CHAPTER – VII
SUMMARY, SUGGESTIONS AND
CONCLUSION
7.1 Introduction

In the recent years international labour migration has tremendously increasing and diversifying. International labour migration is a flow of the people from one country to another country for job purpose. Presently around 232 million persons are working in a country other than their home country. Labour movement has become an important feature of globalization, and the global economy with migrant workers earning US$ 542billion in 2013, is expected to rise to $681 billion in 2016(World Bank Report). Major percentage of the workers remittance received by developing countries, especially south Asian countries. Indian was on top of the remittance receiving countries table in 2013, which is 45 per cent in the global total. Latest estimates shows that India received a 71million$ workers remittances in 2013.

7.2 Summary

These section summaries the whole work based on the chapters:

These section summaries the whole thesis by listing out the results and findings of this research work. Labour migration is a movement of labourers from one country to another country for employment, higher wages, higher standard of living, professional development, better opportunities and other reasons. Many factors are playing a vital role in the international labour migration. International labour migration flows are mainly developing to developed regions. Migration of highly skilled people brings about loss of productive capacity. It was found from the review of literature and theoretical background that the majority of the studies focused on the major migration flows and composition, pull and push factors of the international labour migration and its consequences, remittance flows and impact of remittance on developing countries and international labour migration in the globalized era.

It has been revealed from the review that there is positive relationship between remittance and development, International labour remittance is the major source for many developing nations; most of the empirical studies have proved that remittance is the major source of the Gross Domestic Product for many developing countries.

It has been revealed from the reviews, Globalization increase the international labour mobility, Globalization produces contradictory tendencies, making it easier for highly-educated professionals to migrate while displacing unskilled workers in traditional economies. International labour migration highlighting important corridors
with reference to India. The studies revealed that Bangladesh is the major immigrant sending country to Indian, Indian semi and unskilled labourers emigrates to GCC countries, semi-skilled and highly skilled migrants are emigrating to the developed countries like U S, UK and Canada. Population, exchange rate, GDP of origin and destination countries are the some of the determinants of international labour migration. Push factors are economic factors, social factors, political factors and environmental factors. Pull factors of international labour migration are higher standards of living, labour demand, political and religion freedom. The pull factors for immigration to India are religion and political reason, population, wages and lack of opportunities. Pull factors for emigration with reference to India are higher wages, labour demand, good infrastructure, marriage, political and religious freedom, emigration policies, professional development and network.

Inflow of labour remittance to India is increasing continuously; percentage remittance contribution to Gross domestic product also increases from year by year. Outflow of remittance from India is increasing but it is lower rate compared to inflow of labour remittance, outflow of labour remittance percentage to Gross Domestic Product also increases, but it is less percentage to GDP of India. India was in the top of chart in remittance receiving countries in 2013.

Emigration Act 1983 was to regulate and control the recruitment and emigration of unskilled agriculture workers with reference to India. Emigration Act 1983 has had significant implications for the outflow of migration labour from India. The Act has structured to regulating the flows of semi-skilled and unskilled labour.

Evaluation of emigration Act indicates that the Act needs to be reoriented so that it provides a legislative basis for better protections and welfare of the migrants on the one hand and for the active promotion of international labour migration for India on the other.

The existing policy regime on external labour migration in India does not reveal adequate concern about the emigration of persons with technical qualifications or professional expertise. An overwhelming proportion of such labour flows are to the industrialized countries.

Bilateral agreements between origin and destination countries are playing the vital role for advancing national goals and objectives in foreign employment, effective
bilateral agreements could lead to more orderly migration systems between countries, such agreements are very rare in the context of India till recently.

United Nations and international labour origination are the major stakeholders of the global level; ILO is International labour migration level stakeholder for international labour migration. These international organizations different conventions clearly explain fundamental Human Rights of the migrants.

7.3 Findings of the study

The following are major findings of the study:

- Migration flows between Bangladesh-India and India-United Arab Emirates flows comes under the top 10 migration corridor in the world.
- Bangladesh, Pakistan and Nepal are the major labour sending countries to India.
- United Arab Emirates, USA, Saudi Arabia, Bangladesh, Nepal, United Kingdom, Canada, Oman and Kuwait are the major destination for Indian migrants.
- Indian semi and unskilled labourers emigrate to GCC countries, semi-skilled and highly skilled migrants are emigrate s to the developed countries like U S, UK and Canada.
- Emigration flows to Asian countries with reference to India has gender disparity. 67.88 and 32.12 was the male and female ratio in emigration flow in 2013.
- Immigration flows to Asian countries with reference to India has less gender disparity compared to emigration flows. 51.34% and 48.66% was the male and female ratio in emigration flow in 2013.
- There is significant disparity in the gender wise emigration flows with reference to India.
- There is no gender disparity in the gender wise immigration flows with reference to India.
- Emigration of Indian labourers is increasing from decade to decade, in the same time period emigration of Indian labourers to SAARC countries is increasing continuously.
Asian countries are the major immigrant countries to India. Immigration to India from Asian countries is decreasing. Major portion of the immigrants are from SAARC countries. Overall immigration was decreasing from decade to decade.

Emigration of male and female with reference to India is increasing; between 2000 and 2010 decadal growth rate of emigration was in the ration of 76.43% and 49.51% respectively for male and female. The emigration of male is relatively higher showing a gender disparity in emigration. In 2013 the male female emigration ratio was 62.88% and 49.51% in 2013.

Immigration with reference to India is decreasing continuously. Immigration of male and female both are decreasing decade by decade.

United Arab Emirates, Pakistan, Saudi Arabia, Nepal, Kuwait Oman, Qatar and Sri Lanka are major emigration destination countries for Indian labourers. United States, United Kingdom, Canada and Australia are the major developed countries destinations for Indian semi-skilled and highly skilled labourers.

Bangladesh, Pakistan, Nepal, Sri Lanka, Burma/Myanmar, China, Kuwait, Brunei Afghanistan, Malaysia and Bhutan are the major immigrant sending countries to India.

Indian is one of the net emigrating countries after the globalization.

Percentage share of the population to the migrant is decreasing from 2.90% in 0.45% in 2013. Increasing emigration and decreasing immigration is the reason for the decreasing percentage share.

The decadal growth rate of Emigration with reference to India is increasing and decadal growth rate of immigration with reference to India is negative.

Block, Language, Distance, Population, GDP, Exchange rate of destination countries and Religion are significant determinant for emigration flow with reference to India

Exchange rate, GDP, Population of origin countries are statistically insignificant, but positively influencing emigration flows.

Population and exchange rate of origin countries, distance, religion, block and language are significant determinants for immigration with reference to India.
Population, exchange rate GDP of destination countries and GDP of origin country are insignificant, but GDP of origin country, Population of destination country are positively influencing immigration to India.

Generally push factors of international labour migration is Poor living conditions, Economic Factors, Social factors, Political Factors and Environmental factors.

The push factors for immigration to India are religion and political reason, population, wages and lack of opportunities.

Pull factors for emigration with reference to India are higher wages, labour demand, good infrastructure, marriage, political and religious freedom, emigration policies, professional development and network.

Globalization opening the way to free mobility of labourers. Globalization tremendously change the flows of international labour migration from developing to developed countries, after the globalization migration policies, improved networks, communication and transport facilities are some of the major factors for increasing the labour migration.

After the globalization emigration with reference to India is tremendously increasing and Immigration decreasing drastically.

Inflow of labour remittance to India is increasing continuously; percentage remittance contribution to Gross Domestic Product also increases from year by year.

Outflow of remittance from India is increasing but it is lower compared to inflow of labour remittance. Outflow of labour remittance percentage to Gross Domestic Product also increases, but it is very less percentage to GDP of India.

India is in the top of chart in remittance receiving countries in 2013.

United Arab Emirates, United States, Saudi Arabia, United Kingdom, Bangladesh, Canada, Nepal, Kuwait, Oman and Qatar are the major remittance sending countries to India.

Bangladesh, Pakistan, Nepal, Sri Lanka, China, France, Malaysia, Nigeria, United Kingdom and Germany are the major remittance receiving countries from India.

There is a long run relationship between remittance and other selected variables.
The remittance and gross capital formation are statistically significant. A 1% increase in the remittance leads to a 1.42% increase in the GDP in the long run.

A 1% increase in the gross capital formation leads to a 0.75% increase in the GDP in the long run.

The FDI, Exchange Rate, Openness, have negative relationships with the GDP, but all the t values indicate significance at 5% level in the cointegrating equation.

The short-run disturbances in long run relationship between GDP, remittance, gross capital formation, FDI, openness are corrected in the short period.

GDP and remittance are cointegrated at 5% level of significance. Such a relationship as we expected, remittance has positive impact on the GDP.

One million increases in the remittance leads to the 1.93% increase in the GDP in the long run, a one percent increase in the openness leads to the 36.00% increase in the GDP in the long run.

Remittance and openness has a lower speed of adjustment with the GDP and openness has a lower speed adjustment with remittance, this implies that in the short run, all the economic variables are somewhat equally responsive to their last period’s equilibrium error.

GDP and openness has a bidirectional relationship, FDI and GDP have a unidirectional causality, which implies that FDI positively induces the GDP. Exchange rate and GDP have no relationship.

Many developed countries adopt the policies to facilitating larger absorption of high skilled foreign workers in recent years. Such as US introduced the H-1B visa; Canada introduce the new immigration policies for admitting the temporary workers, especially the skilled and qualified professionals, citizenship and immigration Canada (CIC), Highly Skilled Migrant Programme (HSMP) is the main entry route for the skilled and qualified professionals in the United Kingdom. Australia, New Zealand and France introduce different immigration policies to attract skilled labourers.

Now GCC countries are providing the visas for limited number of migrants, who are technical ones and their citizens are not trained for, Saudi Arabia has
adopted strategies to ban the issuing of visa to new companies and to those companies employing less than 10 workers. Instead, they are being encouraged to hire nationals in place of migrants.

7.4 Hypotheses testing

Hypothesis-1

H$_0$ = There is no gender disparity in labour emigration flows with reference to India.....Rejected

H$_1$ = there is gender disparity in labour emigration flows with reference to India.

For this purpose, an Independent sample t test has been used. Results shows that t test is statistically significant at 5% level of significance; calculated t value is greater than table value, which implies that there is a significant disparity in the gender wise flows in emigration with reference to India. Male emigration is high compare to the female, observed in the mean value. Many factors like emigration policies in destination, Education Level, Employment Opportunities and other socio-economic factors are having influence on emigration flows.

Hypothesis-2

H$_0$ = There is no gender disparity in labour immigration flows with reference to India.... Not Rejected

H$_1$ = there is a gender disparity in labour immigration flows with reference to India.

For this purpose, an Independent sample t test has been used. Results found that t test is statistically insignificant at 5% level of significance. Calculated t value is less than table value, which implies that there is no disparity in the gender wise flows in immigration with reference to India, which was observed in the mean value.

Hypothesis-3

H$_0$ = emigration and immigration do not significantly influenced by Population, Gross Domestic Product and Exchange Rate.

H$_1$ = emigration and immigration are significantly influenced by Population, Gross Domestic Product and Exchange Rate.

The influence of emigration is statistically insignificant with reference to Population, GDP Exchange rate of origin country. Therefore null hypothesis cannot
be rejected, whereas Population, GDP, Exchange rate of destination country, significantly influence emigration flows, therefore null hypothesis is rejected.

The influence of immigration is statistically insignificant with reference to Population, GDP and Exchange rate of destination country, GDP of origin country. Therefore null hypothesis cannot be rejected. Population of destination country, Population, Exchange rate of origin country are significantly influence immigration flows, Therefore null hypothesis is rejected.

To test the hypothesis Feasible Generalized Least Square (FGLS) method has been used. The influence of population in origin country in emigration is negative, with the coefficient value of -1.29, which implies that if population increases by one thousand in origin country, emigration from India has expected to decreases by 1.29%. But it is statistically insignificant. An influence of the GDP of origin country is positively influencing with the coefficient value of the 0.58, which implies that if one million $US increase in origin country, emigration from India is expected to increase by 0.58% but it is statistically insignificant. The influence of origin country exchange rate is having positive effect with the coefficient value of 0.86, which implies that one $US increase in origin country’s currency in the exchange rate; emigration from India is expected to increase 0.86%. But it is statistically insignificant.

Population of destination countries is having positive effect with the coefficient value of 0.27, which implies that if population increases by one thousand in destination countries emigration from India is expected to increase by 0.27%. It is statistically significant at 1%level. GDP of destination countries is negatively influenced with coefficient value of 0.12, which implies that if one million $US increase in the destination countries GDP is expected to decreases the emigration from India by 0.12%, and it is statistically significant at 5%. The influence of destination country’s exchange rate is negative, with the coefficient value of -0.36, which implies that if one $ US increase in the exchange rate of destination country is expected to decrease emigration from India by .36%. And this result is also statistically significant at 1%.

For testing the hypothesis Feasible Generalized Least Square method has been used. Population of destination countries is having positive influence with the
coefficient value of 12.18. Which implies that if population increase by one thousand, immigration to India has expected to increase by 12.18% and but it is statistically insignificant. The influence of GDP of origin country is having positive influence on immigration with the coefficient value of 0.015. It value implies that if GDP per capita increases by one $US million in origin countries immigration to India has expected to increase by 0.015% level but it is statistically insignificant. GDP of destination country is negatively influencing with the coefficient value of -1.64, which implies that if GDP of destination country increases by one $US millions. Immigration to India decrease by 1.64% but it is statistically insignificant. Exchange rate of destination countries is showing negative influence with the effect of -2.3, which implies that one $ US increase in the exchange rate of destination country(India) immigration to India decreases by 2.3% but it is statistically insignificant.

The influence of exchange rate of origin countries is having negative influence with coefficient value of -.26, which implies that if the exchange rate of the origin country is increase by one $US in origin country, immigration to India is expected to decrease by .26% level and this is statistically significant at 1% level. The influence of the population in origin countries is positive, with the coefficient value of 0.215, which implies that if population increase by one thousand in origin countries immigration to India has expected to increase by 0.21% and this is statistically significant at 1% level.

**Hypothesis-4**

$H_0 =$ There is no long run relationship between remittance and GDP………..Rejected

$H_1 =$ There is long run relationship between remittance and GDP.

Bivariate Johansen’s Cointegration test was used for above hypothesis. The null hypothesis of no cointegration is rejected and alternative hypothesis is accepted. It implies that there is a cointegration between GDP and Remittance, GDP and remittance are cointegrated at 5% level of significance. Expected positive relationship remittance with Gross Domestic Product is proved, and it is interpreted the normalized cointegrating coefficients as, a one million increase in the remittance leads to 1, 93 % increase in the GDP in the long run.
Hypothesis -5

\( H_o = \) Remittance does not Granger Cause GDP \ldots Rejected

\( H_1 = \) Remittance does Granger Cause GDP

The Granger Causality test is used for the above hypothesis. The null hypothesis of Remittances does not Granger cause Gross Domestic Product and is rejected at 5 % level significance. Which implies that remittance inflow has significantly impact on the Gross Domestic Product of India.

7.5 Suggestions and Policy Implications

1. Opportunity should be given to all migrants irrespective of gender, national background to work in decent and productive work conditions.

2. Women should be educated and empowered in such a manner that they can compete with men at international level even as international migrant.

3. Most of the professional and highly skilled migrants are migrating to countries like U.S.A, U.K and Canada but there is an increasing demand for them in European countries where labour supply is not up to the need. India should identify take such opportunities and train its labourers to penetrate European labour market.

4. Most of the immigrants Indian receives are from neighboring developing world who are mostly unskilled and semiskilled. Government should take promotional activities to get skilled labourers from developed countries and regulate the overflow of semi-skilled labourers from developing countries so that it can protect interest of local labourers.

5. India should take proper action to improvise effects of all those factors which are positively influencing labour migration but are not significant like language, religion, exchange rate and block.

6. Sound labour migration policy should be promoted.

7. Labour Emigration policies should be development friendly.
7.6 Limitations of the Study

Indian international labour migration and migration related data and information is partial and scanty. The data for unskilled labourers are available in emigration clearance that is also a macro data. Available data only shows the origin of emigrants and country of destination, it does not provide the education level, gender and age wise differences of emigrants. One should always depend on national and international reports and destination countries data bases for Indian labour migration, there is no data available on return migration and consequences of return migration. There is a need for migration data at micro and macro level detailed database.

During this study the various aspects of international labour migration come to notice. Although several important dimensions of the problem and its peripheral areas were identified, the same could not be deal with the detail because they were largely outside the preview of this study. Nonetheless, for the deeper understanding of the impact of international labour migration on Indian economy, flows, trends and diversions in international labour migration with reference to India, remittance flows to India and contributions to the Indian GDP and international labour migration policies with reference to India certain related issues were investigated.

7.7 Conclusion

Migration is an emerging global issue affecting most of the nation particularly developing ones. Since it is linked to employment and income generation it has developed a bond to an overall development to the economy. The contribution of the migrants in terms of remittance to their home countries is not only significant but is also rising. The labour migration not only bringing economic benefits to the developing countries, productive labour to the ageing developed countries but also leading to socio cultural interrelations. Many factors are influencing globalized international migration and significance of these factors is also changing over the period.

International labour Migration trends have seen many changes in the era of globalization. Both of them are influencing the growth of migration population throughout the world. This type of migration increases the economic growth of the world.
The migration process not creates opportunities but is also poses many serious challenges. The origin countries are greatly benefited by the remittances and the skill acquired in destination country. But the workers also face serious abuse and exploitation. This is more visible among low skilled workers. Particularly women migrants are more suitable to such exploitations. In the face of rising rigidities by developed countries for immigration the growth of irregular migration trafficking and smuggling of human beings are becoming major challenges for all the countries. This has prompted many policy makers to stress for multi-lateral cooperation in practically every region of the world.

India is at the top of the table in remittance receiving countries in recent years. Indian Government takes many initiatives to manage the international labour migration; many measures are taken to recognize the contribution of migrant and remittance to the Indian economy. International labour migration has positive impact on international labour migration.