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CONTRIBUTION OF FOREIGN RETURNEES TOWARDS THE GENERATION OF ECONOMIC ACTIVITY IN SELECT AREAS IN GOA

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Abstract

Migration from Goa to Europe and other developed countries was never at such a rapid pace as now. But quite many have returned due to various reasons. Majority of the returnees are from the Middle East. Reasons for their return range from issues of health to retirement. The younger generation prefers to explore the Western world and lifestyle after having seen the working conditions in the Middle East. These returnees comprise of unskilled to the low skilled ones. The highly skilled are mostly unwilling to move out or to relocate and start anew. It is the attraction of the Western culture that migrants mostly return from the Middle East in order to re-migrate or migrate directly to other developed countries.

This paper attempts to explore various issues pertaining to return migration exclusively in the Goan context i.e. reasons and motivation for migration, extent of psychological and economic stress due to migration and return and the benefits of return migration. It will try to assess the economic conditions of the returnees as to whether the experience obtained abroad is put to any economic use after returning or whether there are any chances of getting absorbed in the domestic labour market.

Key words: Migration, Return migration, unskilled, re-migrate, relocate

Introduction

From times immemorial, migration to other parts of the world from Goa as well as from India has always been highlighted and debated. But much remains to be done regarding return migrants as very limited information is available since facts and figures are not updated regularly in order to conduct thorough research.

Due to the asset bubble burst and euro zone crisis migrants have returned back to India even though India was growing. These two disasters caused great trouble in the developed countries especially the US, UK and Europe causing huge job-cuts. Multinational companies had no option but to cut down the work force. This proved disastrous for countless skilled as well as highly skilled Indians working across the globe.

Loss of jobs in developed countries left no options for those Indians but to return back to their country of

origin and join the growing and robust economy. With return migration picking up the momentum, Indian professionals in the US have not only become primary drivers of knowledge and capital flows to India, facilitating financial and skill transfers (Panagariya 2001), but embody such transfers as they themselves return. The reverse flow is small compared to the figure for migration out of India. It is estimated that 25,000 IT professionals returned to India between 2000 and 2004 after working abroad (Nasscom-McKinsey Report 2005).

Jolted by the economic crisis and domestic unemployment, many developed nations followed the path adopted by United Kingdom where they allowed only highly skilled migrations to stay in their countries. Therefore Indians trained in these developed countries in Arts and Humanities and social sciences have no option rather than to return to India. Apart from these constraints, there was also almost zero job security, this fear and insecurity encouraged many migrants to the return to their homeland.

Apart from United States, United Kingdom, Australia, many Indians also choose Gulf countries for migration. Migration to gulf countries is never permanent as gulf countries rarely grant citizenship to outsiders. Considering migration flows for gulf countries, Indian state of Kerala contributes highest in the pool of Indians migrating to gulf countries. Generally most of the unskilled or semi-skilled people from the state tend to migrate to the Gulf States and engage themselves in different sects of construction industry. The state is also struggling with a complex array of socio-economic problems faced by Gulf returnees. Due to the lack of entrepreneurial and investment opportunities, many returnees are forced to remain unproductive for the rest of their lives. Many of them have returned mainly because of layoffs and other financial hardships. They had to face lots of hardship for the return to their country of origin. Even after the return they face many hardships in searching job in the domestic labour market. Essentially work experiences acquired in gulf countries do not help them in securing jobs in domestic market. Many of them still remain unemployed and do not get any support from government or government sponsored schemes.

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Review of Literature

Sylvie De'Murger, Hui Xu (2011), In their study found out that return migrants are more likely to be self-employed than non migrants, and that both return savings and the frequency of job changes during migration increase the likelihood for return migrants to become self-employed.

Matloob Piracha, Florin Vadean (2010); observed in their study that return migrants are significantly more likely to be entrepreneurs, showing the positive impact of migration on job-creating activities in Albania.

Catia Batista, Tara McIndoe-Calder, Pedro C. Vicente; (2016); found that being a return migrant is associated with a significant increase of 13 percentage points in the probability of owning a business relative to non-migrants.

Bachir Hamdouch & Jackline Wahba (2015) Although returnees show a high ability to create small or medium businesses and to generate jobs, there are still many hurdles that return migrants face when setting up their businesses. Hence, reducing the red tape and the bureaucracy in the number of permits required are important.

Jean-Christophe Dumont and Gilles Spielvogel (2008) Return allows migrants to capitalise on the skills they have acquired abroad by landing a more highly skilled job than they could have hoped for had they stayed at home.

Objectives of the study:

1. To study the reasons for migration and subsequent return during the period 2005-2015.
2. To study the amount of money remitted and saved for future while working abroad.
3. To study the present economic condition of the returnees and their contribution to the economy.

Methodology

The focus of the study is on return migrants in the areas of St. Cruz, Vasco, Ponda and Benaulim, who have returned during the last one decade. The study uses primary as well as secondary data. Fifty respondents from each area were selected by using the purposive sampling technique and in order to collect the primary data, interview method was administered.

Data Analysis

The data is collected from four areas namely St. Cruz, Vasco, Ponda and Benaulim. The total sample size used in this study is 200; 50 from each area. Data is collected from respondents who have returned from abroad during the period 2005 to 2015.

Table 1. Age of respondents (Figures in percent)

Age in years	St. Cruz	Vasco	Ponda	Benaulim	Total
Below 40	0.5	0	0	0	0.5
40 <50	2.5	1	0.5	1.5	5.5
50 < 60	11.5	11	10.5	12.5	45.5
60 & above	10.5	13	14	11	48.5
TOTAL	25	25	25	25	100

Source: Primary data

From table 1, we can see that majority of the respondents are from the bracket of 50 years and above. It implies that the respondents have worked abroad for quite some time and come back to enjoy the savings they had accumulated during their stint abroad.

Table 2. Gender of respondents (Figures in percent)

Gender	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
Male	15.5	17.5	21	18.5	72.5
Female	9.5	7.5	4	6.5	27.5
TOTAL	25	25	25	25	100

Source: Primary data

Table 2 shows that the percentage of males to females is almost 70:30, giving a clear picture that mostly males have migrated in search of jobs abroad.

Table 3. Educational Qualifications (Figures in percent)

Educational Qualifications	St. Cruz	Vasco	Ponda	Benaulim	Total
Below SSC	15.5	13.5	17.5	12.5	59
SSC	7.5	8.5	7.5	6.5	30
HSSC	1	0.5	0	4	5.5
Graduation	0	0	0	0	0
Post Graduation	0	0	0	0	0
Diploma	1	2.5	0	2	5.5
TOTAL	25	25	25	25	100

Source: Primary data

Table 3 gives a clear picture regarding the level of education of the people who migrated in search of jobs abroad. Basically a large percentage i.e., almost 90 percent of the respondents have educational qualifications of SSC and below, implying the type of unskilled jobs for which the respondents had migrated.

Table 4. Reasons for Migration (Figures in percent)

Reasons	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
Jobs	15	11.5	17	15.5	59
Experience	3.5	6	3	2.5	15
Savings	4	5.5	3.5	4.5	17.5
Family/Friends	2.5	2	1.5	2.5	8.5
TOTAL	25	25	25	25	100

Source: Primary data

Table 4 gives us a clear picture of the one single most reason why people migrate. Almost 60 percent of the respondents cited jobs as the reason for their migration. If you add job related reasons such as experience and savings, it rises to 90 percent.

Table 5. Type of job abroad (Figures in percent)

Type of Job	St. Cruz	Vasco	Ponda	Benaulim	Total
Maid	0.5	7.5	6	4	18
Cook	2	3	4	2.5	11.5
Waiter	5.5	4.5	3	6	19
Clerical	1	1.5	3	2	7.5
Company Manager	0.5	0.5	0	0.5	1.5
Factory worker	2.5	3.5	4	3	13
Driver	0.5	0.5	1	0	2
Mechanic	1	0.5	0.5	1.5	3.5
Electrician	1	2	1.5	2.5	7
Plumber	0.5	1	1.5	3	6
Store Keeper	0	0.5	0	0	0.5
Security	0	0	0.5	0	0.5
TOTAL	25	25	25	25	100

Source: Primary data

Table 5 follows from Table 3, that due to low educational qualifications, majority of the respondents took up unskilled to semiskilled jobs.

Table 6. Average monthly salary earned abroad (Figures in percent)

Salary in Rs. ('000)	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
10 < 30	3	4	4.5	3.5	15
30 < 60	11	11.5	9.5	11	43
60 < 90	8.5	7.5	9	8.5	33.5
90 & above	2.5	2	2	2	8.5
TOTAL	25	25	25	25	100

Source: Primary data

In Table 6, we can see that the average monthly salary earned by majority of the respondents is in the range of Rs.30 thousand to 90 thousand, proving that the respondents were really doing well considering the fact that their educational qualifications were low.

Table 7. Average monthly amount remitted (Figures in percent)

Remittances in Rs. ('000)	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
< 10	14	15.5	6	5	40.5
10 < 25	5.5	6	10.5	13.5	35.5
25 < 50	4	2.5	6	5	17.5
50 < 75	1.5	1	2.5	1.5	6.5
75 & above	0	0	0	0	0
TOTAL	25	25	25	25	100

Source: Primary data

Table 7 gives us a fair idea that majority of the respondents were remitting funds back home even though their incomes were not very high. Major chunk of the monthly remittances were in the range of Rs 10 thousand to 50 thousand.

Table 8. Average annual savings (Figures in percent)

Savings Rs. ('000)	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
< 25	4	5	2.5	1	12.5
25 < 50	6	4.5	4	4	18.5
50 < 75	10	9	7.5	8	34.5
75 < 100	3.5	5	7.5	9	25
100 & above	1.5	1.5	3.5	3	9.5
TOTAL	25	25	25	25	100

Source: Primary data

Most of the respondents had migrated in search of jobs basically for the security of their future. The future is safe only if one has enough savings to last ones lifetime. Table 8 gives us an idea as to the degree of annual savings resorted to by the respondents, which range from a mere Rs. 25 thousand to Rs.100 thousand.

Table 9. Reasons for return (Figures in percent)

Savings Rs. ('000)	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
Health Problems	1.5	2.5	0	0.5	4.5
Work conditions	4	3.5	2.5	2	12
Salary	3	2	1	2.5	8.5
To Remigrate	10	13.5	6	9.5	39
Retirement	8	6	15.5	11	40.5
TOTAL	25	25	25	25	100

Source: Primary data

The reasons for the return of the respondents from abroad vary from health conditions to retirement. In Table 9, we can see that 40.5 percent of the respondents retired and returned; 39 percent of the respondents returned in order to remigrate to other countries; 12 percent returned due to poor work conditions; 8.5 percent returned due to poor salary and 4.5 percent of the respondents returned due to their health problems.

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
Column 1	5	53	10.6	50.8
Column 2	5	55	11	89.5
Column 3	5	50	10	158.5
Column 4	5	51	10.2	91.7

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	2.95	3	0.983333	0.010073	0.998554	3.238872
Within Groups	1562	16	97.625			
Total	1564.95	19				

The Anova test for the study shows high significance for the reasons to return by the respondents with p-value 0.998554.

Table 10. Average years abroad (Figures in percent)

Years	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
1 < 5	3.5	2	2.5	1.5	9.5
5 < 10	13	11.5	13	13	50.5
10 < 15	7.5	10	9	9.5	36
> 15	1	1.5	0.5	1	4
TOTAL	25	25	25	25	100

Source: Primary data

Most of the respondents in the study worked abroad for a period ranging from 5 to 15 years.

Table 11. Year of return (Figures in percent)

Year of return	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
2005-2010	11	7.5	14.5	13	46
2011-2015	14	17.5	10.5	12	54
TOTAL	25	25	25	25	100

Source: Primary data

The period for which the data was collected for the study was from 2005 to 2015. We can see from Table 11 that 46 percent of the respondents returned during the period 2005 to 2010, and 54 percent of the respondents returned during the period 2010 to 2015.

Table 12. Present Occupation (Figures in percent)

Occupation	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
Retired	10.5	12.5	10	9	42
Unemployed	4	5	6.5	7.5	23
Business	6	4	6	7	23
Pvt. Job	4.5	3.5	2.5	1.5	12
TOTAL	25	25	25	25	100

Source: Primary data

The study was basically conducted to find out the present economic activity the respondents/ the returnees were involved in. Table 12 shows us that 35 percent of the respondents are actively involved in some economic activity. 23 percent of the respondents are involved in

business activities and 12 percent are employed in some private job. The rest 65 percent are either unemployed or retired and are not involved in any economic activity.

Table 13. Monthly Income from Business (Figures in percent)

Income in Rs. ('000)	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
10 < 25	8.69	2.17	8.69	6.52	26.08
25 < 50	13.04	8.69	10.86	15.21	47.82
50 < 75	4.34	6.52	4.34	8.69	23.91
75 < 100	0	0	2.17	0	2.17
> 100	0	0	0	0	0
TOTAL	26.08	17.39	26.08	30.43	100

Source: Primary data

Table 13 focuses only on the 23 percent of respondents who are involved in business activities. Considering them as 100 percent, almost 98 percent of those involved in business activities are earning a monthly income in the range of Rs.10 thousand to Rs.75 thousand. This shows the capacity and the capability of our returnees to contribute towards economic activities in the state.

Table 14. Taxes paid to the Government (Figures in percent)

Taxes paid in Rs. ('000)	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
< 10	2.17	4.34	2.17	6.52	15.21
10 < 25	10.86	15.21	13.04	17.39	56.52
25 < 50	6.52	4.34	10.86	6.52	28.26
50 & above	0	0	0	0	0
TOTAL	19.56	23.91	26.08	30.43	100

Source: Primary data

Table 14 shows that 23 percent of the respondents who are engaged in some business activity, contribute to the revenues of the state by paying taxes to the Government. Most of them i.e., almost 85 percent of them pay taxes in the range of Rs. 10 thousand and 50 thousand. It shows that these returnees who have come back after some work experience abroad, use their talents and capabilities to engage in some economic activity, thereby creating revenue to the Government.

Table 15. Number of employees (Figures in percent)

Number of employees	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
< 5	26.08	19.56	23.91	28.26	97.82
5 < 10	0	2.17	0	0	2.17
10 & above	0	0	0	0	0
TOTAL	26.08	21.73	23.91	28.26	100

Source: Primary data

It can be seen from Table 15, that a majority of the returnees engaged in some business activity i.e., almost 98 percent of them have generated employment of around 1 to 4 individuals. This is indeed a very positive development

considering the problem of unemployment in the state.

Table 16. Average monthly employee salary (Figures in percent)

Avg. Salary in Rs. ('000)	St. Cruz	Vasco	Ponda	Benaulim	TOTAL
<5	0	2.17	0	4.34	6.52
5 < 10	10.86	17.39	13.04	8.69	50
10 < 15	6.52	10.86	15.21	4.34	36.95
15 & above	0	0	4.34	2.17	6.52
TOTAL	17.39	30.43	32.60	19.56	100

Source: Primary data

From Table 16, it can be observed that almost 87 percent of the employees receive on an average a monthly salary in the range of Rs. 5 thousand and 15 thousand. Though the salaries paid are meager, the work does not involve any highly technical expertise but requires only a few unskilled employees to carry on with the routine business activity.

Table 17. Diversified areas of business activities by returnees (Figures in percent)

Remittances in Rs. ('000)	St.Cruz	Vasco	Ponda	Benaulim	TOTAL
Grocery	2	1	2	3	8
Restaurant	1	2	1	1	5
Fast Food Joint	2	1	1	2	6
Catering	3	1	2		6
Bakery		1	1		2
Beauty Saloon	1			1	2
Fashion Designing		1	2	3	6
Florist	1	1	2		4
Farming			1	2	3
Dairy				1	1
Poultry			1	1	2
Piggery		1			1
TOTAL	10	9	13	14	46

Source: Primary data

Table 17 gives a very clear picture as to what type of business activities the returnees are engaged in. A large percentage of these returnees engaged in business have taken up Grocery stores, Catering, Fast Food Joints, Fashion Designing, Restaurant etc. Very few returnees have gone into farming and allied activities.

ANOVA

Source of Variation	SS	df	MS	F	P-value	Fcrit
Between Groups	4.825269	11	0.438661	0.934716	0.530051	2.34021
Within Groups	8.916667	19	0.469298			
Total	13.74194	30				

Anova test conducted for the data for the business activities by returnees in the study shows marginal significance with p-value 0.530051.

Conclusion

The study on return migration comes out with a very relevant understanding that returnees come back with lots of skills, financial soundness etc. but a handful of them venture into entrepreneurship of some kind. Some returnees do have aspirations to start some business activity but are unable due to constraints of health, finance or other domestic responsibilities. Nevertheless, due to their savings during the course of their work period abroad, there is a lot of money exchanging hands, thereby creating wealth and employment opportunities when they return.

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