

Internal Labour Migration and Economic Sustainability in India

Nithin Thomas

Assistant Professor and Head, Department of Economics, Bharata Mata College, Thrikkakara, Kerala, India.

Article information

Received: 23rd June 2025

Received in revised form: 1st July 2025

Accepted: 7th August 2025

Available online: 25th August 2025

Volume: 1

Issue: 1

DOI: <https://doi.org/10.5281/zenodo.16940512>

Abstract

Purpose: Economic sustainability denotes practices that foster enduring the growth of the economy while preserving the societal, ecological, and cultural dimensions of community life. Kerala has experienced a significant influx of migrant laborers from diverse regions of India in the past several years. Kerala presents an appealing marketplace for external workers due to elevated wages, abundant possibilities for work, and a deficiency of resident workers. This article's objective is to examine the labor market in Kerala and the effects of temporary migrant workers on the economic health of the state. Additionally, we examined how migration raises the societal and financial situation of migrants and how domestic labor flow can lead to financial stability.

Design/Methodology/Approach: This research, which relies on secondary sources of information, used descriptive research methods. Public and private organizations' websites, as well as scholarly publications, daily newspapers, and journals publications, are sources of secondary data.

Originality/Value: The study will facilitate the evaluation of the socio-economic advancement of migrant workers resulting from migration by examining the liquidity of migrant workers, workforce participation rate, labor population ratio, and the rate of pay.

Findings: Recruiting migrants helps to regulate the workforce availability in these fields and avert ambiguities resulting from manufacturing and unoccupied positions. When it comes to industries that require labor, the monetary advantages of migration are especially noticeable. Migrants also fix marketplace breakdowns caused by ambiguity regarding manufacturing output. The study concludes that businesses are more likely to hire migrant workers to fill untrained open positions when they experience manufacturing hours lost due to job delays and halts.

Keywords:- Migrant workers, Economic sustainability, internal migration, labour market, financial upliftment.

I. INTRODUCTION

Economic sustainability denotes practices that foster enduring growth in the economy while preserving the societal, ecological, and cultural dimensions of community life. Internal labor migration, the relocation of individuals within a nation, leads to a more effective distribution of human resources to sectors and areas in which people are optimally employed. Now a days, internal labour migration is an overwhelming reality that underscores India's developmental landscape. Millions of people are on the move across the country in search of a livelihood and adequate means of survival. While migration opens up new areas of work and employment and creates new opportunities for many, it also pushes people into unequal and highly exploitative work regimes (Borhade, 2016).

II. REVIEW OF LITERATURE

A literature review is a description of the literature relevant to a particular field or topic. It gives an overview of what methods and methodologies are appropriate and useful. For easier comprehension, the researcher classified the problematic factors into different groups; reviews are organized according to their international, national, and regional importance (Cooper et al., 2018).

Table:1 Literature Review on Migration and Economic Sustainability

Sl. No.	Area	Contribution	Authors
1.	Migration and Sustainable Livelihoods	Looking specifically at the organisational elements which connect migration and long-term prosperity, this article emphasizes the relationships between the two. The article contends that a large body of developmental research incorrectly presumes that stagnant social structures are typical, whereas in reality, migration is far more frequently the norm than the alternative.	McDowell & De Haan
2.	Youths on labour market	An empirical analysis regarding the migratory tendency of graduates is offered in this article, along with an analysis of the youth labour market characteristics. A well-rounded strategy for the free movement of young workers that benefits their home country is proposed.	Vasile & Vasile
3.	Labour migration	To begin, the paper weighs the financial benefits and drawbacks of migrating to and around Thailand. Then, it proposes strategies for migration of workers with the goal of optimizing benefits while limiting expenditures. To fill in pertinent shortcomings in effective policymaking, evaluating the costs and benefits of worker migration is essential.	Pholphirul
4.	Labour force migration and sustainable socio-economic migration	The research seeks to examine the impact of human capital investment on international migration patterns and its effect on socio-economic development in the EU New Member States over the last years.	Liana & Noja
5.	Impact of labour migration	This article examines the extent to which labour migration to and from Central Asian countries affects the socio-economic dimensions of sustainable development in the region. Following the formation of the Eurasian Economic Union in 2015 and the region's cultural and historical ties, there has been a significant influx of Central Asian labor migrants to Russia and Kazakhstan.	Ryazantsev& Ochirova
6.	Migration- poverty and development.	This book contains the findings from the third wave of a migration-focused panel survey in Bangladesh. It examines the interrelationships between labour migration, poverty, and development based on 6,100 interviews including international labour migrants, internal migrants and non-migrant households spanning 20 districts of Bangladesh.	Sarker et. al.

Source: Prepared by the author

While cross-border migrants in India are more likely to move from the countryside to the city, all internal migrants in Ghana tend to stay put in their hometowns, according to research by McKay and Castaldo. Based on the data on internal migration, which shows that individuals shift from poor to rich areas, the research suggests that the plan for development should take internal migration into account (Awumbila et al., 2015).

According to Prakash & Alwin, the impoverished and industrially underdeveloped sector of Kerala has seen remarkable financial shifts since the mid-1970s as a result of the significant volume of fund transfer and spending coming from the Persian Gulf. As a whole, poverty in Kerala has decreased thanks to the migrant communities' increased income, consumption, and asset acquisitions made possible by the Gulf migration. On the flip side, non-migrant families from the working class, middle class, and stable income brackets have been hit hard by the increased costs of land, building supplies, consumable foodstuffs, and medical care, education, and commutation caused by transfer of funds from Gulf countries (Prakash & Alwin, 2018)

III. RESEARCH GAP

There is a significant demand for comprehensive and policy-focused studies regarding internal migration, emphasizing the workforce marketplace, reducing inequality, and socio-economic advancement through migrant's shift. Workers market issues encompass the characteristics of migration, its seasonal fluctuations, and its impact on work scheduling, recruitment trends, and the work practices of migrant workforce.

IV. RESEARCH AGENDA

- What are the trends and patterns of internal migration in India?
- What are the costs and benefits of internal labor migration?
- What is the correlation between internal workforce migration and economic sustainability?

V. OBJECTIVES

- To ascertain the trends and patterns of internal migration in India.
- To evaluate the costs and benefits of internal labor migration.
- To investigate the correlation between internal labor migration and economic sustainability.

VI. RESEARCH METHODOLOGY

Descriptive research, which relies on previously collected data from other sources, is the foundation of the current investigation. Literature such as books, journals, newspapers, and articles as well as official government webpages provide the secondary facts. Economic development, migrant workers, manual labourer and the rural labour market were the search phrases used to gather this information. The necessary materials were found through an online search and then personally reviewed. The primary objective of this research is to examine the relationship between internal labor migration and economic sustainability in our country, with secondary goals of studying the nature and trajectory of internal migration within the country, as well as its pros and cons.

VII. THEORETICAL OVERVIEW OF THE STUDY

Lewis (1954) contends that agricultural workers migrate from rural to better metropolitan areas due to the higher wages offered by contemporary industries in their destination places (Todaro, 1980).

The Lewis, Fei, and Ranis (1961) migration theory discusses an economy with two sectors consisting of a subsistence agricultural sector marked by excess workforce and underemployment or joblessness alongside a modern industrial sector that experiences full-time work. In the modern sector, salaries are sustained at levels significantly exceeding the mean wage in the agricultural sector (Fields, 2004).

An additional significant theory of rural-urban migration proposed by Harris-Todaro (1970) posits that migration is mainly driven by financial factors. The theory posits that the choice to relocate is contingent upon anticipated greater compensation (real wage differentials) and the likelihood of potentially securing a metropolitan employment opportunity (Amano, 1983)

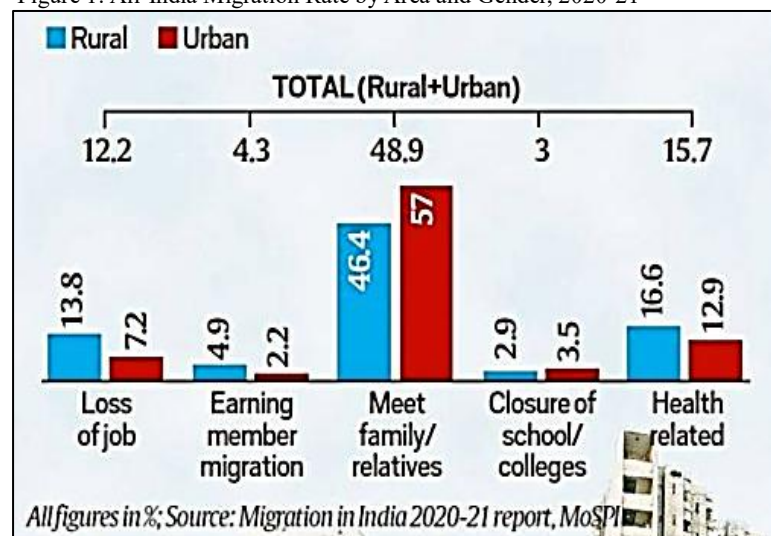
VIII. RESULTS OF THE STUDY

8.1 Trend and pattern of internal migration in india 2021

The Ministry of Statistics and Programme Implementation (MoSPI) (Ministry of Statistics and Programme Implementation [MoSPI], 2020-21) has just published a report titled Migration in India 2020-21.

- Following the commencement of the Covid-19 a global epidemic in March 2020, 0.7 percent of the nation's populace resided temporarily in households from July 2020 to June 2021. More than 84 percent of these relocations were attributable to global outbreak, factors associated include visiting family, loved ones or companions (48.9 percent), being laid off, unit close down or unavailability of job prospects (12.2 percent), migration of the primary income earner (9.2 percent), and the close down of schools and colleges and medical problems (15.7 percent).
- The all-India migration rate was 28.9 percent for the period of July-June 2020-21, comprising 26.5 percent in rural regions and 34.9 percent in metropolitan regions.

Figure 1: All-India Migration Rate by Area and Gender, 2020-21



- The migration rate for women was 47.9%, with 48% residing in rural regions and 47.8% in metropolitan regions. At 86.8 percent, the migration rate for wedding was the maximum ever amongst women.
- Men migrated at a rate of 10.7 percent, with 2.5% residing in cities and 5.9% in rural regions. For 49.6% of the men, the reasons for migrating were job hunting, greater job possibilities, moving closer to their place of employment, or fleeing being laid off, business closure, or an acute shortage of job prospects.
- 17.5 percent of men and 7.3% of women migrated because a parent or other breadwinner in the household moved.

8.1.1. About the migration in india report

- It is predicated on the inaugural collection of supplementary data during the annual cycle of the Periodic Labour Force Survey for July 2020 to June 2021.
- It is disseminated by the Ministry of Statistics and Programme Implementation (MoSPI).
- It distinguishes between the classes of 'short-term visitors' and 'migrants.'
- People who entered a household after March 2020 and remained consistently over a duration of fifteen days or more yet no longer than six months are considered "temporary visitors."
- People are considered migrants if their current spot of enumeration differs from their previous residence, regardless of when that was in the days gone by.
- From July 2020 through June 2021, survey data was collected during the survey duration, which began with the implementation of the survey block in July 2020.

8.1.2. Migration

- Overview of Migration: The term "migration" refers to the process by which individuals leave their permanent dwelling and travel to a new location, either within the same country or to another country altogether (Boyle, 2009).
- Government data on migration: In 2011, 45.6 crore people left India, making up 38% of the population. In 2001, 31.5 crore people left the country, making up 31% of the population. There was a 45 percent spike in the population of migrants between 2001 and 2011 (Census of India 2001, 2022) despite a 18 percent rise in the population. Only 1% of 2011's migrants were foreign nationals; the other 99% were moving within the country.
- Patterns of migration: Both the source and the destination countries allow for the categorization of internal migrant flows. The following is an example of a categorization:
 - rural-rural
 - rural-urban
 - urban-rural
 - urban-urban

Of the total categorized internal migrants, 54% were rural-rural migrants, with 21 crore people making up this category (5.3 crore people were not categorized as coming from rural or urban areas in the 2011 census). The migration patterns of urban-to-rural and rural-to-urban comprised about 8 crore people each.

Reasons for migrating within a country and the total number of migrant workers (Srivastava, Keshri, Guar, Balakrushna, & Jha, 2020).

- Economic migration: The majority of UAE residents are foreign nationals who relocated there in search of employment opportunities; for example, 27 percent of UAE residents are workers from India.
- Migration of social groups: People often relocate in search of greater possibilities or to be nearer to loved ones, for example, Indians living in the United States who are seeking greater job prospects and more advanced degrees.
- Political migration: When fleeing political or military oppression, Consider the newest influx of Rohingya Muslims from Myanmar into neighboring Bangladesh and India, as well as the six million Syrians forced to flee their homeland and the ten million who were compelled to leave within it.
- Reasons for migration related to the environment: Earthquakes and other natural disasters are part of this category. Every year, cyclones and floods in India force a lot of people to leave their homes. Because of the rising seas, residents of the island nations of Kiribati, Tuvalu, and Nauru are evacuating.
- Motives for migration, both external and internal: A migration occurs when the adhesion that keeps people from staying put gets resolved by an apparent relationship of push and pull forces.
 - *Push factors* are aspects of one's home that, when seen adversely, make one want to flee. The drought, malnutrition, joblessness, excess congestion, a national conflict, etc., are all examples of such disasters. Economic migrants in India are driven by agrarian distress.
 - *Pull factors* are attributes of a location that are viewed favorably, resulting in its appeal. These encompass opportunities for improved work, schooling, quality of life, or even a more favorable atmosphere.

Figure 2: Push Factors for Migration in India

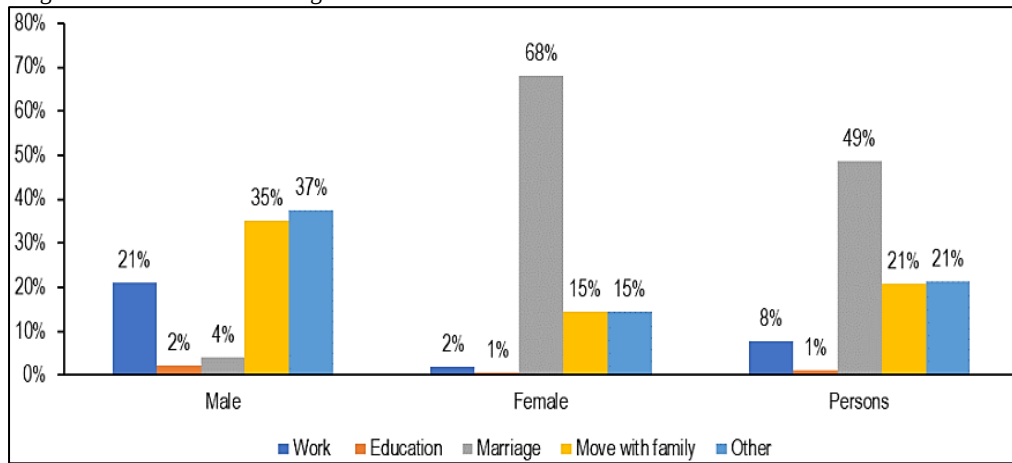
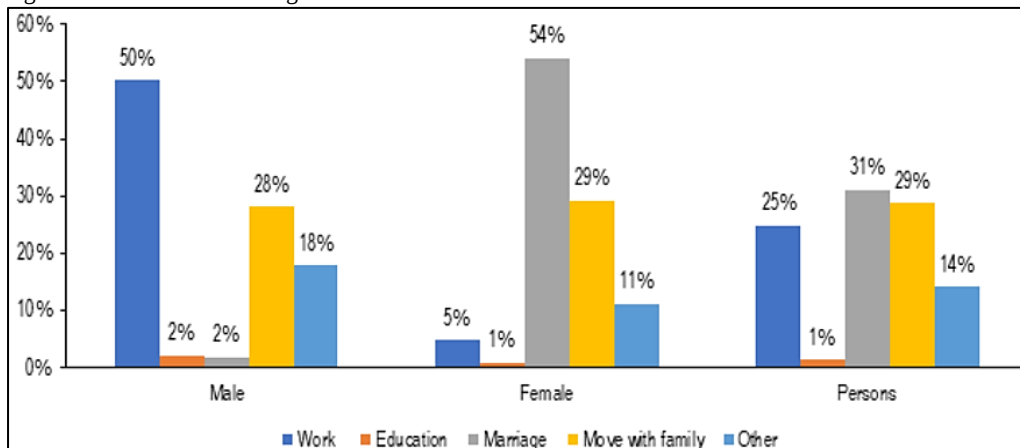


Figure 3: Pull Factors for Migration in India



8.1.3. Effects of migration

- **Demographic:** It influences the demographic profile of both the origin and endpoint in terms of gender and years of life. It has an effect on growing population rates as well. As a result of an enormous number of youthful men looking for work, the percentages of senior citizens, kids, and women tend to rise in the region of origin and fall in the area where they arrive. A region's fertility rate and birth rate are impacted by the unbalanced sex ratio.
- **Social:** Migrants serve as catalysts for social transformation, introducing novel perspectives and customs. Although this may result in an integrated tradition, in certain regions it engenders heightened conflict and discontent amongst natives, as evidenced by the acts of violence on Indian citizens in Australia some years earlier. It may induce loneliness, obscurity, despondency, and violent or unlawful inclinations in certain migrants.
- **Economic:** It is a common misconception that migrants take opportunities away from originally from the area people. The financial advantages of migration accrue to the receiving country when it brings in lower and/or highly skilled workers, but the source country may suffer from a talent shortage as a result.
- **Environmental:** The congestion of urban areas exerts significant strain on infrastructural facilities. Unregulated expansion, informal settlements, resource depletion, water scarcity, and pollution of air, water, and noise, along with challenges in garbage and waste water management. The infrastructural facilities and environmental challenges in Delhi exemplify the issue.
- **Political:** The political dynamic of a region can shift when a large migrant group arrives, bringing with them an entirely fresh crop of potential voters. Unauthorized immigration has created demographic inequalities in several states in northeastern India, which could have negative political ramifications.

8.1.4. Issues

- **Data:** The migrant labor community is undercounted in the Census. Since moving closer to loved ones is the most common reason for women relocation, that is how it is reported. The number of females migrating for work-related reasons fails to account for the fact that a majority of them seek work after migration. The influx of short-term migrant workers is also underreported in the census. Seven crore people, or 29 percent of India's workforce, were considered migrant workers in 2007 and 2008, according to the NSSO (NSSO, 2007-2008). Six crore people migrated across states in search of work between 2001 and 2011, according to the Economic Survey for 2016–17 (Planning Board of India, 2012). On average, 90 lakh people flew to find jobs annually between 2011 and 2016, according to the Economic Survey (Planning Board of India, 2012).

- Challenges encountered by migrant laborers: Contingent upon acceptable limitations for the benefit of the wider community or the safeguarding of each tribe, every Indian national have the freedom and privilege to live and establish a residence in any area of India's territory, as guaranteed by Article 19(1)(e) of the Constitution. Significant challenges individuals face when relocating for work include:
 - Inadequate enforcement of laws establishing minimum safety standards, absence of health and societal safety nets
 - Aid granted by the state, like food from the Public Distribution System (PDS), cannot be portable.
 - Urban areas often struggle to provide reasonably priced housing and fundamental necessities.
- There was a lack of compliance with the Inter-State Migrant Worker Act of 1979 (ISMW Act) and a low percent of labor registration under the Act.

8.1.5. Way ahead

Seeking greater possibilities for life, particularly in regions with stable political environments, is the primary driver of migration. So, it's important to make sure that the region of origin provides ideal circumstances.

- Increasing Developmental Opportunities:** When local resources, such as schools and employment opportunities, are adequately supplied, migration rates begin to fall. This is due to an increase in developmental opportunities.
- Addressing the Governance Deficiency:** The region of origin requires a more comprehensive legal and regulatory framework.
- Minimizing migrations while setting up Gandhian "village republics"** in the years to come, via the widespread and successful execution of programs like Provision of Urban Amenities to Rural Areas (PURA).
- Healthcare, schooling, and housing are examples of fundamental needs that should be addressed through other means. One such initiative is the Prime Minister's Awas Yojna.
- The Development of Skill and the Production of New Jobs:** Training that will allow the youth to find gainful employment in their home town.
- Advocate for cultivation as the principal vocation** via initiatives such as the Pandit Deendayal Upadhyay Unnat Krishi Shiksha Scheme: Launched in 2016, it fosters agro related training and teaching in India. The Attracting and Retaining Youth in Agriculture (ARYA) project is executed at Krishi Vigyan Kendra (KVKs) and authorized by the Indian Council of Agricultural Research.
- Pro-business policies:** To enhance employment and commercial prospects in remote regions, such as the MUDRA scheme and the Make in India initiative.

IX. CONCLUSION

In accordance with the 2011 survey of India, over two-thirds of the population, totaling 1.21 billion individuals, reside in remote regions; however, the nation is undergoing swift urbanization. Mumbai, Delhi, and Kolkata rank among the world's ten most populous metropolitan regions, while India boasts 25 of the 100 most rapidly expanding regions globally. A major contributor to this growth is migration from countryside to cities, as an increasing percentage of individuals encounter inadequate financial prospects in rural areas and subsequently relocate to urban centers. This will ultimately foster revenue generation and facilitate sustainable economic development.

Table 2 : Cost-Benefit Analysis of Internal Labour Migration

Costs of Migration	Benefits of Migration
- It leads to a higher cost of living in the migrated areas. - It involves the cost of transportation. - It involves the psychological cost of living in a foreign culture. - Loss of skilled and educated workers. - Families are choppy as young males tend to migrate. Older people can't see family and no one need to worry about them. - Social tensions - Demand for education, health, and housing rises. - Cultural tensions with a migrant population. - Can cause demand for more housing and thus loss of green space and possible overcrowding.	- Remittances boost the incomes of families. - Contact with other cultures. - Reduces the pressure of a huge population. - Migrants fill low-wage and difficult work - The government may enjoy due to increased economic benefits from migrants.

Source: Compiled by the author

REFERENCES

- Amano, M. (1983). On the Harris-Todaro model with intersectoral migration of labour. *Economica*, 50(199), 311-323.
- Awumbila, M., Teye, J. K., Litchfield, J., Boakye-Yiadom, L., Deshingkar, P., & Quartey, P. (2015). Are migrant households better off than non-migrant households? Evidence from Ghana. *I*(1), 1-48.
- Borhade, A. (2016). Internal labour migration in India: Emerging needs of comprehensive national migration policy. *Internal migration in contemporary India*, 1(1), 291-336.
- Boyle, P. (2009). Migration, *International Encyclopedia of Human Geography*. <https://www.sciencedirect.com/topics/earth-and-planetary-sciences/international-migration>. Retrieved from Google, on 2 Dec 2022.
- Cooper, C., Booth, A., Varley-Campbell, J., Britten, N., & Garside, R. (2018). Defining the process to literature searching in systematic reviews: A literature review of guidance and supporting studies. *BMC Medical Research Methodology*, 18(1), 1-14.
- Census of India 2001. Ministry of Statistics and Programme Implementation, National Statistical Office, Government of India. https://en.wikipedia.org/wiki/2001_Census_of_India. Retrieved from Google, on 1 Dec 2022.
- Census of India 2011. Ministry of Statistics and Programme Implementation, National Statistical Office, Government of India. https://en.wikipedia.org/wiki/2011_Census_of_India. Retrieved from Google, on 1 Dec 2022.
- Fields, G. S. (2004). Dualism in the labor market: A perspective on the Lewis model after half a century. *The Manchester School*, 72(6), 724-735.
- Halliday, J., & Coombes, M. (1995). In search of counterurbanisation: Some evidence from Devon on the relationship between patterns of migration and motivation. *Journal of Rural Studies*, 11(4), 433-446.
- Liana, S. O. N., & Noja, G. G. (2013). The role of human capital and investment in human capital with sustainable socio-economic development. How does labour force migration affect competitiveness? *Theoretical and Applied Economics*, 18(10), 111-126.
- McDowell, C., & De Haan, A. (1997). Migration and sustainable livelihoods: A critical review of the literature. *I*(1), 1-29.
- Migration in India 2007-2008. NSS 64th round (July 2007- June 2008), National Statistical Office, Government of India. <https://www.thehinducentre.com/incoming/article33347427.ece>. Retrieved from Google, on 14 Dec 2022.
- Migration in India. (2020-21). Periodic Labour Force Survey (PLFS). Ministry of Statistics and Programme Implementation, National Statistical Office, Government of India.
- Pholphirul, P. (2012). Labour migration and the economic sustainability in Thailand. *Journal of Current Southeast Asian Affairs*, 31(3), 59-83.
- Planning Board of India. (2012). Economic survey 2011-2012. Government of India.
- Planning Board of India. (2012). Economic survey 2011-2012. Government of India.
- Prakash, B. A., & Alwin, J. (Eds.). (2018). *Kerala's Economic Development: Emerging Issues and Challenges*. SAGE Publishing India.
- Ryazantsev, S. V., & Ochirova, G. N. (2019). The impact of labour migration on the sustainable development of Central Asia. *International Journal*, 75(7), 86-99.
- Sarker, M. N. I., Yang, B., Tingzhi, W., Chakrovorty, A., Salam, M. A., & Huda, N. (2020). Impacts of internal migration on poverty alleviation in Bangladesh. *International Transaction Journal of Engineering, Management, & Applied Sciences & Technologies*, 11(11), 1-8.
- Spangenberg, J. H. (2005). Economic sustainability of the economy: Concepts and indicators. *International Journal of Sustainable Development*, 8(1-2), 47-64.
- Srivastava, R., Keshri, K., Guar, K., Balakrushna, P., & Jha, A. K. (2020). Internal migration in India and the impact of uneven regional development and demographic transition across states: A study for evidence-based policy recommendations. Delhi.
- Todaro, M. (1980). Internal migration in developing countries: A survey. In *Population and economic change in developing countries*, 1(1), 361-402.
- Vasile, V., & Vasile, L. (2011). Youths on labour market. Features. Particularities. Pro-mobility factors for graduates. Elements of a balanced policy for labour migration. *Romanian Journal of Economics*, 32(1), 41.