

**COVID-19 Pandemic and Exodus of Keralite
Emigrant Workers from GCC Countries:
Causes of Return, Activity Status of Returnees
and Economic Impact**

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Objectives of the study

- To examine activity status, category of jobs, wages earned, remittance sent, country of residence of the return emigrant workers prior to return from GCC countries.
- To study causes of return, country of return, period of return, the place to which returned, their activity status after the return and issues in remigration.
- To find out impact of return of emigrant workers on emigrant households and local labour market.

Theoretical Framework

- **Contract migrant workers** are persons working in a country other than their own under contractual arrangements that set limits on the period of employment and on the specific job held by the migrant.
- Contract migration is temporary migration and return is essential part of it.
- Most of the migrants are single migrants. They leave their families in their home country. They used to sent major part of their savings to their families in their native country.
- The economic impact is substantial in labour sending countries. On the other hand in settlement type of migration the migrants spend almost the entire savings in the foreign country.

COVID-19, a great disrupter of international migration

Created negative impact throughout the international migration cycle, starting with departure from countries of origin, entry into transit and destination countries, stay in transit and destination countries, and the return to countries of origin.

- Migrants unable to depart on migration journeys
- Unable to enter transit or destination countries
- Contract migrant workers are denied social protection and health care in host countries.
- Mass return to origin countries (Native)
- Forced immobility: Migrants are stranded.

Contract migrant workers, worst hit by COVID-19 disruption

- The workers are treated as temporary workers for practically all purposes.
- They are most vulnerable category of workers compared to others.
- Majority of the contract migrants are in the category of low skill or unskilled, do not earn non-wage benefits or other labour benefits and employed in informal sector jobs.
- They are not eligible for social protection measures meant for citizens of the country.
- And all of the migrant workers in GCC countries belonged to the category of contract workers.

Exodus of Keralite emigrant workers from GCC countries

- According to NORKA, 14.71 lakh Keralites returned till June 22, 2021 (Table 1).
- Of the total returnees, 59% returned from UAE, 12% from Saudi Arabia and 10% from Qatar.
- Of the returnees, 71% returned due to loss of job, 20% returned due to visa expiry and other reasons (Table 2).
- Of the total returnees 18% returned to Malappuram, 12% to Kozhikode and 11% to Kannur district (Table 3).

Table 1
Number of Non Resident keralites (NRKs) returned due to COVID-19
crisis, till June 22, 2021

No	Country	Number of return emigrants	Share (%)
1	United Arab Emirates	8,72,303	59.3
2	Saudi Arabia	1,72,016	11.7
3	Qatar	1,42,458	9.7
4	Bahrain	43,194	2.9
5	Kuwait	51,170	3.5
6	Oman	1,34,087	9.1
7	Other Countries	56,209	3.8
Total		14,71,437	100.0

Source: Data supplied by Non Residents Keralite Affairs Department (NORKA)

Table 2
Reasons for the return of NRK

No	Reasons	Number of return emigrants	Share (%)
1	Loss of jobs	10,51,272	71.4
2	Visa expiry and others	2,91,581	19.8
3	Children below 10 years	81,883	5.6
4	Senior citizen	30,341	2.1
5	Pregnant women	13,501	0.9
6	Spouse of pregnant women	2,859	0.2
Total		14,71,437	100.0

Source: Data supplied by Non Residents Keralite Affairs Department NORKA

Table 3**Destination districts of the NRKs returned due to COVID-19 crisis**

No	District	Number of return emigrants	Share (%)
1	Malappuram	2,62,678	17.9
2	Kozhikode	1,72,112	11.7
3	Kannur	1,64,024	11.1
4	Thrissur	1,18,503	8.1
5	Thiruvananthapuram	1,16,531	7.9
6	Kollam	1,01,125	6.9
7	Ernakulam	87,075	5.9
8	Palakkad	76,871	5.2
9	Kasaragod	62,886	4.3
10	Alappuzha	54,367	3.7
11	Pathanamthitta	53,777	3.7
12	Kottayam	42,573	2.9
13	Wayanad	18,310	1.2
14	Idukki	9,823	0.7
15	Not mentioned	1,30,782	8.9
Total		14,71,437	100.0

Source: Data supplied by Non Residents Keralite Affairs Department NORKA

Data Source

- Secondary and primary data are used for the study
- Conducted a sample survey of 404 return emigrants who returned due to COVID-19 induced crisis.
- Of the total 404 sample returnees, 86 belonged to Kannur district, 111 belonged to Kozhikode district and 146 belonged to Malappuram district (Table 4).
- Our survey also have sample returnees from Pathanamthitta and Thiruvananthapuram.

Table 4**Distribution of sample Grama Panchayats (GPs) and Municipalities (Ms)**

No	District	GPs and Ms	Total Wards	Number of Sample Wards	Number of sample return emigrant households
1	Kannur	Kottayam (GP)	14	6	40
		Vengad (GP)	21	9	46
		Sub Total	35	15	86
2	Kozhikode	Koyilandy (M)	44	13	48
		Thiruvallur (GP)	23	8	36
		Keezhariyur (GP)	13	6	27
		Sub Total	80	27	111
3	Malappuram	Peruvallur (GP)	19	8	42
		Manjeri (M)	50	14	57
		Kondotty (M)	40	11	47
		Sub Total	109	33	146
4	Pathanamthitta	Koipuram (GP)	17	8	21
		Pathanamthitta (M)	32	11	23
		Sub Total	49	19	44
5	Thiruvananthapuram	Varkala (M)	33	8	17
Total		11	306	102	404

Stock of Indian emigrants in the World and GCC countries

- The total stock of Indian emigrants in the World was 178.69 lakh in 2020.
- The total stock of Indian emigrants in GCC countries was 95.68 lakh in 2020.
- Of the total stock of Indian emigrants in the world, the share of GCC countries is 53 per cent (Table 5).
- There had been a continuous increase in the stock of Indian emigrants since 1990.
- The total number of Indian emigrants in GCC countries increased from 64.42 lakh in 2010 to 95.68 lakh in 2020 (Table 6).

Table 5
Stock of Indian migrants in the World and GCC countries at mid-year

Year	Number		Share of GCC (%)
	World	GCC Countries	
1990	66,19,431	19,55,742	29.5
1995	71,53,439	22,90,500	32.0
2000	79,28,051	27,39,088	34.5
2005	95,88,533	37,13,359	38.7
2010	1,32,21,963	64,42,475	48.7
2015	1,58,85,657	82,52,572	51.9
2020	1,78,69,492	95,68,590	53.5

Source: United Nations, Population Division

<https://www.un.org/development/desa/pd/content/international-migrant-stock>

Table 6
Stock of Indian Emigrants in GCC Countries

Year	Number			Share of female to total (%)
	Total	Male	Female	
1990	19,55,742	14,02,456	5,53,286	28.3
1995	22,90,500	16,54,966	6,35,534	27.7
2000	27,39,088	19,87,886	7,51,202	27.4
2005	37,13,359	27,66,243	9,47,116	25.5
2010	64,42,475	49,47,084	14,95,391	23.2
2015	82,52,572	63,15,670	19,36,902	23.5
2020	95,68,590	73,11,033	22,57,557	23.6
	Growth Rate (%)			
1990	-	-	-	-
1995	17.1	18.0	14.9	-
2000	19.6	20.1	18.2	-
2005	35.6	39.2	26.1	-
2010	73.5	78.8	57.9	-
2015	28.1	27.7	29.5	-
2020	15.9	15.8	16.6	-

Source: United Nations, Population Division

<https://www.un.org/development/desa/pd/content/international-migrant-stock>

Share of Indian emigrants to total emigrants in GCC countries

- The total stock of emigrants in GCC countries (from all countries in the World) is estimated as 308.16 lakh in 2020 (Table 7).
- Of this, total stock of Indian emigrants in GCC countries was 95.68 lakh (Table 8).
- The share of Indian emigrants in total stock of GCC countries was 31.1% (Table 9).
- The total stock of Indian emigrants in UAE was 34.71 lakh, Saudi Arabia 25.02 lakh, Oman 13.75 lakh, Kuwait 11.52 lakh, Qatar 7.02 lakh and Bahrain 3.65 lakh.

Table 7
Total stock of emigrants in GCC countries, mid-year 2020

No	GCC Countries	Total stock of emigrants in GCC countries		
		Total	Male	Female
1	United Arab Emirates	87,16,332	64,19,792	22,96,540
2	Saudi Arabia	1,34,54,842	92,35,130	42,19,712
3	Oman	23,72,836	19,84,025	3,88,811
4	Kuwait	31,10,159	20,63,430	10,46,729
5	Qatar	22,26,192	18,42,785	3,83,407
6	Bahrain	9,36,094	6,94,238	2,41,856
Total		3,08,16,445	2,22,39,400	85,77,055

Source: United Nations, Population Division

<https://www.un.org/development/desa/pd/content/international-migrant-stock>

Table 8
Total stock of Indian emigrants in GCC countries, mid-year 2020

No	GCC Countries	Stock of Indian emigrants		
		Total	Male	Female
1	United Arab Emirates	34,71,300	26,66,029	8,05,271
2	Saudi Arabia	25,02,337	17,41,093	7,61,244
3	Oman	13,75,667	12,04,672	1,70,995
4	Kuwait	11,52,175	8,12,171	3,40,004
5	Qatar	7,02,013	6,04,194	97,819
6	Bahrain	3,65,098	2,82,874	82,224
Total		95,68,590	73,11,033	22,57,557

Source: United Nations, Population Division

<https://www.un.org/development/desa/pd/content/international-migrant-stock>

Table 9
India's share in total stock of emigrants in GCC countries, mid-year 2020

No	GCC Countries	Share of Indian emigrants to total GCC (%)		
		Total	Male	Female
1	United Arab Emirates	39.8	41.5	35.1
2	Saudi Arabia	18.6	18.9	17.8
3	Oman	58.0	60.7	44.0
4	Kuwait	37.0	39.4	32.5
5	Qatar	31.5	32.8	25.5
6	Bahrain	39.0	40.7	34.0
	Total	31.1	32.9	26.3

Source: United Nations, Population Division

<https://www.un.org/development/desa/pd/content/international-migrant-stock>

Saudi Arabia's migration policy to reduce foreign migrant workers

- **Nitaqat** is a nationalisation scheme aims to increase employment of Saudi nationals in private sector since 2011.
- It aims to solve the problems such as (1) high Saudi unemployment (2) Key positions being given to foreign people (3) low productivity (4) lack of female Saudi workforce.
- Nitaqat requires companies to fill up their workforce to certain levels with Saudi nationals.
- **Vision 2030** aims to diversify from dependents on oil and the state, increased participation by Saudi citizens both male and female in private sector.

- Vision 2030 aims to reduce dependence on migrant workers, its heavy focus on infrastructure and construction, including implementations of mega construction projects.
- Abnormal increase in fee of Iqama (resident permit) work permit fee, expatriate resident dependent fee Iqama renewal fee etc to discourage the employment of foreign workers.
- The annual fee of a single migrant worker for renewal of Iqama (resident permit) effective from Jan 1, 2020 is SR 10,250 or Rs 2.05 lakh per year excluding cost of insurance policy and other payments to sponsor.

Estimate of Keralite Emigrants in Gulf, 2018

- According to one estimate, the total stock of Keralite emigrants in the World was 21.22 lakh in 2018 (table 10).
- Of this, the number of Keralite in Gulf countries was 18.93 lakh.
- The share of Keralite emigrants in GCC was 89.2%
- If we consider the factors such as UN DESA estimate on stock of Indian emigrants in GCC countries, growth of Indian emigrants in GCC during the last decade, the changes in share of Kerala's emigrants in India and the total number of Keralites returned due to COVID-19 crisis from GCC countries, we have to conclude that the above estimate is likely to be an under estimate.

Table 10
Country of Residence of Keralite Emigrants

No	Destination	2013	2018	Increase/ Decrease (%)	Emigrants in 2018 (Share %)
1	UAE	8,98,962	8,30,254	-7.6	39.1
2	Saudi Arabia	5,22,282	4,87,484	-6.7	23.0
3	Oman	1,89,224	1,82,168	-3.7	8.6
4	Kuwait	1,83,329	1,27,120	-30.7	6.0
5	Bahrain	1,49,729	81,153	-45.8	3.8
6	Qatar	1,06,107	1,85,573	74.9	8.7
7	Other West Asia	21,221	0	-	0.0
Subtotal, Gulf Countries		20,70,854	18,93,752	-8.6	89.2
8	USA	69,559	46,535	-33.1	2.2
9	Canada	11,200	15,323	36.9	0.7
10	United Kingdom	38,316	38,023	-0.8	1.8
11	Singapore	8,842	12,485	41.2	0.6
12	Malaysia	9,432	11,350	20.3	0.5
13	Australia/New Zealand	38,316	30,078	-21.5	1.4
14	Other Countries	1,53,855	74,341	-51.7	3.5
Subtotal		3,29,520	2,28,135	-30.8	10.8
Total		24,00,375	21,21,887	-11.6	100.0

Source: Irudaya Rajan, S. and Zachariah, K C (2019), Working paper no. 483, CDS.

A rough estimate of Keralite emigrants in GCC countries in 2020

- The UN DESA has estimated the total stock of Indian emigrants in GCC countries as 95.68 lakh in midyear 2020.
- Available evidence suggest that the share of Keralites may be in the range of 25 to 30 percent of the total stock of Indian emigrants in mid year 2020.
- And the Keralite emigrants in GCC countries may be in the range of 23.9 lakh and 28.7 lakh in 2020

Activity status of Keralite return emigrants prior to return: Survey findings

- Of the total sample returnees 50 per cent returned from Saudi Arabia, 19 per cent from UAE, 11 per cent from Qatar, 7 per cent each from Oman and Bahrain and 6 per cent from Kuwait. (Table 11).
- It is found that the returnees from Saudi Arabia is facing severe distress.
- Of the total returnees 46% belonged to the age below 41.
- Only 3% belonged to the old age group of 60 years and above (Table 12).
- Nearly 80 per cent of the returnees belong to educated category having an education qualification of SSLC or above (Table 13).
- Of the 404 sample returnees 23 have general degree.

Table 11

Country in which sample return emigrant workers worked prior to return

No	Country	Number of sample return emigrant workers	Share (%)
1	Saudi Arabia	200	49.5
2	United Arab Emirates	76	18.8
3	Oman	29	7.2
4	Kuwait	25	6.2
5	Qatar	45	11.1
6	Bahrain	27	6.7
7	Afghanistan & China	2	0.5
Total		404	100.0

Table 12
Age wise distribution of sample return emigrant workers

Age group (Years)	Number of total return emigrants	Share (%)	Number of married return emigrants	Number of unmarried return emigrants
Below 30	37	9.2	23	14
31-40	150	37.1	143	7
41-50	133	32.9	131	2
51-60	73	18.1	73	0
Above 60	11	2.7	11	0
Total	404	100.0	381	23

Table 13
Educational status of sample return emigrant workers

No	Category	Number	Share (%)
1	Below SSLC	81	20.1
2	SSLC	187	46.3
3	Plus two	112	27.7
4	General Degree	23	5.7
5	Professional Degree	1	0.2
6	Vocational Course	0	0.0
Total		404	100.0

Occupational classification of return emigrants prior to return using NCO, India 2015

- Of the total workers, 28% worked as shop sales persons (Table 14).
- 8% worked as cleaners and helpers in houses, hotels and offices
- 13% worked as car, van and motor cycle drivers
- 7% worked as waiters and bartenders.
- 6% worked as construction and manufacturing supervisors
- 3.5% worked as painters, builders, structure cleaners etc.
- 3.2% worked as cooks
- Other major jobs in which they worked are travel attenders, conductors, guides, fishery workers and hunters, mechanics, repairers of electrical equipment etc.

Table 14**Occupation in which five or more sample return emigrant workers worked prior to return**

No	Group of National Classification of Occupation 2015 (India)		Number of sample returnees	%
	Group No.	Occupation		
1	122	Sales, Marketing and Development Managers	7	1.7
2	312	Mining, Manufacturing and Construction Supervisors	24	5.9
3	441	Other Clerical Support Workers	5	1.2
4	511	Travel Attendants, Conductors and Guides	8	2.0
5	512	Cooks	13	3.2
6	513	Waiters and Bartenders	28	6.9
7	522	Shop Salespersons	113	28.0
8	524	Other Sales Workers	9	2.2
9	622	Fishery Workers, Hunters and Trappers	10	2.5
10	711	Building Frames and Related Trades Workers	6	1.5
11	713	Painters, Builders, Structure Cleaners and Related Trades Workers	14	3.5
12	723	Machinery Mechanics and Repairers	9	2.2
13	741	Electrical Equipment Installers and Repairers	10	2.5
14	813	Chemical and Photographic Products Plant and Machine Operators	5	1.2
15	832	Car, Van and Motorcycle Drivers	52	12.9
16	911	Domestic, Hotel and Office Cleaners and Helpers	33	8.2
17	931	Mining and Construction Labourers	5	1.2
18		Others	53	13.1
Total			404	100.0

Monthly wage

- Majority of the sample returnees informed that they received a monthly wage ranging between Rs 30,000 and 50,000 (59%) (Table 15).
- Another 24% told us that they used to get a monthly wage ranging between Rs 20,000 and 30,000.
- 5% of the returnees informed us that they used to get a monthly wage ranging between Rs 15,000 and 20,000.
- Only 11% received a monthly wage above Rs 50,000.
- This indicates that only 11% were got a fairly good amount of monthly wage

Table 15**Monthly wage/income earned by sample return emigrant workers prior to return**

No	Monthly wage/income per person (Rs)	Number							Total
		Saudi Arabia	UAE	Oman	Kuwait	Qatar	Bahrain	Others*	
1	₹10,001 to 15,000	1	0	-	1	1	-	-	3
2	₹15,001 to 20,000	9	5	3	1	1	1	-	20
3	₹20,001 to 30,000	39	21	6	5	12	14	-	97
4	₹30,001 to 50,000	134	35	19	12	28	10	1	239
5	Above ₹50,000	17	15	1	6	3	2	1	45
Total		200	76	29	25	45	27	2	404
		Percentage							
1	₹10,001 to 15,000	0.5	-	-	4.0	2.2	-	-	0.7
2	₹15,001 to 20,000	4.5	6.6	10.3	4.0	2.2	3.7	-	5.0
3	₹20,001 to 30,000	19.5	27.6	20.7	20.0	26.7	51.9	-	24.0
4	₹30,001 to 50,000	67.0	46.1	65.5	48.0	62.2	37.0	0.5	59.2
5	Above ₹50,000	8.5	19.7	3.4	24.0	6.7	7.4	0.5	11.1
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* Afghanistan & China

Monthly remittance

- Nearly half of the sample returnees informed that they used to send an average monthly amount ranging between Rs 12,000 and 20,000 to their homes (48%) (Table 16).
- 19% of the returnees sent monthly amount ranging between Rs 8,000 to 12,000 and 10% sent an amount Rs 5,000 to 8,000 per month
- Only 22 per cent sent an amount more than 20,000 per month.
- It is estimated that the average amount received by the sample returnee households as remittance range between Rs 1.47 lakh and Rs. 2.32 lakh per year (Table 17).
- This suggest that majority of the returnee emigrants were able to send only a moderate amount to their households

Table 16
Average monthly remittance sent by sample return emigrant workers
prior to return

No	Remittance sent per person (Rs)	Number							Total
		Saudi Arabia	UAE	Oman	Kuwait	Qatar	Bahrain	Others *	
1	Below ₹5,000	2	0	-	-	2	-	-	4
2	₹5,001 to 8,000	15	11	4	2	6	2	-	40
3	₹8,001 to 12,000	38	15	6	3	7	8	-	77
4	₹12,001 to 20,000	112	27	14	9	20	12	-	194
5	Above ₹20,000	33	23	5	10	10	5	2	88
Total		200	76	29	24	45	27	2	403
		Percentage							
1	Below ₹5,000	1.0	-	-	-	4.4	-	-	1.0
2	₹5,001 to 8,000	7.5	14.5	13.8	8.3	13.3	7.4	-	9.9
3	₹8,001 to 12,000	19.0	19.7	20.7	12.5	15.6	29.6	-	19.1
4	₹12,001 to 20,000	56.0	35.5	48.3	37.5	44.4	44.4	-	48.1
5	Above ₹20,000	16.5	30.3	17.2	41.7	22.2	18.5	100.0	21.8
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* Afghanistan & China

Table 17
Estimated lower and upper limit of remittance sent by
403 sample return emigrant workers prior to return

Estimated limit	Monthly remittance (Rs in lakh)	Yearly remittance (Rs in lakh)	Monthly Amount per household (Rs)	Annual Amount per household (Rs in lakh)
Lower	49.24	590.92	12,219	1.47
Upper	77.84	934.08	19,315	2.32

Causes of return

- An important finding of the study is that majority of sample returnees (54.2 per cent) returned on leave but stranded in Kerala. Of the total returnees, one third returned prior to imposition of lockdowns and travel restrictions (Table 18 and 19).
- Of the total returnees from Saudi Arabia 58% returned on leave and stranded here.
- Majority of the returnees from Oman, Kuwait and Qatar also returned to Kerala on leave but not able to return at the time of the survey.

Table 18
Causes of return of sample return emigrant workers

No	Causes of return	Number							Total
		Saudi Arabia	UAE	Oman	Kuwait	Qatar	Bahrain	Others*	
1	Loss of job due to closure of company/ business units	53	26	8	9	19	14	-	129
2	Reduction in salary	3	7	4	-	1	1	-	16
3	Non-renewal of work permit	12	4	1	2	-	-	-	19
4	Leave	117	36	15	13	24	12	2	219
5	Voluntary	14	3	1	1	1	-	-	20
6	COVID-19 pandemic fear	1	0	-	-	-	-	-	1
Total		200	76	29	25	45	27	2	404
		Percentage							
1	Loss of job due to closure of company/ business units	26.5	34.2	27.6	36.0	42.2	51.9	-	31.9
2	Reduction in salary	1.5	9.2	13.8	-	2.2	3.7	-	4.0
3	Non-renewal of work permit	6.0	5.3	3.5	8.0	-	-	-	4.7
4	Leave	58.5	47.4	51.7	52.0	53.3	44.4	100.0	54.2
5	Voluntary	7.0	3.9	3.5	4.0	2.2	-	-	5.0
6	COVID-19 pandemic fear	0.5	0	-	-	-	-	-	0.2
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* Afghanistan & China

Table 19
Period of return of sample return emigrant workers:
country wise (Number)

No	Name of country	Between Dec 2019 and Feb 2020	Between Mar 2020 and July 2020	Between Aug 2020 and Dec 2020	Between Jan 2021 and July 2021	Total
1	Saudi Arabia	24	73	58	45	200
2	United Arab Emirates	10	24	23	19	76
3	Oman	5	6	10	8	29
4	Kuwait	6	7	5	7	25
5	Qatar	14	11	15	5	45
6	Bahrain	9	6	7	5	27
7	Afghanistan & China	1	0	0	1	2
Total		69	127	118	90	404
Total (%)		17.1	31.4	29.2	22.3	100.0

- The cause of return of one third of returnees was loss of jobs due to closure of companies and business units. The other reasons are reduction in salary, non-renewal of work permit and voluntary return.
- Majority of the sample returnees who returned to Kerala had long years of work experience in GCC countries (more than 10 years). And the pandemic disruption abruptly ended the migration prospects.

- The disruption in international travel
- The difference in vaccination policies followed by India and individual GCC countries
- Filling the vacancies arose due to return of Keralite emigrants on leave with emigrants from other countries
- Large increase in fee for renewal of work permit and resident permit
- Deliberate policy perused by Saudi government for curtailing the number of foreign workers has led to large scale return of emigrants from Saudi Arabia.

Our estimate on returnees who stranded in Kerala

- According to our assessment, the share of returnees from Saudi Arabia who remain in Kerala is around 80 per cent.
- The percentage of return emigrants who remain in Kerala from other GCC countries are as follows. UAE 10 per cent, Qatar 40 per cent, Bahrain 30 per cent, Kuwait 20 per cent and Oman 20 per cent.
- We estimate that, of the total 14.71 lakh Keralites who returned Kerala due to COVID-19 induced crisis, the returnees who remain in Kerala will be around 3.32 lakh.
- According to our assessment of the above total returnees of 14.71 lakh, around 77 per cent has already returned and around 23 per cent remain in Kerala.

- Kerala's migration has the characteristics of chain migration, in which migrants from a particular area, migrate to a particular destination.
- Majority of the return emigrants from Saudi Arabia belong to Malappuram district, majority of returnees from UAE belonged to Kannur district and majority of the returnees from Qatar belonged to Kozhikode district.

Activity status of return emigrant workers after return

- The survey results on activity status of returnees after return show that the total returnees, 70.8 per cent were unemployed and 28.7 per cent employed and 0.5 per cent not in labour force (Table 20).
- The share of unemployed was found very high among the sample return emigrants belonging to Kannur, Malappuram and Pathanamthitta districts. Among the unemployed, return emigrants nearly half belong to the age up to 40 years. The employed are working as casual labourers or engage in self-employment.

Table 20**Activity status of sample return emigrant workers after return**

No	District	Number			
		Employed	Unemployed	Not in labour force	Total
1	Kannur	10	75	1	86
2	Kozhikode	53	57	1	111
3	Malappuram	33	113	-	146
4	Pathanamthitta	11	33	-	44
5	Thiruvananthapuram	9	8	-	17
	Total	116	286	2	404
		Percentage			
1	Kannur	11.6	87.2	1.2	100.0
2	Kozhikode	47.7	51.4	0.9	100.0
3	Malappuram	22.6	77.4	-	100.0
4	Pathanamthitta	25.0	75.0	-	100.0
5	Thiruvananthapuram	52.9	47.1	-	100.0
	Total	28.7	70.8	0.5	100.0

- The returnees, who had regular job and earning monthly wages in GCC countries prior to return, are frustrated in the new labour situation.
- They believe that remigration is a better option than finding a job in their locality. And they prefer to migrate to the country from which they returned.
- They have a strong preference for the remigration because they feel that through migration, they can get a regular job, assured monthly income, assured monthly savings, assured monthly or periodical remittance to their family and economic stability of their families.

Impact of return on return emigrant households and local labour market

- The impact of return emigrants on emigrant households are the following. Of the total population in returnee households, the share of return emigrant workers is 22 per cent.
- More than one fifth of the returnee households belonged to poor households or BPL households (Table 21).
- It is reported that 57 per cent of the households possessed an area of land less than 10 cents.
- The ownership of the house of the returnee households belong to the return emigrants and parent of the emigrant. And 63 per cent of the houses are owned by returned emigrant.

Table 21
Category of ration card of sample returnee households

No	District	Number			
		Non-Priority (APL)	Priority (BPL)	Nil	Total sample households
1	Kannur	68	14	4	86
2	Kozhikode	85	21	5	111
3	Malappuram	109	34	3	146
4	Pathanamthitta	40	4	-	44
5	Thiruvananthapuram	6	10	1	17
	Total	308	83	13	404
		Percentage			
1	Kannur	79.1	16.3	4.6	100.0
2	Kozhikode	76.6	18.9	4.5	100.0
3	Malappuram	74.7	23.3	2.0	100.0
4	Pathanamthitta	90.9	9.1	-	100.0
5	Thiruvananthapuram	35.3	58.8	5.9	100.0
	Total	76.2	20.6	3.2	100.0

- The possession of motor vehicles shows that the 91 per cent of households had either a two wheeler or a car.
- Except six households all the households borrowed money and have debt. The major purpose of borrowing are construction of house, purchase of vehicle and purchase of land.
- The sample returnees told us that their households have a somewhat sound financial situation prior to their return due to receipt of remittance regularly.
- The return of the sample emigrants have resulted in total stoppage of the remittance and shattered the finances of all sample returnee households.

- Major impact of return emigrant workers on local labour market are the following. The COVID-19 pandemic has resulted an acute recession, large scale return of emigrant workers, contraction of secondary and tertiary sector production and employment.
- It resulted an addition of workers (return emigrants) to the local labour market, created an excess supply of labour force, a spurt in unemployment rate of secondary and tertiary sector workers and severely restricted occupational and geographical mobility and migration of labour (Table 22).

Table 22

Increase in unemployed persons due to return of sample emigrant workers

No.	District	Unemployed persons in the sample households	Unemployed persons added due to return of emigrant workers	Total number of unemployed persons	Growth Rate (%)
1	Kannur	51	75	126	147.1
2	Kozhikode	37	57	94	154.1
3	Malappuram	81	113	194	139.5
4	Pathanamthitta	9	33	42	366.7
5	Thiruvananthapuram	9	8	17	88.9
	Total	187	286	473	152.9

Policy suggestions

➤ The return of emigrants, stoppage of remittance received, the lack of other sources of income, have pushed the emigrant households to acute economic distress. To address this, the policy should aim to give credit support to returnees to remigrate, give relief and support to the households and provide assistance to find jobs.

1) **Bank loans for remigration.** Provide loans up to Rs two lakhs through banks and other financial institutions for those who wish to remigrate. Government may give an interest subsidy for the loan for one year.

- 2) **Provide credit support to the returnees** to find self-employment, start small business, engage in remunerative activities in agriculture, livestock or purchase motor vehicles or capital items to make an earning. An interest free loan up to Rs 5 lakh may be given through banks and other financial institutions. Interest subsidy may be given for one year.
- 3) **NORKA loan scheme to be continued.** The current loan scheme meant for providing assistance of NORKA may be continued for those who avail a loan of more than Rs 5 lakh.

- 4) **Change APL ration card to BPL.** In the case of returnee households who have APL ration card and who face acute distress and satisfy the norms of Below the Poverty Line (BPL) ration cards can be given BPL ration cards. They may also be given other assistance eligible for BPL households.
- 5) **Priority for Saudi returnees.** In giving the above benefits, priority shall be given to those returned from Saudi Arabia, who face acute distress.
- 6) **Three districts with large number of returnees.** Of the total returnees, 41 per cent belonged to the three districts viz. Malappuram, Kozhikode and Kannur. In giving the benefits mentioned above, priority should be given to the returnees belonging to the above three districts.

- 7) Anti-recession package for 3 districts.** As the three districts are worst affected due to the return from the Gulf, the government may implement an anti-recession package to revive the district economies. More allocation of plan and development funds may be allocated to the districts through government departments and local governments.
- 8) Pension to return emigrants who are suffering from chronic diseases.** An emigrant worker who worked in the foreign country for three years and was forced to return to the native country due to major accident involving physical disability or due to chronic diseases like cancer, stroke, heart attack, kidney failure etc may be given a monthly pension of Rs 1,500 till his death. This benefit should be given on the basis of the report of the Medical Board of the state government.

9) Promotion of investment of emigrants and return emigrants. (a) Encourage industrial investment in small scale industry by giving units in the industrial parks to emigrants. (b) Industries Department should help the prospective investors by providing viable project proposals and other assistance for starting the units. (c) Single window clearance for starting industrial units. (d) The small scale units started by the return emigrants may be exempted from taxes levied by State government and Central government. and (e) Encourage the collaborative investment proposals of the return emigrants and others.

10) Employment policy of state. According to this survey the basic objective of the Keralite emigrant workers who migrate to Gulf, is to find a regular job, assured monthly income, assured monthly savings, assured remittance and achieve economic prosperity of their families. The education, labour, employment, fiscal, investment and credit policies of the state should aim to achieve regular and remunerative employment to the unemployed labour force. A favorable investment climate is to be created for the growth of secondary and tertiary units which employ sizeable number of regular workers. All government departments, semi government organisations and local governments shall follow conducive policies to achieve this.

11) Assessment of labour market changes in GCC countries. Of the total stock of Indian emigrants in the World, the share of GCC countries is 53 per cent. Currently all the GCC countries have been following policies of indigenisation of labour to reduce the stock of foreign migrant workers, which adversely affect the interest of Indian emigrants. Constant assessment of changes in labour market and changing demand for Indian migrant workers in GCC are crucial for India. And the government of India should take steps to conduct studies to assess the changes in labour market in GCC countries, the future skill requirement, the categories of emigrants likely to be returned and the measures need for smooth migration.

THANK YOU