

Can the state government be more migrant-friendly?

Irudaya Rajan

Chairman, The International Institute of Migration and Development, Kerala and Honorary Fellow, Gulati Institute of Finance and Taxation, Thiruvananthapuram

The state budget for the financial year 2021-22 presented on June 4, 2021 by the Finance Minister of Kerala rightly prioritized the health status of the state. With vast expenditures towards reducing the impact of the second wave of the COVID-19 pandemic and preventing a third wave, the state has to target and optimize welfare and compensation measures especially in a situation of financial strain. This commentary on the budget report, with an emphasis on the subjects of migration and ageing, propounds measures to improve the scale, reach and efficiency of budget proposals. Beyond the state of affairs during the pandemic, the commentary also discusses strategies to reinforce the longer-term economic well-being of the state.

Migration

The budget report, discussing the schemes of the Department of Non-Resident Keralite Affairs (NORKA), states:

91. The Covid pandemic has created severe impact among Pravasi Keralites. Due to Covid Pandemic 14,32,736 Pravasis have returned so far and most of them have lost their jobs. Norka Self Employment Scheme is a rehabilitation programme to rehabilitate Pravasis who lost their jobs and to equip them to begin self-employment enterprises.

The figure of 14, 32,736 (henceforth rounded to 1.4 million) is based on data from flights to Kerala under the Vande Bharat Mission (VBM). This includes not only migrants but also their dependants and short-term visitors/tourists to foreign countries. Hence, the number of migrants that returned to Kerala is lower, and can be estimated at around 1.1 million. For instance, among the passengers of the Air India Express Flight 1344 that crashed on landing at Calicut International Airport on 7 August, 2020, only 60 percent were migrants.

The Kerala Migration Survey (KMS) estimated that there were 2.1 million Non-Resident Keralites (NRKs) in 2018. This means that more than one in two migrants (1.1 million out of 2.1 million) have returned to Kerala so far. However, it is relevant to be noted here that a third of these return migrants (roughly 400,000) are regular returnees and did not return during the pandemic due to distress such as job loss, health issues and higher risk of contraction of the virus, difficult familial situation etc.

The NORKA Self-Employment Scheme (NDPREM) has been in place since the financial crisis of 2008. However, this scheme has not been highly effective in encouraging return migrants to set up private enterprises. There might be various reasons for this - the propensity among return migrants to re-migrate, a generally weak entrepreneurial spirit in the state, and lack of continued support and engagement from the department and other institutions.

Nishi Niyas of Thrissur, mother of four children all under the age of 15, lost her husband in the UAE. She has this to say.

"Our loss is irreplaceable. It is all at the mercy of our relatives and his employers in UAE we could move ahead. His employers in UAE credit us monthly with a good sum of money. Now our family is run on their kindness. I could not go outside for work leaving my children alone in the house. But we should also live. Now I bake cakes at home and deliver them to nearby places. It is not at all an established business nor is there a separate unit for it. I don't know how long it will help me, as I only get a few orders. I have to find some way to develop it to sustain my family. I also applied for educational assistance for my children of dead expatriates in NORKA last year. But we haven't got it yet."

The budget report continues:

92. As part of this program, an amount of Rs. 1000 crore will be provided as loan at low interest in association with various financial institutions. An amount of Rs. 25 crore is earmarked as interest subvention. The budget allocation towards various welfare schemes for expatriate Keralites is enhanced to Rs. 170 crore.

Considering both the severe impact of the pandemic on migrants and their contributions to Kerala society especially during crises such as the floods in 2018 and 2019, these figures can be raised. KMS estimated that the state received around Rs. 1,00,000 crores as inward remittances in 2018. This amounts to nearly 13 percent of the state's Gross Domestic Product

(GDP). Remittances directly and indirectly support one-third and two-thirds of the population respectively. The current budgetary allocation for the rehabilitation and reintegration of return migrants falls short.

To maximize the impact of NORKA schemes - NDPREM, Santhwana, Karunyam and Pravasi THANAL - particularly during the pandemic, the department has to, at least for the time being, concentrate its efforts on identifying the most affected and delivering targeted and optimized welfare and compensation measures. This might translate to a single engagement such as one-time payment to some, multiple payments over a period to others, and looking beyond financial and monetary actions. Existing schemes must be sensitized and adjusted to recognize the diversity in the nature of problems faced by migrant families.

Haseena from Palakkad, who lost her husband Muhammed Faisal due to COVID-19 in Oman says:

"The monthly income of Rs. 10,000 that he remitted home was our only source to meet our family expenses. But now we lost that also. With his earnings, we could construct a house, but it is yet to be completed and now even many parts of it have become food for termites. A couple of our relatives and friends are helping us now. But we could not depend on them forever. I received a widow pension last month from the Kerala Government, but that could not make anything. I have to sort out some way to find a job to sustain my family consisting of his parents and my two children. We have also taken loans for certain needs and meeting the hospital expenses. Somehow I have to repay it."

NORKA can immediately take up two other concerns:

1. Prioritize vaccination for return migrants

The Health and Family Welfare Department (DHS) scheme which prioritizes vaccination for migrants and persons travelling abroad can be broadened to include return migrants. This will incentivize many return migrants to get vaccinated fast and re-migrate. NORKA can coordinate with DHS in organizing vaccination camps for return migrants.

2. Provide additional skills to return migrants

NORKA, through schemes such as the Additional Skills Acquisition Programme (ASAP), can re-skill return migrants which can help both in securing better jobs and re-migrating

faster. The global economy is undergoing massive structural changes, and the post-pandemic world will call for migrants with supplementary and complementary sets of skills.

These suggestions reflect a perspective where return migration is viewed as a temporary phenomenon of re-skilling and up-skilling as opposed to a permanent state of rehabilitation and reintegration. The conception that Kerala's migratory experience with the Gulf is nearing its end is a limited one. It is an opportune time for the State to look towards new destinations. The post-pandemic world will have a lot to offer. The State should actively seek opportunities for the migration of Malayalis.

As a long-term policy - one that can both be a foundation for growth and a hedge against systemic risks - the State must attempt to maintain a stock of 2 million NRKs remitting Rs. 1,00,000 crores annually (at current levels). The developmental and cultural contributions of NRKs and their networks have been indispensable in Kerala's journey. Based on the results of the Kerala Legislative Assembly elections of 2021, it is also not far-fetched to speculate that NRKs and return migrants are sympathetic to the vision of the current ruling coalition.

To effectively formulate and execute this policy of maintaining and expanding sustainable migration levels, reliable and periodic data is fundamental. The Kerala Migration Surveys (KMS) have been collecting data every five years since 1998. In addition to these (the next one is scheduled for 2023), there is the need for an immediate pan-Kerala survey on the pandemic and its effects on migration patterns. A survey that covers 20,000 sample households in the state will be able to provide answers to questions on migration, remittances and attitudes towards future migration. There is a time sensitivity to this project as the appropriate window for study may close soon.

Ageing

On ageing and the elderly, the budget report states:

161. In our state many people are taking medicines regularly for life style diseases and the like, especially the aged. A project named 'Karunya at Home' will be implemented under the aegis of Kerala Medical Service Corporation Limited, for supplying medicines at their door steps. On top of the discount given by Karunya medical shops, 1% of additional discount will be given to the aged. For those who register, medicines are delivered at their door steps

strictly on the basis of prescription. At the present context of living along with Covid-19 pandemic, 'Karunya at Home' project will be a great support for the aged.

162. Geriatric Clubs in all wards was an important proposal in the last year's Budget. But such a gathering centre would have been against the reverse quarantine protocol at the time of Covid-19. But in 2021-22, with the recess of Covid-19, Local Self Government Institutions will take measures for this. There is no need to construct new buildings. The existing reading rooms and rented building can be utilised for this purpose. Neighbourhood Geriatric Groups will function in these centres. Local Self Government Institutions will set apart at least Rs.290 cores from their plan fund for the elderly. In 2021-22, 5000 'Geriatric Clubs' will be started. An amount of Rs.30 crore is earmarked for 'Vayomithram' and 'Sayampraba' schemes.

While Rs. 9011 crore was disbursed as pension during the tenure of the previous government, this government has so far disbursed Rs.32,034 crore as pension. The number of beneficiaries of Social Security Pensions, which was 34 lakh in 2015-16 has now been raised to 48.6 lakh. There are 59.5 lakh pensioners including welfare pensioners. Among the social security pensioners, 30% have received pension for the first time during the period of this government.

A sample survey on ageing, which can supplement the data from the Kerala Ageing Surveys (KAS), is the need of the hour. The State spends substantially on the care and welfare of the elderly, and inefficiencies in spending will make it untenable. Moreover, the challenges of the elderly are likely to be qualitatively altered by the pandemic and its effects. The policies and positions that have worked so far need not necessarily work henceforth.

Kerala has witnessed multiple and recurring crises in the last few years. The exceptional response by the government led by the ruling coalition is unquestionably due to informed decision making and precise and delicate manoeuvring of various challenges. The lesson from the last few years is perhaps to be fully prepared for the next challenge and be proactive. To realize this objective, the State has to be fully informed of the undercurrents of social phenomena at all times.