CHAPTER - I

INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

Migration can be the best way for many people to enhance their survival in this unequal world. This can enormously ameliorate their income, learning and the future prospects of their generation. This migrating decision is a basic element of human freedom and the migrants all over the world cannot be profiled in a group. People of different professions from construction workers to computer programmers migrate either within their country or abroad. Migrants are engaged on a travel of uncertainty and hope either in or across international borders. Most of the people migrate in search of better economic and social opportunities to improve their living standard and their immediate family. Economic benefits can be seen at both origin and destination countries. The diversity of the migrants and the rules governing their migration make human migrations as one of the intricate issues faced in the world today.

Due to growing demographic disparities, consequence of environment changes, new global economic and political impulse, revolution in technologies and social networks, there will be a huge scale of complex transformation in international migration over the following decades. These changes will be accompanied with economic growth, reduction in poverty, social and cultural changes. However, the present problem will be aggravated
with new challenges from irregular migration and the protection of the
migrant’s human rights.

The inadequate capacity to manage the international migration is seen
in most world states. In the last few decades, the number of international
migration has increased rapidly than ever recorded previously. If the
population of migrants continues as last twenty years, the world wide
population of international migrants would be as high as 405 million by 2050.

A diverse international migration with various ethnic and culture
groups exists now than ever before. The women migrant population is rising
significantly and the number of people with irregular status continues to rise,
with marked developments in temporary migration and circulation. The
emigration has slowed down in many parts of the world due to global
economic crisis but it has not stimulated substantial return migration. With
economic recovery and job growth, most experts expect this slowdown to be
temporary and expect the scale of migration to exceed prior levels in the near
future, as the fundamental dynamics of migration have not disappeared, and
also as a result of emerging structural features in the global economy.

A fast growth in workforce can be seen in underdeveloped nations
compared to developed nations. The work force in industrial countries is
jutted to be 600 million till 2050 whereas in underdeveloped nations, it is
expected to increase from 2.4 billion by 2005 to 3 billion by 2020 and 3.6
billion in 2040. Widened differences are incited in economic opportunities
between developed and less developed nations until 2030, due to the expected stagnation of jobs in some parts of the developing world.

The demand for migrant worker will rise in the developed world for various reasons like a response to social and economic resultant of ageing populations, to attract the students and professional migrants. Migrant agents are expected to become significantly influential when the momentum associated with migration networks is expected to increase, further generating the so-called migration industry. While the complex and unpredictable relation between environmental changes and migration exists, the migrant populations of less developed nations are expected to increase due to environmental changes. Host country could benefit in the form of economic growth and innovation when the migration is managed efficiently while it could reduce poverty and pave the way for development in poorer origin nations. It also provides development outcomes for migrants and their families. However, the growing tendency to migrate for economic growth or to avoid the effects of environmental change outweighs the available legal opportunities and will continue to test the security of destination’s border and ability to address irregular migration. Efficient systems are needed to match the supply and demand in labour market.

Increase in the number of migrants of various backgrounds may grow the diversity and innovations in culture but creation of effective integration policies will be challenging. In fact, a devoted attention is needed to manage the social changes accompanying the migration in all nations. Protection of
migrants’ human rights will take priority, while the question of irregular migrants’ rights and protection of them will become increasingly acute. New form of migration like crossing of international borders due to environmental changes requires a reflection in and reconsideration of present legal frameworks. The international migration’s future, along with its opportunity and challenges, is the subject of research and literature.

1.2 WORKERS’ MIGRATION

After an interim dip in the crisis of global economy, the migration of workers is expected to come up again world-wide even exceeding the previous level. As the economy of Asian countries is emerging, it is predicted that they would become more significant destination for migrants and it would change the migration pattern. These countries should develop new abilities to deal with new workers’ migration. Similarly, other traditional destinations should also fortify their present abilities to deal with changes in workers mobility. The origin countries will also be affected by the changes in pattern. The specific challenges that are predicted in following years for Pacific Islands include dealing with rising emigration and even depopulation, adapting to the loss of human resources and finding ways to compete with other origin countries in building programs for seasonal temporary migrants. It is recommended to revise the labour migration policies and bring in new approaches when the economy is in downward trend before it comes back and increases the demand for labours. One of the issues faced while framing the labour migration policy is to identify the ways for matching supply and
demand at a regional and global level. The surplus amount of workers available in developing countries due to factors like youth bulges, structural unemployment and restructuring of industries command more access to labour market in developed countries and others where there is boom in economy.

The need for migration labour is going to increase in developed countries for a while as well as in emerging economies, but will not be enough to utilize the available supply. In addition to that, the need for migrant labour is going to be specific to the skills that are not available locally in destination countries. Though low-skilled migrants would be required, opportunities would be likely more for highly skilled migrants. If the demand is not met due to the absence of sufficient legal channels for migration, it is met many times by the illegal migration, which shows that economy of many parts of the developed world depend on the cheap and unprotected migrant labour. Alternative strategies like rising the capital for technology intensified production, moving to counties with lower wage, making the currently employed workers to work more, switching to less labour intensive services would reduce the demand for migrant labour in few of the developed countries. The destination countries have to develop a framework to estimate demand for foreign labours while protecting their local workforce, govern admission and secure the rights of migrants. There will be an emphasis to strengthen and implement bilateral or other migration agreements which should have strategy for migrants returning back to their origin countries.
1.3 NEED FOR THE STUDY

In recent era, migration has become one of the most important symptoms in the changes of modern society and it plays an important role in expansion of the population in certain areas. Population is mostly diversified because of migration and it also enhances the workforce in any region of the country. It is accepted as a remarkable factor in the world and millions of people leave their family and cross their border for sophisticated life every year. Many workers migrate from one place to another for better wages and opportunities. Other reasons include natural causes like flood, earthquake and volcanic eruption, poverty, lending, caste discrimination and lack of experience. These factors are the components of economic and social changes in the country.

In several countries, factors like low-skilled jobs, reluctance to work and unskilled workers lead to severe problems as the demands are not met. This results in short term migration. Today, in this commercial world, migrants are mixed group including those of seasonal workers, skilled workers, students, safety seekers with refugees, and forced workers etc. Migrants take up the opportunities available in the destination place which are not filled because of skill shortage, thereby reducing their problem of unemployment and improve their standard of living. In certain parts, many of the migrant workers including a number of highly qualified are insecure in the migrated region due to factors like low wages, environment, food, local community and competition etc. Few of the migrants are uncomfortable in the
work place while others who are dedicated to bring good results for the firms there by contributing to the economy. Since migrant workers are consumers themselves, their need for goods and services creates opportunity for additional jobs and it leads to plausible benefit for the society. There can be limitless growth in the economy by securing the efficient youth migrant workers, long-term workers and skilled workers etc.

Many economic migrants, though they have low-paid jobs, are found to be regularly sending money to their family and relatives. Remittances, the money sent back home by the international migrants, help in national income of the country and an incentive to longer term economic growth of the country. Indeed remittances are done only when the migrants intend to return back to their home country which they left behind for better opportunities. These migrant workers, while returning back home, bring their experience, knowledge and skills acquired from their work, which would benefit in development of the society in economic as well as in social terms. In India, due to the existence of regional disparities in terms of population and development opportunities, migration is increasing day by day.

1.4 STATEMENT OF THE PROBLEM

Today, in many states of India, the employment of migrant workers is one of the most crucial problems. The workers are forced to migrate from their native place, because of lack of development, inadequate agricultural land, caste discrimination, unemployment situation, low wages, mounting debts and poor economic conditions of their family. Due to migration, people
face many natural consequences like getting accustomed to the local people, adapt to different culture, food and climate etc. Private unorganized sectors play a greater role in migrant worker’s recruitment. It is considered as an internal migration, which is transparently important for livelihood strategy in India. Mainly in Erode and Tirupur districts, the migrant workers from Orissa, Assam, Bihar, Chhattisgarh, Uttar Pradesh, Madhya Pradesh and Kerala are employed both in urban and rural areas. Most of the unorganized sectors prefer the migrant workers because of low wages, but the documentation and records on the migrant workers are too little.

In various unorganized sectors, many migrant workers are not provided with sufficient facilities and also they are not guaranteed for their lives. The ultimate motto of these unorganized sectors is to get hard work with little pay. The partiality also prevails among the migrants and local workers. The migrant workers’ daily and monthly earnings are very low when compared to local workers, while they have to work for more hours than the local workers. They are never allowed to have an interaction with local workers either during working hours or after the working hours. The important aspect is that most of the migrant workers are not educated and because of their poor skill and little knowledge, it’s quite hard for them to handle modern machineries and equipment. Hence, they never expect higher salary which equalizes them to local workers. Not only the lack of salary affects them but also the lack of rights. Many migrant workers are being treated as slaves in their living areas. Besides the rights, they lose the power of expressing their feelings and thoughts.
There are a greater number of bonded workers in Erode and Tirupur districts. Most of the migrant workers are employed as bonded workers in various unorganized sectors viz., garment industry, hosiery industry, textile mills, oil mills and hotels. They are neither identified nor reported. Smaller room with very poor ventilation and sanitary facilities is provided for their accommodation and more than six to ten persons are dumped in it. Due to this, they start living in roadside, platforms and become victims for winter, summer and also to oozing rainfall. In few industries, the migrant workers are not allowed to get out of their companies and also not permitted to get medical facilities for their physical illness. Migrant workers, because of their hectic and heavy workloads, are not able to stay in touch with their families. They are not allowed to return back to their native place, even when their bond period gets over. Apart from the separation of family, they do not get healthy food as well. Unhygienic and poor nutrient food spoils their health. Most of the private unorganized sectors provide little amount of food for these poor workers and extract high labour work from them.

Many women migrants are also working in unorganized sectors like, building and road construction, dyeing industry, garment and hosiery industry, bakery, hotels, agriculture and mills. They begin their work in their earliest part of their lives, as early as between fourteen to eighteen years. But their wages are very low compared to men. Moreover, they face untold miseries like, sexual abuse, battering and starvation. The present study makes an attempt to find various causes which lead to the migration of workers to Tamil Nadu especially, Erode and Tirupur districts and also to identify the
problems and prospects of migrant workers working in unorganized sectors. Based on the above issues the following questions were probed.

1. What are the causes of migration?

2. What are the major issues faced by the migrant workers?

3. To what extent migration affects the social and economic equilibrium?

4. How to overcome the migrant workers issues within the workplace and outside the workplace?

1.5 OBJECTIVES OF THE STUDY

The following are the main objectives of the study,

1. To analyze the profile of migrant workers in unorganized sectors in terms of socio-economic backgrounds.

2. To identify the working and living conditions of migrant workers working in unorganized sectors of Erode and Tirupur districts.

3. To analyze the causes for migration of workers.

4. To determine the benefits gained and the problems faced by migrant workers working in unorganized sectors.

5. To ascertain the level of satisfaction of migrant workers working in unorganized sectors.

6. To suggest better ways and means of protection and welfare for migrant workers.
1.6 RESEARCH METHODOLOGY

The reliability and validity of any research depends upon the systematic method of collecting data and analyzing the same in sequential order. In the present study, an extensive use of both primary and secondary data has been made in order to achieve the objectives of this study.

1.6.1 SAMPLING METHOD

The sample size was determined using Cochran’s (1977) sample size determination formula for continuous data. Information used in this formula include (i) a five point Likert-type scale (ii) a two percent margin of error (iii) an estimate of population standard deviation of .833. A five percent risk that true margin of error may exceed the acceptable margin of error was utilized.

Sample size formula for continuous data:

\[ N_0 = \frac{(t)^2 \times (s)^2}{(d)^2} = \frac{(1.96)^2 \times (0.833)^2}{(5 \times .02)^2} \]

\[ = \frac{(3.8416) \times (0.6938)}{(0.01)} = 266.530 \]

Where \( t \) = value for selected alpha level of 0.05 in each tail = 1.96

\( s \) = estimate of standard deviation in the population = .833 (estimate of variance for 5 point scale calculated by using 5 (inclusive range of scale) divided by 6 [number of standard deviations that include almost all, approximately 98% of the possible values in the range])
D = acceptable margin of error for mean being estimated = 0.1 (0.02 \times 5 \text{ point likert type scale})

N_0 = \text{unadjusted sample size}

N = \text{adjusted sample size}

\[
N = \frac{N_0}{1 + \frac{N_0}{N}} = \frac{267}{1 + \frac{267}{10000}} = 260.5649
\]

Therefore, the required sample size is 260.

Sample of 1000 migrant workers working in various unorganized sectors of Erode and Tirupur districts (about four times of the required sample size) were selected based on the convenience of the researcher by adopting Stratified random sampling method.

1.6.2 SAMPLING DESIGN

Field survey technique was employed in the study for collecting the primary data. First-hand information was collected from 1000 migrant workers working in unorganized sectors of Erode and Tirupur districts. These two districts were deliberately selected because of excessive inflow of migrant workers. Also these districts occupy the top positions when compared with the level of composition of migrant workers in other districts of Tamil Nadu. There are eleven taluks in Erode and Tirupur districts and all of them were selected since they have inflow of migrant workers. The names of the taluks in the districts are listed in descending order according to the inflow of migrant workers. Ninety five migrant workers from the top two taluks based
on inflow of migrant workers namely Perundurai and Tirupur and ninety migrant workers from other taluks in unorganized sectors were selected. Stratified random sampling method was employed for selecting the respondents from the selected taluks. The geographical distribution of the sample respondents is exhibited in the following table.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the Taluk</th>
<th>No. of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Perundurai</td>
<td>95</td>
</tr>
<tr>
<td>2</td>
<td>Tirupur</td>
<td>95</td>
</tr>
<tr>
<td>3</td>
<td>Erode</td>
<td>90</td>
</tr>
<tr>
<td>4</td>
<td>Sathyamangalam</td>
<td>90</td>
</tr>
<tr>
<td>5</td>
<td>Bhavani</td>
<td>90</td>
</tr>
<tr>
<td>6</td>
<td>Gobichettipalayam</td>
<td>90</td>
</tr>
<tr>
<td>7</td>
<td>Palladam</td>
<td>90</td>
</tr>
<tr>
<td>8</td>
<td>Udumalpet</td>
<td>90</td>
</tr>
<tr>
<td>9</td>
<td>Kangayam</td>
<td>90</td>
</tr>
<tr>
<td>10</td>
<td>Dharapuram</td>
<td>90</td>
</tr>
<tr>
<td>11</td>
<td>Avanashi</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>1000</td>
</tr>
</tbody>
</table>

1.6.3 DATA COLLECTION

1.6.3.1 Primary Data

In order to fulfill the objectives set, a sample study was undertaken by using a well-framed questionnaire that was duly filled by the respondents.
Respondents with varying background were selected based on the important aspects of their occupation, education, age and area etc. They are working in unorganized sectors of Erode and Tirupur districts. The specimen of the questionnaire given to the selected sample respondents is shown in the Annexure section of this thesis.

1.6.3.2 Secondary Data

The primary data were supplemented by a spate of secondary sources of data. The secondary data pertaining to the study was gathered from the records published by the office of the ILO, labour association, Erode and Tirupur labour organization. Latest information was gathered from well-equipped libraries in Bangalore, Chennai and PSG Learning Resource Centre, Coimbatore and also from Internet web resources. Further, the secondary data were also collected from various leading journals. A number of standard text books were studied to obtain pertinent literature on migrant workers in unorganized sectors.

1.6.4 DISCUSSIONS AND INFORMAL INTERVIEWS

In order to understand the benefits and drawbacks of migration, several rounds of discussion were held with knowledgeable persons in the field of societal migration, migrant workers’ consultants and research supervisor.

1.6.5 TOOLS OF DATA COLLECTION

By virtue of a mass of data obtained from research survey, as well as data from secondary sources collected and presented in the present report, descriptive and analytical research was considered the most appropriate for
the study. The research problems and the questionnaire were all framed accordingly. The suggestions offered in the final chapter of the present research report emerged from the inferences drawn from the study of the sample respondents’ information who are working in unorganized sectors in the study area. The researcher used closed-ended and open-ended questions in the questionnaire to collect primary data.

1.6.6 CONSTRUCTION OF QUESTIONNAIRE

The key aspect of the present research was identified through the preliminary interviews (Pilot study) with selected migrant workers. The draft version of questionnaire was circulated among few research experts, Joint Director of labour association, Erode, Secretary of Tirupur labour organization and the Research Scholars for a critical view with regards to wording, format, sequence and the likes. The questionnaire was revised in the light of their comments.

1.6.7 PRE-TEST

The questionnaire meant for the respondents was pre-tested with fifty migrant workers in unorganized sectors and after pre-testing, necessary modifications were made in the questionnaire to fit in the track of the present study.

1.6.8 FRAME WORK OF ANALYSIS

The core of the study being “Problems and prospects of migrant workers in unorganized sectors of Erode and Tirupur Districts”, the study centers around the dependent variable viz., the level of satisfaction perceived
by the migrant workers and their relationship with the related independent variables.

1.6.8.1 APPROACH TO THE EXTENT OF MIGRANT WORKERS IN UNORGANIZED SECTORS

The difference in the extent of migrant workers in unorganized sectors between different types of respondents based on their Age, Gender, Marital Status, Educational qualification, Experience in work, Income Level, Family Size, Accommodation and Properties of the migrant workers was studied by means of Two-way tables, Percentages, Averages, Ranges and Standard Deviation.

1.6.8.2 CHI-SQUARE TEST

The degree of influence of the following independent variables pertaining to respondent’s level of satisfaction is assessed by applying chi-square test.

1. Respondents’ Age

2. Respondents’ Gender

3. Respondents’ Education

4. Respondents’ Language known

5. Respondents’ Marital status

6. Respondents’ Family size

7. Respondents’ Earning members in the family
8. Respondents’ Income

9. Respondents’ Knowing way about work place

10. Respondents’ Experience in work

11. Respondents’ Staying place

12. Respondents’ Hobbies

In order to identify the factors influencing the level of satisfaction in all taluks of Erode and Tirupur Districts of the study area, a Chi-square ($X^2$) test was applied and the formula is given below.

$$X^2 = \sum \frac{(O - E)^2}{E}$$

With Degree of Freedom (D.F.) = (c-1) (r-1) where,

$O = $ Observed frequency,

$E = $ Expected frequency,

$c = $ Number of columns,

$r = $ Number of rows.

1.6.8.3 MULTIPLE REGRESSION ANALYSIS

The regression is a statistical relationship between two or more variables. When there are two or more independent variables, the analysis that describes such relationship is the multiple regression. This analysis is adopted where there is one dependent variable that is presumed to be a function of two or more independent variables. In multiple regression, a linear composite of
explanatory variables is formed, in such a way that it has maximum correlation with an active criterion variable. The main objective of using this technique is to predict the variability of the dependent variable, based on its co-variance with all the independent variables. It is useful to predict the level of dependent phenomenon through multiple regression analysis models, if the levels of independent variables were given. The linear multiple regression problem is to estimate the coefficients of $\beta_1, \beta_2, \ldots, \beta_j$ and $\beta_0$ such that the expression,

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \ldots + \beta_j X_k$$

provides a good estimate of an individual $Y$ score based on the $X$ scores,

Where,

$Y = \text{Level of satisfaction of migrant workers}$

$X_1 = \text{Respondents’ Age}$

$X_2 = \text{Respondents’ Gender}$

$X_3 = \text{Respondents’ Education}$

$X_4 = \text{Respondents’ Language known}$

$X_5 = \text{Respondents’ Marital status}$

$X_6 = \text{Respondents’ Family size}$

$X_7 = \text{Respondents’ Earning members in the family}$

$X_8 = \text{Respondents’ Income}$

$X_9 = \text{Respondents’ Knowing way about work place}$
\[ X_{10} = \text{Respondents’ Experience in work} \]
\[ X_{11} = \text{Respondents’ Staying place} \]
\[ X_{12} = \text{Respondents’ Hobbies and} \]
\[ \beta_0 + \beta_1 + \beta_2 + \ldots + \beta_j \text{ are the parameters to be estimated.} \]

**1.6.8.4 GARRETT RANKING TECHNIQUE**

This technique was used to rank the problems faced and benefits gained by the migrant workers in unorganized sectors of study area. In this method, the respondents were asked to rank the specified problems and benefits according to the magnitude. The order of merit given by the respondents was converted into ranks by using the following formula.

\[
\text{Percentage Position} = \frac{100 (R_i - 0.5)}{N_j}
\]

The percentage position of each rank thus obtained is converted into scores by referring to the table given by Henry Garrett. Then for each factor, the scores of individual respondents were added together and divided by the total number of respondents for whom the scores were added. These mean scores for all the factors were arranged in order of ranks and the inference were drawn.

**1.6.8.5 FACTOR ANALYSIS**

Factor Analysis is used to study a complex product or service in order to identify the major characteristics or factors considered important by the respondent. The purpose of factor analysis is to determine the responses to
several numbers of statements, which are significantly correlated. Factor analysis is applied to assess the significance of the factors that are responsible ensuring the causes of migrant workers.

1. Severe unemployment and lack of job opportunities
2. Poverty and unable to fulfill the basic needs
3. Poor wages and humility
4. High cost of living forced us to migrate from our state
5. Lending problems and cruel attitude of money lenders
6. Family problems due to socio-economic crisis
7. Drought
8. Threat of bomb and Maoist domination
9. Religion/caste discrimination (fanaticism and nepotism)
10. Landless citizen in own state
11. Poor amenities in the native state
12. High level of jealous within the village members
13. Enmity
14. Non availability of industries in the native village
15. No opportunity for financial development
16. Threat of flood
17. Poor economic conditions
18. Poor safety or security

19. High rate of crime activities

20. Practice of bonded labour system in own village and poor treatment

1.6.8.6 TERMINOLOGY IN FACTOR ANALYSIS

1. Factor

A factor is an underlying construct or dimension that represents a set of observed variables. For example, in the credit card company the demographic characteristics, socio economic status and background status represents a set of variables.

2. Factor Loading

Factor loading helps in interpreting and labeling the factors. It measures how closely the variables in the factors are associated. It is also called factor-variable correlation. Factor loading are correlation of a coefficient between the variables and the factors.

3. Eigen Values

Eigen values measure the variance in all the variables corresponding to the factors. Eigen values are calculated by adding the squares of factor loading of all the variables in the factor. It aids in explaining the importance of the factor with respect to variables. Generally factors with eigen values more than 1.0 are considered stable. The factors that have low eigen values (<1.0) may not explain the variance in the variables related to that factors.
4. Communalities

Communalities, denoted by \( h^2 \), measure the percentage of variance in each variable explained by the factors extracted. It ranges from 0 to 1. A high communality value indicates that the maximum amount of the variance in the variable is explained by the factors extracted from the factor analysis.

5. Total Variance explained

The total variance explained is the percentage of total variance of the variables explained. This is calculated by adding all the communality values of each variable and dividing it by the number of variables.

6. Factor Variance explained

The factor variance explained is the percentage of total variance of the variables explained by the factors. This is calculated by adding the squared factor loading of all the variables and dividing it by the number of variables.

1.6.8.7 STRUCTURAL EQUATION MODELING

Structural equation modeling is a general term that has been used to describe a large number of statistical models used to evaluate the validity of substantive theories with empirical data. Within the graphical display of the model there are boxes and arrows. Boxes represent observed data and the arrows represent assumed causation. Within the model, a variable that receives one way directional influence from some other variable in the system is termed “endogenous”, or is dependent (level of satisfaction). A variable that does not receive a directional influence from any other variable in the
system is termed as “exogenous”, or is independent- in this case, age, gender, education, language known, marital status, family members, earning members, annual income, knowing work place, experience, staying place and hobbies of the migrant workers. When interpreting SEMs, the values attached to one way arrows (or directional effects) are regression coefficients, whereas two way arrows (non-directional relationships) are correlation coefficients, regression coefficients and correlations comprise the “parameters” of the model. The regression coefficients and correlations measure the strength of the relationship between the variables. A regression coefficient of .70 or higher indicates a very strong relationships, .50 to .69 indicates a substantial relationship, .30 to .49 indicates a moderate relationship, .10 to .29 indicates a low relationship, .01 to .09 indicates a negligible relationship and a value of 0 indicates no relationship.

Besides regression coefficients and correlations, SEMs also test the overall fit of the model. The narrative analyses use three measures of model fit to determine the overall quality of fit of the model. Another way of thinking about model fit is to view this as the test of the model significance, thus, when the values of significance are met for the tests of all relationships within the model are significant and it is then their relative strengths which decides, if there is a relationship or not.

The first measure of the model fit is the Goodness-of-Fit Index (GFI). The GFI measures the relative amount of variance and covariance in the sample covariance matrix, which is jointly explained by the population
covariance matrix. The GFI values range from 0 – 1, with values close to 1 being indicative of good fit.

A second type of Goodness-of-Fit-Index used in the analysis can be classified as incremental or comparative indexes of fit. As with the GFI, incremental indexes of fit are based on a comparison of the hypothesized model against some standard. However, this standard represents no model at all for the GFI, for the incremental indices, it represents a baseline model (typically the independence or null model). The CFI values range from 0 to 1, whereas .90 was considered a good fit for GFI, a revised cutoff of .95 has recently been advised for CFI.

The final set of fit statistics used in the analysis focuses on the Root Means Square of Error Approximation (RMSEA). This fit statistic has recently been recognized as one of the most informative criteria for use in covariance structure modeling. The RMSEA takes into account, the error of approximation in the population and acts as the question “How well would the model, with unknown but optimally chosen parameter values, fit the population covariance matrix, if it was available?” This discrepancy, as measured by the RMSEA, is expressed per degree of freedom, thus making the index sensitive to the number of estimated parameters in the model (i.e. the complexity of the model); values less than .05 indicate good fit, values between .08 and .1 indicate mediocre fit, and those greater than .1 indicate poor fit. It is also possible to use confidence intervals to assess the precision
of RMSEA estimates; AMOS (the statistical program that is use to run the SEMs) reports a 90% interval around the RMSEA value.

Besides testing for model fit, SEMs also provide a measure of multicollinearity. In few of the cases, the model fits the data well, even though none of the independent variables has a statistically significant impact on the dependent variables. How is this possible? When two independent variables are highly correlated, they both convey essentially the same information. In this case, it may contribute significantly to the model after the other one is included, but together they contribute a lot. If removed of both variables from the model, the fit would be much worse. So the overall model fits the data well, but independent variable makes a significant contribution when it is added to the model. When this happens, the independent variables are collinear and the results show multicollinearity. With SEMs, a correlation of 0.80 between variables is indicative of multicollinearity.

If the goal is simply to predict that the independent variables will influence the dependent variables, then multicollinearity is not a problem. The predictions will still be accurate. If the goal is to understand how the various independent variables impact the dependent variables, then multicollinearity is a big problem. The primary problem is that the individual strength values can be misleading (a strength value can be low, even though the variable is important). The best solution is to understand the cause of multicollinearity and remove it. Multicollinearity occurs because two (or more) variables are related; they measure essentially the same thing. If one of the variables
doesn’t seem logically essential to the model, removing it may reduce or eliminate multicollinearity. It is also possible to find a way to combine the variables. For example, if education, occupation and income were collinear independent variables, perhaps it would make scientific sense to remove education, occupation and income from the model, and use socio-economic status (calculated from education, occupation and income) instead. It can also reduce the impact of multicollinearity by increasing sample size.

The structural equation modeling process center around two steps; validating the measurement model and fitting the structural model. The former is accomplished primarily through confirmatory factor analysis, while the latter is accomplished primarily through path analysis with latent variables. One starts by specifying a model on the basis of theory. Each variable in the model is conceptualized as a latent one, measured by multiple indicators. Several indicators are developed for each model, with a view to winding up with at least three per latent variable after confirmatory factor analysis. Based on a large (n > 100) representative sample, factor analysis (common factor analysis or principal axis factoring, not principle components analysis) is used to establish that indicators seem to measure the corresponding latent variables, represented by the factors. The researcher proceeds only when the measurement model has been validated. Two or more alternative models (one of which may be the null model) are then compared in terms of “model fit”, which measures the extent to which the covariances predicted by the model correspond to the observed covariances in the data.
“Modification indexes” and other coefficients may be used by the researcher to alter one or more models to improve fit.

1.6.8.8 PERCENTAGE ANALYSIS

Percentage refers to a special kind of ratio. Percentage is used in making comparison between two or more services of data. It is used to describe relationship; it can also be used to compare the relative terms of the distribution of two or more series of data.

\[
\text{Percentage Analysis} = \frac{\text{No. of Respondents}}{\text{Total No. of Respondents}} \times 100
\]

1.7 SCOPE OF THE STUDY

This study would be of practical utility to provide guidelines to the migrant workers, in maximizing their level of satisfaction. The present research highlights the emerging trends in the growth of inflow of migrant workers in unorganized sectors. This study would help in identifying the benefits and problems faced by the migrant workers in unorganized sectors in Erode and Tirupur Districts. None of the study has been made so far to analyze the opinion of the migrant workers in this dimension. The study will help the owners of unorganized sectors who ascertain the exact demand and need of the migrant workers. Further, it suggests the government in formulating and enforcing regulatory and legal reforms for the protection of migrant workers.
1.8 PERIOD COVERED BY THE STUDY

The period of the study was confined from July 2010 to June 2013. With a view to gain an insight into physical and economical environments of migrant workers in unorganized sectors in the region, a detailed study was conducted. The review of literature and conceptual frame work of the study took six months period. Preparation of the questionnaire and conducting the pilot study consumed six months. The Collection of Primary data from the migrant workers in unorganized sectors took one year of time. One thousand migrant workers living in eleven taluks of Erode and Tirupur Districts were selected as respondents for this study. The analysis and interpretation of the data took another six months. The last six months period was used for rough drafting and final form of the thesis.

1.9 HYPOTHESES OF THE STUDY

The formulation of hypothesis or propositions, as the possible answers to the research questions, is an important step in the process of formulation of the research problem. Keen observation, creative thinking, hunch, wit, imagination, vision, insight and sound judgment are of greater importance in setting up reasonable hypothesis. A thorough knowledge about the phenomenon and related fields is of great value in its process. The formulation of hypothesis plays an important role in the growth of knowledge in every science. The following hypotheses had been made for the research process.
Null hypothesis ($H_0$) : There is no significant relationship between the age of the respondents and their level of satisfaction.

Alternative hypothesis ($H_1$) : There is a significant relationship between the age of the respondents and their level of satisfaction.

Null hypothesis ($H_0$) : There is no significant relationship between the gender of the respondents and their level of satisfaction.

Alternative hypothesis ($H_1$) : There is a significant relationship between the gender of the respondents and their level of satisfaction.

Null hypothesis ($H_0$) : There is no significant relationship between the educational qualification of the respondents and their level of satisfaction.

Alternative hypothesis ($H_1$) : There is a significant relationship between the educational qualification of the respondents and their level of satisfaction.

Null hypothesis ($H_0$) : There is no significant relationship between the language known by the respondents and their level of satisfaction.
Alternative hypothesis ($H_1$): There is a significant relationship between the language known by the respondents and their level of satisfaction.

Null hypothesis ($H_0$): There is no significant relationship between the marital status of the respondents and their level of satisfaction.

Alternative hypothesis ($H_1$): There is a significant relationship between the marital status of the respondents and their level of satisfaction.

Null hypothesis ($H_0$): There is no significant relationship between the family size of the respondents and their level of satisfaction.

Alternative hypothesis ($H_1$): There is a significant relationship between the family size of the respondents and their level of satisfaction.

Null hypothesis ($H_0$): There is no significant relationship between the number of earning members in the respondents’ family and their level of satisfaction.

Alternative hypothesis ($H_1$): There is a significant relationship between the number of earning members in the respondents’ family and their level of satisfaction.
Null hypothesis ($H_0$) : There is no significant relationship between the annual income of the respondents and their level of satisfaction.

Alternative hypothesis ($H_1$) : There is a significant relationship between the annual income of the respondents and their level of satisfaction.

Null hypothesis ($H_0$) : There is no significant relationship between the way to know about the workplace of the respondents and their level of satisfaction.

Alternative hypothesis ($H_1$) : There is a significant relationship between the way to know about the workplace of the respondents and their level of satisfaction.

Null hypothesis ($H_0$) : There is no significant relationship between the working experiences of the respondents and their level of satisfaction.

Alternative hypothesis ($H_1$) : There is a significant relationship between the working experiences of the respondents and their level of satisfaction.

Null hypothesis ($H_0$) : There is no significant relationship between the staying place of the respondents and their level of satisfaction.
Alternative hypothesis ($H_1$) : There is a significant relationship between the staying place of the respondents and their level of satisfaction.

Null hypothesis ($H_0$) : There is no significant relationship between the hobbies of the respondents and their level of satisfaction.

Alternative hypothesis ($H_1$) : There is a significant relationship between the hobbies of the respondents and their level of satisfaction.

### 1.10 OPERATIONAL DEFINITIONS

1. **Migration**

   Migration is a demographic process of movement of individuals or group of people from one region to another geographical region.

2. **Internal migration**

   Internal migration is a movement of people within a state, country or continent for new residence.

3. **Migrant worker**

   A migrant worker is someone who moves to another region with the purpose of obtaining a better work. Such individuals often seek work that requires no qualifications and their earning is usually sent back to their family or relatives in home region.
4. **Unorganized worker**

The workers who have not been able to organize themselves in pursuit of their general interests, due to certain constraints like ignorance and illiteracy, casual nature of employment, small and scattered size of establishments, etc.

5. **Immigration**

Immigration is the movement of people from one region or country to another in order to settle there.

6. **Emigration**

Emigration is the act and the phenomenon of permanently leaving one’s region or country to settle in another region or country. It is the same as immigration but from the perspective of the country of origin.

1.11 **LIMITATIONS OF THE STUDY**

This study is confined to particular regions i.e., Erode and Tirupur Districts of Tamil Nadu state. Hence, the results arrived from the study may or may not be applied to other states. Further, survey method was adopted to collect data for this study, which has its own limitations. Certain respondents had given information about their historical data from memory which might not be accurate while few of the respondents might have manipulated the economic details like annual income and facilities of accommodation and food provided by the owners/company for the fear that their superior or owner will come to know about it. However, in order to make the results reliable for
drawing conclusions relevant for the universe of the study, care had been taken to minimize the bias, through cross checks, whenever the accuracy and reliability of the data given by the respondents were doubted.

1.12 CHAPTER SCHEME

The present empirical study has been divided into five chapters.

The **First Chapter** gives the intense and clear picture of research design, which includes Introduction, Importance of the study, Statement of the problem, Objectives of the study, Research methodology adopted, Framework of analysis, Scope of the study, Period covered by the study, Hypotheses of the study, Operational definitions of the study and Limitations of the study.

The **Second Chapter** presents review of literature.

The **Third Chapter** focuses on the overview of unorganized sectors and migrant workers.

The **Fourth Chapter** presents the data analysis and interpretation of the study.

The **Fifth Chapter** recapitulates the key findings and conclusion of the study. At the end of this chapter, certain policy suggestions have been given for protection of migrant workers and also suggestions for improving the lifestyle of migrant workers.