

Time has come for complete overhaul of obsolete legislation regulating migrant labour in India

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India's [COVID-19](#) strategy of containment was derailed when the announcement of the national lockdown resulted in millions of migrant labourers deciding to leave their place of work and travel back to their place of residence. The process of convincing labour to stay where they were has met with minimal success. In a country where migrants are an important part of economic activity, the present crisis is more than just a humanitarian crisis.

According to Census 2011, there were 454 million migrants in India — doubling over the 1991-2011 period. Notably, the acceleration of migration was particularly pronounced for females, increasing at nearly twice the rate of male migration — a significant part of it being for marriage. The percentage share of people migrating for work and business has actually declined. The share of urban-to-urban migrants has risen over the years, indicating that

inter-urban mobility is a growing phenomenon. Further, the proportion of short-term migrants is much lower than long-term migrants. After 2011, estimates in the Economic Survey indicated that migration within India continued to increase manifold and on average, migration within states is around four times that across states. Thus the suspension of interstate transportation and inter-district transportation was a big blow to the migrant population.

In terms of employment, the occupational profile of short-term migrants is different from that of long-term migrants as they are more engaged in construction activities. However, it seems that the COVID crisis may have also resulted in long-term migrants going back to their homes.

The scale of the crisis had to be addressed. Accordingly, the central government has permitted state governments to utilise the State Disaster Response Fund (SDRF) for setting up shelters for migrants and providing them food. The Centre has also released Rs 11,000 crore of its contribution in advance to all states on April 3 to augment the funds in their SDRF. Additionally, the disbursement of the Revolving Fund (RF) to self-help groups was on-boarded on the PAiSA Portal in April 2020 on a pilot basis in Gujarat and is now being rolled out across all the states.

States/UTs have now been advised to provide work to the migrant workers going back home. The government will also allocate an additional Rs 40,000 crore under MGNREGA to provide work. This measure will help generate nearly 300 crore person days in total and create a large number of durable and livelihood assets, including water conservation assets. However, there has to be a permanent and lasting solution to this problem of migration. Fortunately, the 2017 report by the working group on migration constituted by Ministry of Housing and Urban Poverty Alleviation, provides solutions, some of which could be quickly implemented while the rest could be carried out over a pre-defined period. So what are these steps?

First, there is a need to reorient the working of the Construction Workers Welfare Board (CWWB) in each state. The CWWB provides social security to migrant workers. However, the funds' utilisation (ignoring interstate variation) is low, at 21 per cent. Based on the records available with the CWWB of major states, where the influx of migrants is the maximum, the Centre can transfer a fixed monthly amount for the next three months. Some states like Maharashtra have given one-time payment to such workers.

Second, a comprehensive database of migrant workers needs to be prepared on a war footing to establish a system akin to JAM. The immediate starting point could be the MNREGA enrollments this fiscal year, which can be compared to last year rolls and new additions could be treated as migrant labourers. This is not a full-proof system but a starting point. The PMJDY can also be extensively leveraged to find out the remittance transfers from source to destination. Such remittance transfers could be juxtaposed against the 54 districts (2017 report) that exhibit a high level of inter-state out-migration intensity.

Even as this exercise gets underway, in the medium term we can think of an alternative as the 2017 report suggests. Even today, migrants who are registered to claim access to a

number of legal and other entitlements at their source locations, lose access to these benefits upon migrating to a different location because of lack of digitisation. With the country now moving towards the [One Nation One Ration](#) Card, all the respective state governments can start working in unison to ensure the use of such ration cards for extending all benefits other than PDS. Portability of food security should be the first step towards portability of healthcare, education benefits. A basic social security framework for migrants, preferably through a simple interstate self-registration process that can be authenticated through SMSs, can be developed. This could be enhanced to include migrant children in the annual work plans of the Sarva Shiksha Abhiyan. Migrants can also have unrestricted access to skill programmes.

Contrary to international evidence, in India, language doesn't seem to matter in terms of migration. Thus, states must put an end to restrictive domicile provisions for working in different states.

The Working Group also recommended that states consider the utilisation of CWWB funds towards the provision of housing for migrant workers in construction and related industries. In light of the announcement by the government on launching a scheme under PMJAY for the migrant labour/urban poor to provide ease of living at an affordable rent, optimal utilisation of these funds should be considered over the medium term.

The time has now come for a complete overhaul of obsolete legislation regulating migrant labour in India. For example, in the Inter-State Migrant Workers Act 1979 (ISMWA), the inter-state migrant has to migrate through a contractor. Such laws create a serious challenge in extending stable employment and social security nets to this set of workers. What is thus needed is a clear articulation of a national policy of migrant labour in this era of digital technology.

We also believe that with so many social programmes running in the country, the government should now create a comprehensive database, drawing on the databases of Ayushman Bharat, PM-KISAN, PMJDY, PMUY and MUDRA for future social welfare initiatives.

This article first appeared in the print edition on May 30 under the title “Filling the absence”. Kanti Ghosh is group chief economic advisor, State Bank of India, Ghosh is professor, IIM Bangalore. Saket Hishikar contributed to this article. Views are personal.