entry point, their differential status
at the beginning also leads to different trajectories, that make it difficult to make a definitive conclusion about whether, and how much of improvement is to be attributed to migration.

4.4 Non-economic Impacts of Migration

The non-economic impacts of migration are difficult to assess. Available literature indicates that migrants are keen to reflect their newfound status and asset holdings through participation in local politics. Migrant households also overcome restrictive caste barriers to increase their livelihood options (Deshingkar and Start 2003).

In India, as many as 52.4Percent of migrant households maintain that their political voice and bargaining power improved because of better connections with village leaders. In contrast, only 17.7 percent of non migrant households report that their bargaining power has improved over the years. Qualitative works in the study show that migrant workers, once they return from destination, take more active part in social life. In particular, exposure to urban life has resulted in a better sense of hygiene among the migrant households. Case studies documented in Nepal shows positive effects of migration on sanitation habits of migrant households. More importantly, such benefits often spill over to other non-migrant households in the villages who learn from watching their migrant neighbours.

5. Conclusion and Policy Implications:-

In a period stretching over three decades, India, Nepal and Bangladesh have witnessed a growth pattern marked by agglomeration in and around pre-existing growth centres, accentuating already existing regional disparities in these countries. A concomitant outcome of these growth processes is that construction has emerged as one of the fastest growing industries in all three countries, drawing an ever-increasing pool of labour from rural areas. Given their profile of low education and skills, and the large uncertainties that they face in the potential job market, most workers tend to rely on middlemen (contractors or sub-contractors) for recruitment. Collusion between employers and middlemen creates conditions that result in sidestepping of basic labour standards relating to workers such as payment of minimum wages or stipulated overtime rates. The advances obtained by workers at the time of recruitment, as in the case of India and Nepal or the delayed payment of wages in case of Bangladesh, often binds the workers to work in conditions marked by poor living and working conditions.

The survey evidence available from India also highlights that the acquisition of skills can lead to higher earnings and higher credit worthiness, as evidenced by availability of higher advances. The details of per capita consumption expenditure in Delhi shows that skilled workers maintain a better standard of living compared to unskilled workers, indicating that acquisition of skill can provide a major route out of poverty. The similar evidence of skilled worker obtaining higher wages compared to their unskilled counterpart has been documented in Nepal. However, in all three countries, migrant construction workers have little or no access to acquisition of skills through formal training. While men do benefit from learning skills on the job which can lead to higher incomes over time, this opportunity is not open to women at all and they continue with unskilled tasks at the lowest level for their entire careers in construction work. Few migrant workers have
proof of identity, depriving them of access to entitlements at the destination. Workers maintain a very low standard of living, and they are able to save and remit and use their remittances to improve their conditions of housing in the native areas, purchase some durables, repay loans and spend on their children’s education and health. An overwhelming majority of workers complain about low wages, long working hours and strenuous work. On the whole, there are significant costs that are borne by poorer labour migrants and their families.

Neither the state nor the employers appear willing to bear and subsidize part of the costs through appropriate policies and investment in necessary infrastructure. Be it India, Nepal and Bangladesh, none of the countries appears willing or capable enough to formulate appropriate labour and social policies and enforce them in the interest of the migrant workers.

While labour regime has been characterized by increasing flexibility, the migration of vast masses of footloose labour to the construction sector tends to be highly organized and segmented, resulting, as is evident in case of India, in lower wages, often fixed at origin than those generally prevailing in the destination. This facilitates certain kind of growth and accumulation but through a low or dirt road to capitalism (Srivastava 2011b). Surprisingly, in case of India, because of the pattern of recruitment organised through intermediaries, it is the labourers in the formal sector who receive lower wages compared to their counterparts in the informal sector.

Regarding the impact on the source area, while migrant workers are able to secure higher volume of employment at the destination, examination of local labour market at the source area does not give any convincing evidence of general tightening of labour market. Significant participation of women in the local labour market in the source area points towards feminization of workforce in agriculture.

There is evidence of higher income among migrant households resulting in improved consumption and higher spending on schooling of children, expenditure on housing, and some investment on the purchase of productive assets. However, a number of households in the tracer villages in all three countries report spending part of their remittances on meeting debt obligations, indicating that remittances sent by migrant households may not always add to the resource base of migrant households. Further, very few migrant households across countries report using remittances to purchase land which could have raised productive potential of migrant households on a more sustained basis. While higher expenditure by migrant households must denote a greater degree of decline in their poverty status, the age profile of migrants (apart from the availability of employment in a high growth phase) suggests that there could be life cycle variations in poverty status of these households.

Subjective self-assessment shows that migrant households perceived themselves to be somewhat better off than non-migrant households even before they started migrating. These assessments also show that migrants feel that migration has led to marked improvements in their standard of living. The survey also provides some evidence of the impact of attitudinal changes on migrant's perception relating to children's education, hygiene, sanitation and community infrastructure, as well as political voice and participation in the source villages. However in the absence of objective assessments of wealth status before and after migration, we suggest the results of this ex-post cross sectional analysis are interpreted with caution.

**Policy Implications:**

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Among policy options, the governments should frame appropriate regional and urban development strategies which can lower costs of migration at source and destination and increase opportunity led migration. Although welfare laws for labour migrants do exist, in practice, labour migration is entirely unregulated in all three countries. The implementation of existing laws should be ensured and the capacity of the labour department's to undertake such monitoring should be enhanced. Given that occupational health and safety issues along with treatment of workers and worker’s injury compensation is a major issue for construction workers, separate legislation should be framed to cover incidence of injury and accidents, health, safety and injury compensation of the workers. In order to ensure enjoyment of worker’s rights, the government should encourage and facilitate the emergence of collective action such as formation of trade union that raises the bargaining power of construction worker, particularly in firms that involve large number of workers. There is need to enlarge the scope of formal skill training in all three countries, while ensuring that such training is accessible across gender and social groups. Governments need a policy that mandate that children of such workers in school going ages are enrolled in the nearest school and younger children have the benefit of child care facilities and nursery in the workplace. The government should also make provision for official local identity at the destination for the bulk of construction labourers to give them access to services and benefits which they would be normally entitled to as local citizens. Communication technologies have the potential of bringing together employers and workers by lowering search costs and eliminating intermediaries. However, this has not happened since employers have an interest in working through labour market intermediaries. Governments should focus on eliminating such intermediation and encouraging direct interaction between employers and workers.

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