

POVERTY REDUCING POTENTIAL OF LABOUR MIGRATION FOR CONSTRUCTION WORK: LESSONS FROM SOUTH ASIA

Main Messages

- Construction is an important sector for migrants – particularly for those from poor, rural backgrounds with low levels of formal education
- In Bangladesh, India and Nepal migrants are moving within their own countries and to the Gulf States in search of construction work
- In these journeys, they are reliant on informal brokers and often end up in poorly regulated work environments and jobs that are dirty, dangerous, and demeaning
- Nevertheless, migration enables many of them to remit a significant proportion of their earnings home – improving the standard of living of their families and improving the life chances of the next generation
- Policy makers must recognise this poverty reducing potential of construction work for the rural poor and aim to reduce the costs and risks while



Background

Recent figures from the International Labour Organization show that of the estimated 150 million international migrant workers in the world, roughly 27 million, or 18%, were engaged in industry, especially manufacturing and construction. These figures are likely to be under-estimates given that many international migrants in construction work are undocumented. This

is especially true of migrant construction workers in the Gulf Cooperation Council countries, which are an important destination for migrant workers from South Asia.

Rural migrants are heavily represented in urban construction work because it is accessible to those from relatively poor backgrounds without formal education. Many tasks in construction in low- and middle-income countries are still performed manually such as cement mixing, carrying bricks, brick-laying, and plastering. Construction work is often informal so workers have the flexibility of balancing their agricultural enterprises with seasonal work in the city. Construction work is arguably the most important form of off-farm employment for landless farm workers and marginal farmers who smooth their incomes through such employment.

It is estimated that in the next 20 years, up to 30 million people may participate in the Gulf Cooperation Council construction industry alone. International statistics do not include migrant construction workers who move within national borders or undocumented across borders between neighbouring countries. Many towns and

cities in rapidly urbanising developing countries have a vibrant construction sector where a high proportion of workers are internal and regional migrants. Informal estimates therefore suggest that the number of construction workers is much higher – according to the Women in Informal Employment, Globalizing and Organizing (WIEGO) the union Building and Wood Workers’ International (BWI) estimates that there are at least 180 million construction workers worldwide, with 75% in developing countries and a significant proportion are rural-urban migrants.

In South Asia, there are established networks of brokers who recruit workers from remote rural areas for construction work. These brokers are part of the “migration industry” involving employers and indifferent government officials who keep wages down and have little incentive to improve working conditions. Labour laws that specify working hours, remuneration, the provision of safety equipment exist, but these are rarely enforced.

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Our contribution to existing knowledge

Rural-urban migration for construction work is widely characterised as forced migration, offering few prospects for economic or social improvement in the lives of those who move for work. Within mainstream advocacy there is a preoccupation with working conditions, wages, costs and risks. We sought to better understand migrants’ own perceptions of their journey, the circumstances that migrants have come from, and where they feel they are headed to.

Methods

Our research focused on seasonal migration from rural areas for low-skilled construction work in urban areas. The research was conducted in Dhaka, Kathmandu and Delhi where 150 migrants from rural areas were interviewed to understand working conditions and remittance patterns. A smaller number were interviewed in two source villages to gain insights into how remittances are used and how the families of migrants perceive the impacts of their migration. A mixed methods approach was used combining unstructured interviews with descriptive statistics.

We examined the process from a life cycle viewpoint i.e. examining the situation of migrants in their places of origins and assessing the long-term impacts of migration on consumption, investment in poverty reducing and life enhancing purchases, as well as overall wellbeing. The study relied on remittance and expenditure data collected through questionnaires and recall interviews to gauge migrant perceptions of change over five years. While recall is not as robust as research conducted over several points in time, it is sufficient to provide an indication of how migrants and their families perceive broad changes to their social and economic wellbeing over time and how

migration is linked to these changes. There is little research on this area, thus the case studies provide valuable data about the links between poverty and migration at

the household level and how policy can support such migration to reduce its costs and risks.

What we found

Marginal and disadvantaged sending communities

Without exception, rural-urban migrants for construction work in all of three countries studied came from households which were dependent on rainfed farming either as small and marginal landholders or labourers working on others’ fields. Furthermore, a majority belonged to historically disadvantaged communities: in India Muslims, the so-called “Scheduled Castes”, “Backward Castes” and indigenous tribes dominated the sample while in Nepal disadvantaged groups such as Janajati and Madhesi accounted for more than 80% of the sample indicating how important this type of employment is for them. In Bangladesh, however all the workers in the sample were poor Muslims and not other minorities such as Hindus. Possibly this is due to chain migration through established social networks in the construction firms that were covered.

Gender, available occupations, and conditions within the industry

Construction work is highly gendered. While women are employed as construction workers they are usually employed in ancillary occupations such as sifting sand and carrying bricks and restricted to what is considered “light” work (although it may be equally strenuous).

They are mostly involved in unskilled work without prospects for upward mobility. Men on the other hand are employed in “heavy” and skilled occupations with multiple possibilities for improving their earnings and career prospects through on-the-job training. Strong cultural stereotypes of what men and women are capable of learning and doing underlie these divisions. Men accounted for more than 70% of the sample in all three country destinations although another study in Dhaka by Ahsan (1997) has shown that women may dominate numerically. Women are routinely paid less, sometimes half as much as men because they are seen to be performing lighter tasks and this discrepancy reflects discrimination and the undervaluation of female labour rather than pay levels determined by any objective criteria.

Brokers play a critical role in recruitment

Surveys in the cities showed that unskilled workers were almost always employed without written contracts and often recruited in larger firms through brokers (variously known as thekedar, dalal, jamadar in the local parlance). Brokers in India and Nepal recruited workers through a system of advances, which effectively bonds the workers to them and is illegal under bonded labour legislation. Brokers are often part of a pyramidal structure of recruitment where they pass on the workers to brokers higher up in the chain. Such methods of recruitment have emerged to ensure that employers have a captive pool of workers who are tied to the employer through the construction season.

Poor working conditions and labour standards

Working conditions in the construction industry were 3D (dirty, dangerous, and demeaning) in all three countries with little regard to the health and safety of workers, long working hours, and insufficient insurance against injury, illness, and death. Workers said that serious injuries and death are common but the research team could not verify this through secondary data because they are not available. For women, there were added risks of sexual harassment, lack of crèche facilities, and appropriate toilet facilities.

Employers have a strong preference for migrant workers as they are not unionised (in fact many are

scared to become union members for fear of losing their jobs), they are cheaper to employ, and they have few links in the city and are therefore more dependent on the recruiter and employer for their day-to-day needs. The management of the workforce is almost completely outsourced to recruiters as this absolves the employers of the responsibility of maintaining labour standards.

Economic benefits to the migrant and their families? Despite the hardship, most workers in the sample (who were all male) remitted a significant proportion of their earnings home and the ability to do this was much valued by them. Skilled workers remitted more – in India this was nearly 37000 rupees [US\$ 543] on average in a year compared to 23000 rupees [US\$ 337] for unskilled workers.

The surveys at origin showed that migrant households spent more on end-uses that raised their day to day standard of living and improved the life chances of the next generation. In Bangladesh, 93% of the workers interviewed at destination reported positive impacts of remittances through improved and more regular consumption, purchase of consumer durables, home renovation, asset purchase, children’s education and

expenditure on health, and repayment of family loans. In Nepal, the uses mentioned were: improvement in housing (56%), purchasing of consumer durables (55%),

education of family members and children, marriage and religious ceremonies (28%) and medical treatment of family members. In all three countries migrants said that remittances were used to repay debt and while this may indicate that they were trapped in a borrowing and repayment cycle, they felt that they were on an upward trajectory as they could borrow when needed and repay through their earnings, a privilege that the very poor do not have.

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Looking to the future

The precarity of migrant construction workers’ jobs and livelihood strategies is not in doubt. Any shock such as injury, ill health, or death can set the family on a downward trajectory into deeper poverty from which they may never emerge. In addition, it is not clear what the long-term health impacts of exposure to pollutants

and hazardous materials are for construction workers. What is clear is that without such set-backs, migrant construction work can set families on an upward trajectory out of grinding poverty in a way that relying on rural agricultural labour alone cannot.

While eliminating recruiters, and forcing employers to issue formal contracts are desirable goals these will be difficult to achieve in a situation where poorly educated and poorly connected rural people have no other means of accessing work in urban areas and where employers are looking for a flexible workforce. Policy makers must recognise this poverty reducing potential of construction work, despite its precarity, for the rural poor and aim to reduce the costs and risks while amplifying its benefits.

To achieve this, we recommend:

1. Governments should work with civil society organisations to find ways of making urban areas more welcoming to such migrants in terms of access to housing and government services.
2. Researchers should work with civil society to create awareness within government and the general public about the poverty reducing potential of migration for construction work.
3. Advocacy organisations working for the rights of construction workers, especially female construction workers should be sensitised to the poverty reducing potential of migration for construction work to broaden their perspective beyond viewing such migration in terms of coercion and compromised labour standards.

Further reading

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ILO (2015) New ILO figures show 150 million migrants in the global workforce http://www.ilo.org/global/topics/labour-migration/news-statements/WCMS_436140/lang--en/index.htm

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Oxfam Blog (2010) “What can be done to improve the lives of migrant construction workers?” <https://oxfamblogs.org/fp2p/time-for-an-ethical-construction-initiative/>

Adhikari, J. and P.Deshingkar (2015) How Migration into Urban Construction Work Impacts on Rural Households in Nepal. Working Paper, 27 *Migrating out of Poverty Research Programme Consortium* <http://migratingoutofpoverty.dfid.gov.uk/files/file.php?name=wp27-adhikari-deshingkar-2015--how-migration-into-urban-construction-work-impacts-on-rural-households-in-nepal.pdf&site=354>

Contact

This policy brief was written by Priya Deshingkar, Research Director, Migrating out of Poverty. Please contact her p.deshingkar@sussex.ac.uk or the Refugee and Migratory Movements Research Unit in Dhaka for further information info@rmmru.org

About us

Migrating out of Poverty is a research programme consortium funded by the UK’s Department for International Development. It focuses on the relationship between internal and regional migration and poverty.