

August 2020 | Briefing

Understanding the Effect of the COVID-19 Pandemic on Migrant Construction Workers in India

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This briefing presents the results of a survey conducted with migrant workers in the construction sector aimed at assessing the implications of the COVID-19 pandemic and related lockdown measures on their lives, jobs, and personal well-being. By developing a better understanding of the changes in the vulnerabilities of migrant construction workers due to COVID-19, learnings from this research can help identify gaps in current pandemic-specific policies and service delivery, as well as inform the implementation of construction worker focused programming for government and private sector stakeholders. The study was conducted via telephone interviews over a 3-month period, resulting in 10,464 completed responses from a pool of construction workers who migrated from the Bundelkhand region to Delhi NCR.

Research Design

This study utilized the framework of a pre-existing research effort under NEEV¹ and IST Research aimed at understanding the experiences of cohorts of workers from the Bundelkhand region who migrate for work in the construction sector in Delhi NCR (Longitudinal Migration Tracking or LMT). The LMT project enrolls prospective migrants, collects basic demographic information, and tracks participants through their seasonal journeys to work in the construction industry. Analysis from this study is used to identify the characteristics associated with construction workers at greater risk of forced labor and conversely, the factors correlated with less risk.

In response to the COVID-19 crisis, this study drew on the sample of existing LMT participants to conduct enumerator-led phone interviews to learn about changes to their personal and financial security resulting from the COVID-19 outbreak — in particular, how the pandemic may have affected a participant's susceptibility to forced labor.

The study was conducted in Hindi over a 3-month period between June and August 2020. All existing LMT participants were contacted via telephone at least once, with the order of outbound calls prioritized based on key vulnerability criteria (participants who were female, had a higher number of dependents, a lack of formal education, previously reported debt, member of a minority community, or had reported a daily wage below INR 300 were prioritized for contact). To avoid attrition of particularly vulnerable groups, select participants were notified via SMS that their participation in the COVID-19 study would be incentivized with a mobile credit of approximately INR 50.

The study implemented the following measures to ensure safeguarding of migrant workers who were surveyed:

- **Access to government and NGO partner helpline numbers for assistance** was provided to all participants by enumerators so that workers could reach out in case of any specific or emergency needs.

- **Information on COVID-19 specific welfare benefits** was provided by calling agents to all participants, in particular the three primary entitlement schemes launched by the government in response to the crisis and the necessary documents workers would need to possess to access benefits.

- **Access to emergency assistance for those identified as “most vulnerable workers”** — any participant who reported being in situations of extreme vulnerability were connected with the study's NGO partner, Jan Sahas, for assistance. Jan Sahas provided direct support and relief through cooked meals and ration support for those participants who reported less than a week's worth of available rations and/or not having the prerequisite documents to access government benefits. Additional types of assistance provided included support with addressing non-payment of wages, cash transfers, referrals for medical assistance, and transport for stranded workers.

Key Results/Findings

Demographics

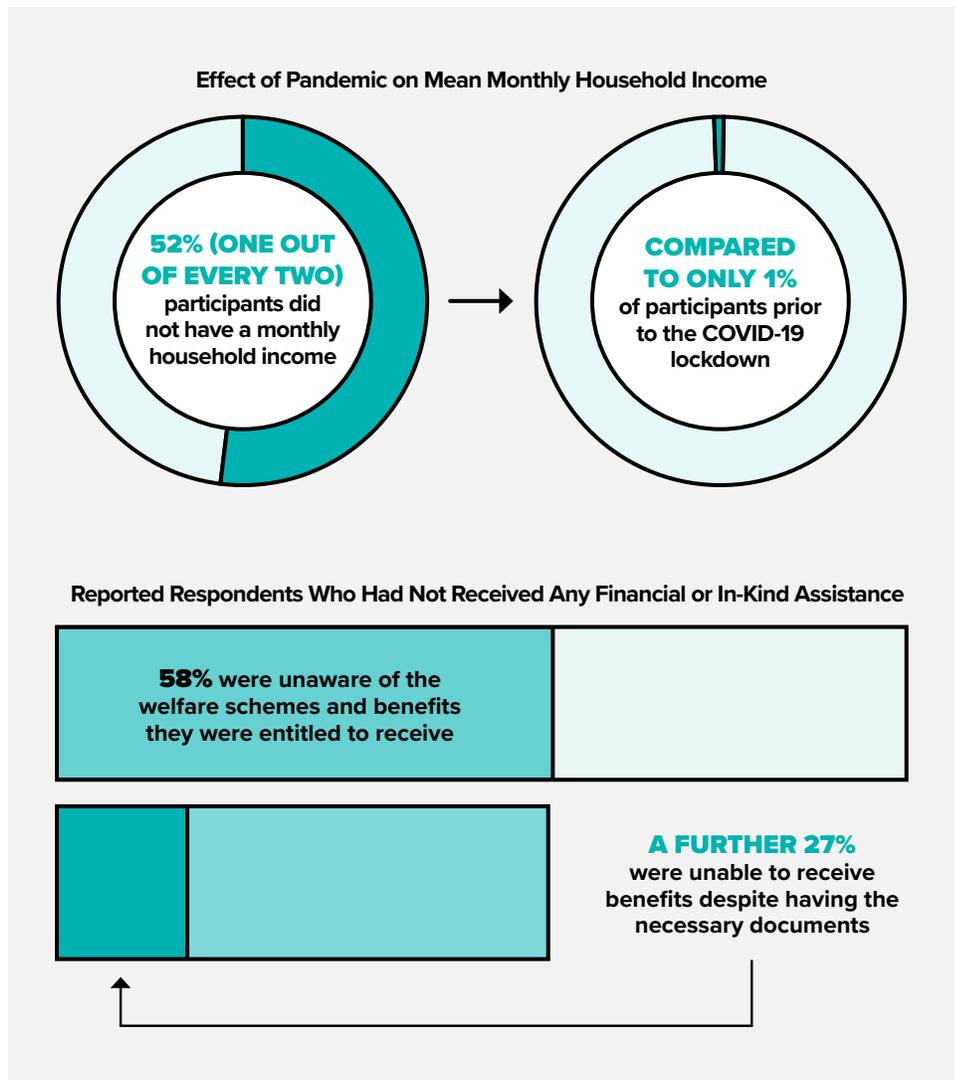
- For this study, 59,129 participants were contacted at least once. Among those contacted, 18% (n = 10,464) completed the survey. The majority of respondents were male (97%; n = 10,106), and belonged to either a Scheduled Caste (65%; n=6,999), Other Backward Caste (25%, n=2,549) or Scheduled Tribe community (5%, n=528). One third of respondents had no formal education (n=3,443; 33%), a further 18% had only completed primary education (n=1,912; 18%), 24% had attained secondary education (n=2,469), while a quarter of respondents had completed 12th grade (n=2,274; 25%).

Employment

- Ninety-five percent of workers surveyed (n = 9,931) reported having a job in construction prior to March 2020, compared to only one-third (n = 3,493) as of August 2020, indicating a **65% decrease in the number of participants employed in the construction sector** during the pandemic.
- Among migrant construction workers who were not employed (n = 6999) as of the study's conclusion, 70% (n = 4887) expressed that they wanted to return to the construction sector once restrictions lifted - **55% (n = 2685) planned to return to the same employer, 42% (n = 2040) intended to find a different employer**, and 3% (n = 162) had yet to decide.
- 81% (n= 8565) of the participants had not migrated at the time of the survey. 9% of them (n= 809) stated that they would migrate within 2 weeks, 14% (n= 1185) within 1 month, 11% (n= 904) within 2 months, 23% (n= 1977) within 3 or more months from now. **Ten percent (n= 843) did not plan to migrate at all this year and 33% were undecided.**

Income and Welfare Support

- The mean monthly household income for participants was INR 4,400. Half of participants reported earning INR 0 per month, and a quarter of participants



reported earning INR 7,000 or more. For comparison, the mean monthly household income before the COVID-19 lockdown was INR 13,270, where one quarter of the participants made INR 8,000 or less, half made INR 12,000 or less, and one quarter made INR 15,000 or more. **As of this study's conclusion, 52% of — or one out of every two — participants (n = 5,177) did not have a monthly household income**, compared to only 1% of participants (n = 130) prior to the COVID-19 lockdown, suggesting the pandemic significantly affected the livelihoods of participants.

- Among participants who were working prior to the COVID-19 lockdown, 72% (n = 7,421) had received payment for their work while 28% (n = 2,839) had not. Approximately **65% of participants who**

were owed money either did not know (20%; n=565) or did not believe (45%; n=1,263) they would be paid.

- Of the migrant construction workers surveyed, 40% (4241) reported that they had received some form of support (primarily in the form of food rations). Of the respondents who reported that they had not received any financial or in-kind assistance, approximately **58% were unaware of the welfare schemes and benefits they were entitled to receive, and a further 27% were unable to receive benefits despite having the necessary documents.**

Debt and financial stability

- Approximately 3 out of 10 respondents (32%; n = 3,386) were already in debt before the COVID-19 lockdown.

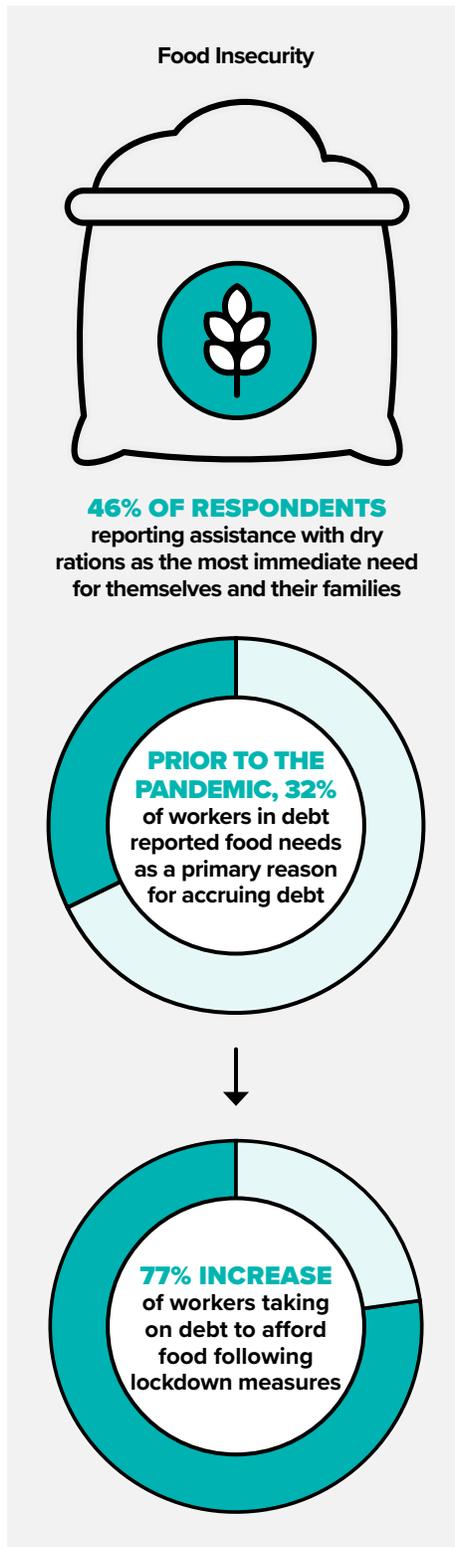
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Forty percent of surveyed workers (n = 4,129) assumed debt during the COVID-19 lockdown. Overall, the percentage of participants taking out debt increased by 6% following the COVID-19 lockdown.

- Nearly **6 out of 10 participants (56%; n = 5,833) reported that they planned to either assume debt or take on additional debt in the future to meet their financial needs.** Among these individuals who plan to take on future debt, 95% believe they will have trouble repaying their debts this year.
- To further assess the financial stability of respondents, participants were asked how long they could support themselves and their dependents with their savings if crisis conditions continued. A **significant proportion of respondents reported that they had no savings (34%; n = 3,536),** increasing the severity of the COVID-19 lockdown, and increasing the potential for these individuals to be pressed toward riskier employment ventures.
- For those respondents who still had savings, the nearly half estimated that they would only be able to sustain themselves for either one to two weeks (24%; n = 2,491) or up to a month (19%; n = 2,032).

Food insecurity

- Access to food emerged as the most pressing need for migrant construction workers during the lockdown period, with **46% of respondents (n=4,886) reporting assistance with dry rations as the most immediate need** for themselves and their families. Food security remained an anticipated concern for workers in the short-term as well, with **61% of respondents (n=6,433) listing food needs as their main priority over the next 2-3 months,** followed by education needs (n= 4,366; 42%) and agriculture-related needs (n=2,851; 27%).



- As noted above, a higher proportion of construction workers took out debt during the lockdown. Of particular interest is that the reasons for participants assuming debt also shifted during the crisis. Prior to the pandemic, 32% of workers in debt reported food needs as a primary reason for accruing debt; the proportion of workers taking on debt to afford food increased to 77% (n=3,170) following lockdown measures. **This finding demonstrates that participants took on debt for food needs due to the pandemic at more than double the rate prior to lockdown, reinforcing that food security is a critical concern for migrant workers in the construction sector at this time.**

Implications & Recommendations

The study findings highlight the significant detrimental effect that the pandemic and necessary lockdown measures have had on the financial stability of migrant workers in the construction sector. The majority of construction workers are experiencing significant financial distress, with more than half of respondents reporting a lack of income and employment during the pandemic, and nearly 30% of respondents still awaiting payment for construction work completed prior to lockdown. More workers have taken on debt due to the crisis, with the proportion of indebted workers likely to increase in the near term, primarily to address food and shelter needs. In the context of this heightened level of insecurity and distress for migrant workers, access to additional government support is critical. Specifically, the following five issues are of greatest concern for migrant construction workers and their families:

- **Food insecurity** - The primary concern among migrant construction workers surveyed was food insecurity. Loss of jobs and regular wages has been devastating for so many workers that rely on those wages to feed their families.

Food rations are an essential safety net measure during this difficult time until workers are able to secure regular work. While the amount of ration allocated to each ration-card holder covered under the National Food Security Act was expanded during the crisis through the PM Garib Kalyan Ann Yojana scheme, the study findings indicate that a significant portion (33% of construction workers who responded) were not in possession of a ration card that would allow them to avail these benefits. Additionally, for those migrant workers who have ration cards, the lack of portability of these benefits to destination locations still presents a challenge.

- **Debt** - Increasing debt among migrant workers in the construction industry increases risk of modern slavery. The power dynamic in a creditor-debtor relationship may compel migrants to undertake risky migration and/or accept job opportunities because of the need to pay back the loan. Safety net programs that help support the basic needs of workers in the short-term can help alleviate indebtedness. Ensuring access to those safety net programs can help reduce the likelihood of modern slavery once work resumes.

- **Job loss and financial insecurity** - Migrants are facing massive disruptions to their usual wages, with many out of work and struggling to make ends meet for their families. While construction sites began to open up between June and July, mobility for workers across state lines remained restricted, limiting the ability of workers in source districts to access jobs on sites at destination locations. In addition, as noted above, a significant proportion of construction workers are still either hesitant or unwilling to migrate back to the Delhi NCR this year. Social safety net programs are of critical importance during this difficult time. Safety net programs include those

that were established prior to COVID-19 and those that have been developed in response to the pandemic. Beyond temporary assistance, in the medium- and long-term, migrants are in need of livelihood opportunities. To bring laborers back on-site safely, employers must take appropriate measures to minimize transmission risk for their workers, including issuing face coverings and providing access to proper sanitation. Employers must also consider the risk of transmission that occurs in sleeping quarters and implement measures to reduce that risk.

- **Inability to access social safety net programs** - the majority of migrant workers surveyed reported that they had not received any support from government welfare programs. A lack of accessible information for workers on the support available to them is likely one of the underlying factors as 60% of individuals who had not received support were unaware of the benefits for which they were eligible. A further 30% of respondents reported being unable to receive

benefits despite having all the necessary qualifying documents, indicating there is likely room for improvement in the last-mile delivery of entitlement benefits to workers. In general, a significant proportion of workers surveyed had the key documents necessary to avail support under the COVID-19 welfare schemes (83%, 67%, and 59% of respondents were in possession of a bank account, ration card, and Aadhar card respectively), indicating that the lack of supporting documents is unlikely to be one of the key causes behind workers not receiving benefits. Additional support for field organizations that are able to engage directly with workers on increasing their awareness of entitlements and improving last-minute entitlements delivery can help expand access to social safety nets for workers in the construction sector. Employers in the industry can also play a role in ensuring that workers receive protective welfare benefits by establishing on-site kiosks to streamline the processing and delivery of entitlement schemes for workers.

1. NEEV is a consortium of organizations working together to improve working conditions for migrant workers in the construction industry

COVID-19 has presented numerous challenges for workers across the globe. This study has documented job loss, food insecurity, increasing debt, and difficulty accessing temporary assistance as the four primary issues facing migrant construction workers in the Bundelkhand to Delhi NCR corridor. During this challenging time, governments and private industry have the ability to contribute towards the meeting of basic needs for these construction workers as a stop gap measure until work resumes. At the same time, concern over the well-being of workers can and should continue as employment restarts. Until a vaccine has been widely distributed and administered, employers should provide appropriate PPE and establish proper social distancing guidelines on work-sites and within living quarters. Industry can also ensure that recruitment agents are not charging fees to workers, wages are sufficient to meet basic needs, employees are not working excessive hours, remuneration occurs on time, grievance mechanisms are in place for workers to voice concerns, and remediation guidelines are established to address violations of worker rights when identified.

The pandemic has offered the private sector an opportunity to reflect and reset on business operations such that the welfare of workers across the entire supply chain is central to organizational culture. Let us all endeavor to build back better.