

Impact of Rural-Urban Migration On Income

Case Study of Selected Large & Medium Scale Industries

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ABSTRACT

It may be said that while the basic cause of migration is low levels of income and lack of job opportunities at the native place, the actual degree of migration is positively related to the expected earnings at the place of migration. The economic compulsion of the work force forces them to migrate outside their villages. Thus viewing the distribution pattern of resources such as land and income among the households in various industries and the villages around the industries one finds that inequality in the income opportunity is a basic cause and effect which influences the migration from one place to another.

1. INTRODUCTION

To begin with it may be said that while the basic cause of migration is low levels of income and lack of job opportunities at the native place, the actual degree of migration is positively related to the expected earnings at the place of migration. A higher proportion of migrants are found in the low income groups and the intensity of migration starts declining among succeeding higher income groups of population, despite the fact that migration is motivated from all category of income migration at village levels, the picture of migration characteristics noticed in all the villages are almost similar. The economic compulsion of the work force forces them to migrate outside their villages. The highest propensity of migration is found among the people with groups. These kinds of indications are clear while we analyse the income and migration characteristics of the respondent migrants.

Thus viewing the distribution pattern of resources such as land and income among the households in various industries

and the villages around the industries one finds that inequality in the income opportunity is a basic cause and effect which influences the migration from one place to another. The smaller size of land holdings and insufficient amount of income for maintaining the household living invariably push the working age population outside the village.

It is a general assumption that the migration motivated with employment and economic considerations may have both negative as well as positive effects. However, the studies carried out in the past reveal that the migration of individuals is generally associated with economic betterment. Although the amount of benefits received by migrants could be low or negligible during the initial stages of migration, the benefits tend to increase after some period spent at the place of destination by migrants. Benefits of migration is thought to be good not only for individuals that have migrated but for the country as a whole. With the initiation of migration, an individual improves his socio-economic, cultural and environmental status, besides the availment of several physical

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and social infrastructural opportunities. On the other hand, with the extensive and greater mobility of population, the economic development of the country is favorably influenced by the interaction of labour supply and demand conditions.

As already indicated earlier, the inadequate levels of incomes of households and the lack of opportunities of income generation in the area, a larger segments of population is influenced to migrate in search of employment and better income opportunities to the urban areas. In this paper an attempt has been made regarding the benefits of migrations and the extent to which migrants have succeeded in improving the economic conditions of their family members at the native place.

2. OBJECTIVE

The objective of this paper is to measure the impact of rural migration on the income/earnings of the respondent migrants of large scale as well as small scale industries.

3. IMPACT OF MIGRATION ON INCOME LEVEL OF RESPONDENT MIGRANTS OF LARGE SCALE INDUSTRIES

The changes in the income level of respondent migrants of large scale industries in Saharanpur district before and after migration is given in the Table-1 (Please see table no. 1 on the next page.).

It can be seen from the Table-1, that out of 110 respondent migrants in L.K. Textiles Mill, 20 (i.e. 18.18%) migrants have income below Rs. 1000, 80 (i.e. 72.73%) migrants lie in the income group of Rs. 1000-2000. Only 10 (i.e. 9.09%) migrants lie in the income group of Rs. 2000-3000. There were no respondent

migrants whose income was above Rs. 3000.

The average income of the 20 migrants in the income group of below Rs. 1000/- before migration was Rs. 400/- but after migration or at present is Rs. 900/- which implies that the income has increased by 125 per cent. Similarly the average income of the 80 respondent migrants (in the income group of Rs. 1000-3000) has increased from Rs. 1100 (before migration) to Rs. 1800/- (after migration i.e. by 63.64 per cent). The average income of 10 respondent migrants (in the income group of Rs. 2000 – 3000) increased from Rs. 2100 (before migration) to Rs. 2500/- (after migration) i.e. by only 19.05%.

If we consider the average income of all the respondent migrants, it increased from Rs. 1063.63 (before migration) to Rs. 1700/- (after migration) i.e. by 59.83%. All these imply that due to migration for getting a better employment opportunity in the Saharanpur district, the average income or earnings of the migrants increased to a considerable extent.

Out of 100 respondent migrants in Star Paper Mill, the number of migrants having income below Rs. 1000 was 25 (i.e. 25%), in the income group Rs. 1000-2000 was 65 (i.e. 65%), in the income group Rs. 2000-3000 was 8 (i.e. 8%) and above Rs. 3000/- was only 2 (i.e. 2%). The average income of 25 respondent migrants in the income below Rs. 1000/- increased from Rs. 450 to Rs. 950 (i.e. by 111.11%). The average income of 65 migrants (in the income group of Rs. 1000-2000) increased from Rs. 1200 to Rs. 1750 (i.e. by 45.83%). But the average income of 8 migrants (in the income group of Rs. 2000-3000) increased from Rs. 2150 to Rs. 2400 i.e. by only 11.63% and the average income of 2 migrants in the income group of above

Table - 1
Impact on Income Level of Respondent Migrants of Large Scale Industries
 Per Month in Rs.

Income Group (In Rs.)	Below (Rs. 1000)	Rs. 1000 -2000	Rs. 2000 -3000	Above Rs. 3000	Total/ Ave
<u>L. K. Textile Mill</u>					
No. of Migrants	20 (18.18)	80 (72.73)	10 (9.09)	-	110 (100)
<u>Average Income</u>					
Before Migration	400	1100	2100	-	1063.63
After Migration	900	1800	2500	-	1700
<u>Star Paper Mill</u>					
No. of Migrants	25 (25)	65 (65)	8 (8)	2 (2)	100 (100)
<u>Average Income</u>					
Before Migration	450	1200	2150	3100	1126.5
After Migration	950	1750	2400	3400	1635.0
<u>Indian Tobacco Compoany</u>					
No. of Migrants	10 (25)	25 (62.5)	2 (5)	3 (7.5)	40 (100)
<u>Average Income</u>					
Before Migration	350	1250	2100	3050	1202.5
After Migration	850	1900	2800	3500	1802.5
<u>Gangwshwar Limited</u>					
No. of Migrants	2 (6.67)	25 (83.33)	3 (10)	-	30(100)
<u>Average Income</u>					
Before Migration	200	1250	2300	-	1285
After Migration	950	1850	2750	-	1880
<u>Kissan Sugar Mill</u>					
No. of Migrants	-	5 (50)	4 (40)	1 (10)	10 (100)
<u>Average Income</u>					
Before Migration	-	1150	2050	3100	1705
After Migration	-	1800	2700	3400	2320
<u>All Industries</u>					
No. of Migrants	57 (19.66)	200 (68.97)	27 (9.30)	6 (2.07)	290 (100)
<u>Average Income</u>					
Before Migration	406.14	1171.2	2129.6	3075.0	1149.4
After Migration	94.91	1802.5	2550	3450	1731.7

Source: Data collected through questionnaires.

Note: Bracketed figures are percentages to number of migrants.

Table -2
Impact on Income Level of Respondent Migrants of Medium Scale Industries
Per Month in Rs.

Income Group In Rs. ———	Below Rs. 1000	Rs. 1000 -2000	Rs. 2000 -3000	Above Rs. 3000	Total/ Ave
<u>Saharanpur Engineering Works</u>					
No. of Migrants	1 (25)	2 (50)	1 (25)	-	4 (100)
<u>Average Income</u>					
Before Migration	300	1100	2100	-	1150
After Migration	900	1900	2600	-	1825
<u>Indana Species & Food India Ltd.</u>					
No. of Migrants	1 (25)	3 (75)	-	-	4 (100)
<u>Average Income</u>					
Before Migration	450	1050	-	-	900
After Migration	950	1800	-	-	1575
<u>Rakesh Chemicals</u>					
No. of Migrants	-	3 (100)	-	-	3 (100)
<u>Average Income</u>					
Before Migration	-	1250	-	-	1250
After Migration	-	1880	-	-	1880
<u>The Cooperative Company Limited</u>					
No. of Migrants	-	1 (50)	1 (50)	-	2 (100)
<u>Average Income</u>					
Before Migration	-	1200	2050	-	1625
After Migration	-	1800	2400	-	2100
<u>Suraj Automobiles</u>					
No. of Migrants	-	1 (50)	1 (50)	-	2 (100)
<u>Average Income</u>					
Before Migration	-	1250	2050	-	1650
After Migration	-	1850	2500	-	2175
<u>U.P. Cooperative Company Limited</u>					
No. of Migrants	1 (50)	1 (50)	-	-	2 (100)
<u>Average Income</u>					
Before Migration	400	1300	-	-	850
After Migration	950	1850	-	-	1400

Income Group In Rs. ———	Below Rs. 1000	Rs. 1000 -2000	Rs. 2000 -3000	Above Rs. 3000	Total/ Ave
<u>Hari Kishan Flour Mills</u>					
No. of Migrants	-	1 (100)	-	-	1 (100)
<u>Average Income</u>					
Before Migration	-	1300	-	-	1300
After Migration	-	1900	-	-	1900
<u>All Industries</u>					
No. of Migrants	3 (15.79)	12 (63.16)	3 (15.67)	-	18 (100)
<u>Average Income</u>					
Before Migration	383.33	1179.17	2066.67	-	201.62
After Migration	916.67	1833.33	2500	-	291.67

Source: Data collected through questionnaires.

Note: Bracketed figures are percentages to number of migrants.

Rs. 3000 increased from Rs. 3100 to Rs. 3400 i.e. by only 9.68%. On an average, the average income of 100 respondent migrants in Star Paper Mill increased from Rs. 1126.50 before migration to Rs. 1635.00 i.e. by 45.14%.

Out of 40 respondent migrants in Indian Tobacco Co. Ltd., 10 (i.e. 25%) migrants have income below Rs. 1000, 25 (i.e. 62.5%) lie in the income group of Rs. 1000-2000, only 2 (i.e. 5% lie in the income group of Rs. 2000-3000, and only 3 (i.e. 7.5%) get income above Rs. 3000. The average income of 10 migrants (in the income below Rs. 1000) increased from Rs. 350 before migration to Rs. 850 after migration i.e. by 128.57%. The average income of 25 migrants in the income group of Rs. 1000-2000 increased from Rs. 1250 to Rs. 1900 i.e. by 52%. The average income of 2 migrants in the income group of Rs. 2000-3000 increased from Rs. 2100 to Rs. 2800 i.e. by 33.33% and the average income of 3 migrants in the income group above Rs. 3000, increased from Rs. 3050 to Rs. 3500 i.e. only 14.75%.

• Out of 30 respondent migrants in
• Gangeshwar Ltd., only 2 (i.e. 6.67%) have
• income below Rs. 1000, 25 (i.e. 83.33%)
• lie in the income group of Rs. 1000-2000
• and 3 (i.e. 10%) lie in the income group of
• Rs. 2000-3000. There was no respondent
• migrant having income Rs. 3000 and above.
• The average income of 2 respondent
• migrants (in the income below Rs. 1000)
• increased from Rs. 200 before migration to
• Rs. 950 after migration i.e. by 375%. The
• average income of 25 migrants in the
• income group Rs. 1000-2000 increased
• from Rs. 1250 to Rs. 1850 (i.e. by 48%)
• and 3 respondent migrants in the income
• group Rs. 2000-3000 income increased
• from Rs. 2300 to Rs. 2750 i.e. by only
• 19.15%. On an average, the average
• income of 30 respondent migrants in
• Gangeshwar Ltd. Increased from Rs. 1285
• (before migration) to Rs. 1880 (after
• migration) i.e. by 46.30%.

• In Kissan Sugar Mill out of 10
• respondent migrants, there was no migrant
• having income below Rs. 1000. The
• number of respondent migrants in the

income group of Rs. 1000-2000 was 5 (i.e. 50%) and the number of migrants in the income group of Rs. 2000-3000 was 4 (i.e. 40%). Only 1 (i.e. 10%) respondent migrant had monthly income above Rs. 3000. The average income of 5 respondent migrants (in the income group of Rs. 1000-2000) increased from Rs. 1150 before migration to Rs. 1800 i.e. by 56.52% after migration. Similarly the average income of 4 respondent migrants (in the income group Rs. 2000-3000) increased from Rs. 2050 to Rs. 2700, i.e. by 31.71% and the average income of the only respondent migrant having monthly income above Rs. 3000 increased from Rs. 3100 before migration to Rs. 3400 i.e. by only 8.82% after migration. On the whole, the average income of 10 respondent migrants increased from Rs. 1705 before migration to Rs. 2320 i.e. by 35.48% after migration.

If we take into account of all the respondent migrants in the large scale industries in Saharanpur district then out of 290 migrants 57 (i.e. 19.66%) were in the income group of below Rs. 1000, 200 (i.e. 68.97%) lie in the income group of Rs. 1000-2000, 27 (i.e. 9.30%) lie in income group of Rs. 2000-3000 and only 6 (i.e. 2.07%) lie in the income group above Rs. 3000. The average income of 57 migrants (in the income group below Rs. 1000) increased from Rs. 406.14 to Rs. 914.91 i.e. by 125.27%. The average income of 200 respondent migrants in the income group of Rs. 1000-2000 increased from Rs. 1171.25 to Rs. 1802.50 i.e. by 53.9%. The average income of 27 respondent migrants in the income group of Rs. 2000-3000 increased from Rs. 2129.63 to Rs. 2550 i.e. by 19.74% and the average income of 6 respondent migrants having income above Rs. 3000 increased from Rs. 3075.00 before migration to Rs. 3450 i.e. by 12.2%, after migration.

On the whole, the average income of 290 respondents from all large scale industries in Saharanpur district, increased from Rs. 1149.48 to Rs. 1731.72 i.e. by 50.65%. This shows that the average income of the respondent has increased due to migration to Saharanpur district irrespective of the category to which they belong.

4. IMPACT OF MIGRATION ON INCOME LEVEL OF RESPONDENT MIGRANTS OF MEDIUM SCALE INDUSTRIES

Table-2 shows the changes in the income of the respondent migrants in different medium scale industries due to their migration into Saharanpur district.

It is evident from the Table-2 that in Saharanpur Engg. Works, out of 4 respondent migrants only 1 (i.e. 25%) has income below Rs. 1000, 2 (i.e. 50%) lie in the income group of Rs. 1000-2000 and the rest 1 (i.e. 25%) lies in the income group of Rs. 2000-3000. The income of 1 respondent migrant having income below Rs. 1000 increased from Rs. 300 to Rs. 900 i.e. 200%. Similarly the average income of 2 respondent migrants (in the income group of Rs. 1000-2000) increased from Rs. 1100 to Rs. 1900 i.e. by 72.73% and the average income of the only respondent migrant in the income group of Rs. 2000-3000 increased from Rs. 2100 before migration to Rs. 2600 i.e. by 23.81%, after migration. On the whole, the average income of 4 respondent migrants increased from Rs. 1150 before migration to Rs. 1825 after migration (i.e. by 67.39%).

Out of 4 respondent migrants, the average income of only 1 (i.e. 25%) respondent migrant having income below Rs. 1000 in Indana Species & Food Ltd.

Increased from Rs. 450 before migration to Rs. 900 i.e. by 100% after migration. The average income of the rest 3 (i.e. 75%) respondent migrants in the income group of Rs. 1000-2000, increased from Rs. 1050 to Rs. 1800 i.e. by 71.43%. On the whole, the average income of the 4 respondent migrants increased from Rs. 900 before migration to Rs. 1575 i.e. by 75% after migration.

In case of Rakesh Chemicals, the average income of all 3 respondent migrants in the income group of Rs. 1000-2000, increased from Rs. 1250 before migration to Rs. 1800 i.e. by 44% after migration.

In the Cooperative Co. Ltd., out of 2 respondent migrants, the average income of 1 migrant (i.e. 50%) in the income group of Rs. 1000-2000 increased from Rs. 1200 before migration to Rs. 1800 (i.e. 50%) after migration and the average income of the rest 1 migrant in the income group of Rs. 2000-3000 increased from Rs. 2050 to Rs. 2400, i.e. by 17.07%. On the whole, the average income of 2 respondent migrants increased from Rs. 1625 before migration to Rs. 2100 (i.e. by 29.23%) after migration. Similarly in Suraj Automobiles out of the 2 respondent migrants, the income of 1 migrant in the income group of Rs. 1000-2000 increased from Rs. 1250 to Rs. 1850 i.e. by 48% and the income of the rest 1 migrant in the income group of Rs. 2000-3000 increased from Rs. 2050 before migration to Rs. 2500 i.e. by 21.95% after migration. On the average, the income of the 2 respondent migrants increased from Rs. 1650 to Rs. 2175 i.e. by 28.79%.

In U.P. Cooperative Mill, the income of 1 respondent migrant having income below Rs. 1000 increased from Rs. 400 before migration to Rs. 950, i.e. by 137.50% after migration and the income of the other respondent migrant in the income

group of Rs. 1000-2000, increased from Rs. 1300 to Rs. 1850 i.e. by 42.31%. Thus, the average income of the 2 respondent migrants increased from 850 before migration to Rs. 1400 after migration (i.e. by 64.71%).

In Hari Kishan Flour Mill, the income of the only respondent migrant in the income group of Rs. 1000-2000, increased from Rs. 1300 before migration to Rs. 1900 after migration (i.e. by 46.15%).

On the whole, out of the 18 respondent migrants in the medium scale industries in Saharanpur district, the average income of 3 migrants having income below Rs. 1000, increased from Rs. 383.33 before migration to Rs. 916.67 after migration (i.e. by 139.13%). The average income of 12 respondent migrants in the income group of Rs. 1000-2000, increased from Rs. 1179.17 to Rs. 1833.33 i.e. by 55.48%. The average income of 3 respondent migrants in the income group of Rs. 2000-3000 increased from Rs. 2066.67 to Rs. 2500.00 i.e. by only 20.97%. On the whole, the average income of 18 respondent migrants increased from Rs. 201.62 before migration to Rs. 291.67 after migration i.e. by 44.66%.

5. CONCLUSION

It may be concluded from the above analysis that the degree of migration was positively related to the expected earnings at the places of migration. This was true of both the large and medium scale industries in Saharanpur district.

A higher proportion of migrants were found in the low income groups and the intensity of migration started declining among succeeding higher income groups of population despite the fact that migration is motivated from all income groups. This was also true for all the industries i.e. for both

large and medium scale industries.

The average income of all the respondent migrants increased due to migration, the increase in income was positively correlated with the nature of industry and the category of operation. The increase in income was more in case of labour-intensive industries than the capital-intensive industries.

Last but not least was the attraction of migrants for better employment and earnings. This was the only reason why the people were interested for getting a job in large scale industries.

• Rural-urban migration in search of
• better employment opportunities significantly
• raised the income level of all the respondent
• migrants in both the large scale and medium
• scale industries. This leads to the
• conclusion that the setting up of more
• industries near the rural area would not only
• increase the income of the urban people but
• also will increase the income of the rural-
• urban migrants thereby reducing the income
• inequality between the urban and rural
• people. Besides, these industries would
• provide gainful employment to the rural
• people, a bulk of which are disguisedly
• unemployed.

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