

Migrant Labour, Local Employment and Labour-Market Challenges in Kerala

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Abstract

This paper analyses the social and industrial dimensions of migrant labour in Kerala, with particular attention to local employment, access to employers, wage adequacy, pressure to change occupation or leave the state, employer benefits, industry support and problems associated with migrant labour engagement. The analysis is based on the primary survey underlying the supplied research and covers 450 migrant labourers, 225 local labourers and 90 employers across construction, hotel and restaurant, and domestic-work sectors in Trivandrum, Kochi and Kozhikode. The findings indicate that local labour respondents reported significant difficulty in finding employment, accessing employers and obtaining adequate wages, as well as pressure to move to alternative functions and leave the state. Regression results in the source study identified age, gender, family size and education among variables associated with selected dimensions of perceived employment difficulty. Employers identified low labour cost as the principal benefit of employing migrant workers, followed by easy availability. Lack of proper identification was the highest-ranked employer problem, followed by contractor registration and health-related issues. Among migrant labourers, problems at the place of residence and health were ranked prominently. The study also reports that migrant labour substantially supported the sectors examined, with the extent of support differing by sector. The paper concludes that migration policy and labour policy need to address both workforce protection and the structural conditions of the receiving labour market.

Keywords: migrant labour; local labour; employment; industrialisation; labour market; employers; Kerala; social impact; labour welfare

1. Introduction

Inter-state migration has become an important component of Kerala's labour market. The source research describes migration as a response to uneven development, employment disparities and differences in wage opportunities, while Kerala's economy generates demand for labour in construction, hospitality and domestic work. Migrant workers enter these sectors through networks, contractors and direct employer recruitment, creating new forms of labour-market interdependence.

The social consequences of this process cannot be understood solely through the number of migrants. The source study measures social impact through five indicators: difficulty in finding employment, inability to access employers, inability to obtain adequate wages, pressure to move to an

alternative function or job, and pressure to leave the state. It simultaneously studies employer perspectives on the benefits of migrant employment, reasons for migrant inflow and problems encountered in recruitment and employment.

This paper therefore treats migration as a multi-actor labour-market process involving migrant workers, local workers and employers. Its purpose is descriptive and analytical: to present the empirical relationships recorded in the research without extending the findings beyond the sampled population and study period.

2. Conceptual Framework

The research uses migration theories including Lee's push-pull theory and the Harris-Todaro model. Push factors include inadequate employment and low wages at origin, while pull factors include employment opportunities and higher expected earnings at destination. Harris-Todaro further emphasizes the role of expected rather than merely actual earnings and the probability of securing employment. The Kerala case also reflects labour-market segmentation: workers with different skills, experience, networks and social positions may enter different employment arrangements.

From a sociological perspective, the study connects migration with labour-market access, social networks, employment security, accommodation, health, contractor relations and local labour perceptions. This allows industrial support and social impact to be examined within a common framework.

3. Objectives

- To assess the perceived social impact of migrant labour on local labour.
- To identify the benefits received by employers from employing migrant labour.
- To determine the extent of migrant labour support to the identified industries.
- To identify the major problems experienced by employers, migrant labourers and local labourers.
- To examine recruitment patterns and the role of contractors and social networks.

4. Methodology

The research design was descriptive and analytical. Primary data were collected through structured interview schedules. The study covered three zones of Kerala, represented by Trivandrum in the South, Kochi in the Central zone and Kozhikode in the North. The labour sample consisted of 450 migrant and 225 local labourers, while 90 employers were surveyed.

The migrant and local labour samples were distributed equally across construction, hotel and restaurant, and domestic work sectors at the district level. The employer sample included 10 employers per sector in each district. The source study employed percentages, ranking, chi-square, one-sample t-tests, logistic regression, multiple regression, ANOVA and Spearman's rank correlation.

The problem-ranking instrument included lack of identification, health problems, residence problems, contractor registration, family problems, food, quality living conditions and social security. Employer questions covered benefits of migrant employment, reasons for migrant inflow and problems associated with employing migrant labour.

5. Findings

5.1 Recruitment and Employment Structure

The source data show that contractors were an important recruitment channel for migrant labour. Across the migrant sample, 78.67% of construction workers, 76.67% of hotel and restaurant workers and 82.67% of domestic workers were recruited by contractors. The source reports no migrant workers entering the sampled sectors through agents in construction and hotel and restaurant work, while a small proportion of domestic workers were recruited through agents.

Sector	Migrant recruited by contractors	Migrant recruited by employers
Construction	76.67%	23.33%
Hotel & Restaurant	76.67%	23.33%
Domestic work	82.67%	17.33%

The research also reports that social networks were a major source of information about job opportunities. Friends were an important source of knowledge about the present job, while agents appeared as a secondary source in construction and domestic work. Majority of migrant workers visited their home during festivals.

5.2 Perceived Social Impact on Local Labour

The study assessed five dimensions of perceived impact. Local labour respondents reported significant difficulty in finding employment and significant difficulty in accessing employers. Difficulty in finding employment was reported across all sectors and was described as greater in construction. Regression analysis using backward selection retained demographic variables for selected outcomes. Age was positively associated with reported difficulty in finding employment, while gender, family size and education also entered the reported models.

The source study further reports a significant perception of inability to obtain adequate wages. Age and literacy status were identified as significant variables in the final model for this outcome, with older and less-educated local respondents reporting greater difficulty. Pressure to move to an alternative function was also significantly above the response-scale midpoint, with age and marital status retained in the model. Pressure to leave the state was similarly significant, but the backward-selection procedure did not retain independent demographic predictors for this outcome.

5.3 Employer Benefits from Migrant Labour

Employer-related factor	Finding reported in research
Principal benefit	Low cost of labour
Second major benefit	Easy availability
Primary reason cited for migrant inflow	Perceived low performance of local labour
Second reason	Lack of skill consideration by employers
Another reason	Local labour perceived as more demanding

Employers therefore described migrant labour primarily through labour-market availability and cost. The research reports that low cost of labour was ranked as the principal benefit in all three sectors.

5.4 Extent of Industrial Support

Regression analysis in the source study indicated that migrant labour support was comparatively higher in the domestic sector than in construction and retail. Easy availability had a positive coefficient and was identified as an important reason for the extent of migrant labour support. The reported support was broadly uniform across the South, Central and North regions and across large, medium and small enterprises.

The research also reports that migrant labour constituted 39.88% of total employment in the employer sample compared with 60.12% local labour. This demonstrates substantial participation by migrant workers while also showing that the sampled employment structure remained mixed rather than migrant-dominated.

5.5 Problems Faced by Employers

Employer problem	Mean	Rank
Lack of proper identification	7.71	1
Registration with contractors	6.29	2
Problems associated with health	6.23	3
Problems at place of residence	5.77	4
Family problems of migrant labour	3.14	5
Problems providing proper food	2.83	6
Problems providing quality living conditions	2.31	7
Problems providing social security	1.82	8

Lack of proper personal identification was the highest-ranked employer problem. The ranking was highly consistent across sectors. Spearman's rank correlation reported by the research was 0.994 between construction and hotel and restaurant, 0.886 between construction and domestic work, and 0.905 between hotel and restaurant and domestic work.

5.6 Problems Faced by Migrant Labour

Among migrant labourers, problems at the place of residence ranked first, with a mean of 6.26, followed by health-related problems with a mean of 6.20, contractor registration with 5.79, and lack of proper identification of employers with 5.62. Sectoral patterns differed: contractor registration was prominent in construction, identification and quality of living conditions were prominent in hotel and restaurant work, and health and contractor registration were prominent among domestic workers.

The findings indicate that migrant labour problems are not limited to the workplace. Residence, health, identification and administrative relationships with contractors form an interconnected set of vulnerabilities.

5.7 Problems Faced by Local Labour

Health-related problems ranked first among the problems reported by local labour, followed by registration with contractors. The source research reports a similar ordering across the three sectors. This suggests that both migrant and local workers experience employment-related constraints, although the specific form and intensity of those constraints differ.

6. Discussion

The findings reveal a labour market characterized by interdependence and segmentation. Employers value migrant workers partly because of cost and availability, while local workers perceive difficulties in employment access and wage adequacy. At the same time, migrant workers themselves report significant residence, health, identification and contractor-related problems. Thus, the empirical evidence does not support a one-dimensional interpretation of migration as either wholly beneficial or wholly harmful.

The importance of contractors and social networks indicates that recruitment institutions mediate access to Kerala's labour market. Contractor-mediated employment may facilitate mobility, but it can also complicate documentation, wage transparency and access to benefits. The high employer ranking of identification and contractor registration makes administrative formalisation a central issue in the study.

The employer findings also demonstrate why migrant labour remains integrated into industrial and service-sector processes. Low cost and easy availability were prominent perceived benefits, while the regression results linked easy availability with the extent of migrant labour support. The implication is that labour-market demand and workforce protection need to be considered together.

The local labour findings should be interpreted as perceptions recorded within the sampled population rather than as a universal causal estimate of migration's effect on all Kerala workers. The research itself uses opinion scores and regression models to examine perceived impact. The results therefore document a reported association between migrant inflow and local employment concerns within the study design.

7. Policy and Practice Implications

- Create accessible systems for worker identification and employment records, particularly where contractor-mediated recruitment is common.
- Strengthen registration and monitoring mechanisms for contractors and labour intermediaries.
- Improve migrant-worker access to health services, sanitation, safe drinking water and adequate accommodation.
- Provide multilingual information on labour welfare measures, labour legislation, contract conditions and available public services.
- Expand financial inclusion through bank-account access and financial-literacy programmes for migrant workers.
- Address local workers' concerns through skill development, employment information, occupational mobility and awareness of changing labour-market requirements.
- Encourage employers to integrate health and safety, accommodation and social-security provisions into normal employment management.
- Use local-government and labour institutions to coordinate services for a mobile and linguistically diverse workforce.

8. Limitations

The study is cross-sectional and reflects perceptions and employment conditions during the period of primary data collection. Data were collected at work sites and language and translation difficulties were reported. The geographical and sectoral design also limits generalisation to sectors and locations not included in the sample. The employer and worker perceptions should therefore be interpreted within the study's sampling framework.

9. Conclusion

Migrant labour is an established component of Kerala's employment structure and provides measurable support to the sectors examined in the study. Employers identify low labour cost and availability as important benefits, while local workers report difficulties in employment access, wage adequacy and occupational continuity. Migrant workers, meanwhile, experience prominent problems related to residence, health, identification and contractor registration. These findings demonstrate that industrial support and labour vulnerability coexist. A sustainable labour-market approach requires formal documentation, stronger labour-welfare access, safe living conditions, health protection, transparent recruitment and opportunities for skill development for both migrant and local workers.

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