

# **Migration and Labour mobility in the Leather Accessories Manufacture in India**

## **A Study in the Light of Economic Reforms**

**Jesim Pais\***

Liberalisation and the policies thereafter have lead to a definite increase in production and export from the leather accessories industry in India. The focus of this paper is on migration and labour mobility in the leather accessories manufacture in Dharavi, Mumbai. The core data for the paper are from field surveys conducted in the industry in Dharavi, Mumbai, in 2000–2001, roughly 10 years after the economic reforms of the 1990s were initiated.

\*Institute for Studies in Industrial Development (ISID), No 4, Vasant Vihar Institutional Area, Vasant Kunj, Delhi 110 070. Email: [jesim\\_pais@yahoo.com](mailto:jesim_pais@yahoo.com).

### **I**

#### **Introduction**

There has been a shift in the economic policy of the government of India towards a more open (and neo-liberal) policy framework since 1985. The intensity and spread of economic reforms across different sectors of the economy, however, increased from 1990–91 onwards. This paper looks at workers in the urban leather accessories manufacture, an industrial sector much affected by the economic reforms programme. More specifically, in this paper, we discuss two features of employment, namely migration and labour mobility in the study industry.

In the post-reform period, the leather industry has been identified as a major export sector by various government policy documents and institutions including the annual central government budget. Following this, measures have been taken to improve ‘efficiency’ and promote exports from this sector. For example, a large number of leather accessories that were reserved for production in the small-scale sector in the pre-reform period have been de-reserved in the post-liberalisation period.<sup>1</sup> The leather sector was included as one the “special focus” areas for export-import liberalisation initiatives (Exim policy government of India 2002–2007 and 2004–09).<sup>2</sup> Consequently, the leather sector as a whole, and the leather accessories manufacture in particular, have seen unprecedented growth in employment, output and exports in the post-reform period.

On the employment front, however, there is evidence to show that the fast growing leather accessories industry was dominated by informal sector employment. In a study of the distribution of casual workers across manufacturing sub-sectors in India in the pre- and post-reform periods, the leather industry as a whole and the leather accessories manufacture in particular were identified as industrial sectors in which there was substantial growth of casual employment in the post-liberalisation period [Pais 2002].

The focus of this paper is on migration and labour mobility in the leather accessories manufacture in Dharavi, Mumbai. The core data for the paper are from field surveys conducted in the industry in Dharavi, Mumbai, in 2000–2001, roughly 10 years after the economic reforms of the 1990s were initiated.

## **II**

### **Leather Accessories Manufacture**

First a few words on the nature of the labour force in the leather accessories manufacture in India. The leather accessories industry has a National Industrial Classification (NIC 1987) code 293 (and NIC 1998 code 1912). It covers the manufacture of leather accessories such as wallets, bags, files, folders, organisers, briefcases, belts, waist and hand pouches, gloves and industrial accessories like washers, bushes, bellows, industrial gloves and so on. The main inputs are leather and leather substitutes such as “foam leather” and Rexine.<sup>3</sup>

At the aggregate all-India level, casual labour constitutes a substantial proportion of the total workforce in the leather accessories manufacture (35 per cent of male workforce, in 1993–94). The growth of the workforce in the industry was higher than the growth of the workforce in urban India in the 1990s. Further, the growth rate of the casual labour in the industry was higher than the aggregate growth rate for casual employment in urban India during this period. According to the NSS surveys on employment and unemployment, the average annual growth rate of total urban employment in leather accessories manufacture (NIC 293) between 1983 and 1993–94 was 11.9 per cent; the corresponding figure for the total urban manufacturing workforce was 1.5 per cent. The average annual growth rates for casual employment in leather accessories manufacture and total urban manufacturing workforce were 54.7 and -0.3 per cent respectively (Table 1).<sup>4</sup>

Table 1 *Comparison of average annual growth of casual and total employment, urban India, 1983 to 1993-94 (in percent)*

	Male	Female	Persons
Total urban employment			
Casual workers	3.5	1.6	3.0
All workers	2.8	2.8	2.8
Urban manufacturing sector employment			
Casual workers	-0.12	-0.82	-0.3
All workers	1.48	1.76	1.5
Urban leather accessories manufacture			
Casual workers	54.3	81.7	54.7
All workers	12.3	8.8	11.9

*Source:* Estimates based on NSS 38th and 50th rounds and population estimates from the Census of India.

*Note:* Estimates refer only to principal status workers.

Table 2 gives the share of leather accessories manufacture in total urban as well as urban + rural employment in 1993–94 and 1999–2000. As the data on employment shows, the activity was restricted to urban India. About 0.67 lakh workers were employed in the sector in 1993–94 and this increased to about 2.37 lakh workers in 1999–2000. That is, the compound annual growth rate of employment in the leather accessories manufacture was about 23.4 per cent between 1993–94 and 1999–2000. This is in the backdrop of falling or stagnant employment levels in other sectors. The importance of the industry in exports also increased in the post-reform period. The value of total exports of leather accessories in 1993–94 was Rs 719 crores, and increased to Rs 2222 crores in 1999–2000. In terms of share in total manufacturing exports, the share of leather accessories increased from 1.38 per cent in 1993–94 to about 1.73 per cent in 1999–2000. In this period, the compound annual growth rate of exports of leather accessories in rupee terms was about 20.7 per cent while the corresponding growth rate of total exports was 15 per cent.

Therefore, the unprecedented growth in employment and exports in the leather accessories manufactures in the post-liberalisation period is of no doubt. There are also indications that the employment generation is not regular or organised sector employment (Table 1) but of a more irregular and informal nature.

Table 2 *Employment and exports in leather and leather products, India, 1993-94 and 1999-2000*

	Employment (lakhs)		Exports (Rs. crore)
	Urban	Urban + rural	
1999-2000			
Leather accessories manufacture	1.58	1.58	2222
Leather products	6.31	9.96	6891
Manufacturing sector	178.95	390.99	128761
Total	788.33	3653.74	159561
1993-94			
Leather accessories manufacture	0.67	0.67	719
Leather products	4.02	6.62	4076
Manufacturing sector	158.28	339.94	52245
Total	670.67	3265.80	69751
Share (%)			
1999-2000			
Leather accessories in manufacturing	0.88	0.40	1.73
Leather products in manufacturing	3.52	2.55	5.35
Manufacturing in total	22.70	10.70	80.70
1993-94			
Leather accessories in manufacturing	0.42	0.20	1.38
Leather products in manufacturing	2.54	1.95	7.80
Manufacturing in total	23.60	10.41	74.90

Source: 1. Employment data from NSS 55th round, NSSO (2001). 2. Exports data in from DGCIS, RBI (2005)

Notes:

1. Data on employment are from the NSS 50th and 55 rounds. Leather accessories manufacture has NIC (1998) code of 1912 in the 55th round and NIC (1987) code 293 in the 50th round. Leather and leather products have a NIC (1998) code of 19 +182 in the 55th round and NIC (1987) code of 29 in the 50th round.
2. The estimates of employment from the NSS surveys requires some adjustment using data on total population from the Census. This adjustment is not done in this table, hence the estimates of growth are unadjusted. These estimates can however be compared across industrial sectors.

### *The Data*

A major feature of the study is that it is based on primary data that were collected through sample surveys that were designed to obtain representative statistical data. Before the actual surveys a full enumeration of all enterprises (and hence workers) engaged in the manufacture of leather accessories was undertaken in the selected geographical location, Dharavi in Mumbai. Two independent and location-specific stratified random samples, one for enterprises and the other for workers, were then chosen. When, during the field study period, we found that the industry experienced major seasonal changes in terms of employment and output in the course of a year, we decided to conduct a second survey of the industry during the peak season. Thus the field study covers workers and enterprises in what we have termed

the “non-peak season” and the “peak season”. In both the periods, separate listing of functioning enterprises was undertaken to construct the sampling frame (Pais 2003).

Between April and June 2000 (the non-peak season), the first round of surveys were conducted, in which 115 sample workers, 10 per cent of the total workforce in the sampling frame, were surveyed. The second round of surveys, in which 156 sample workers (again 10 per cent of the sampling frame at that point in time) were surveyed, was conducted between November 2000 and January 2001 (the peak season) (Pais 2003).

Given the importance of the leather accessories manufacture and given its expansion in recent years, issues pertaining to the nature of production in the industry and of the forms of employment therein take on a new relevance and urgency. Any policy of industrial or labour-market reform needs to be guided – at least in part – by what the *quality* of employment is on the ground. Detailed case studies and surveys can help us gain insights into these issues, and the study of migration and labour mobility of workers in leather accessories manufacture in Dharavi in this paper attempts to contribute in that direction.

#### *An Introduction to Dharavi, the Field Location*

Dharavi is a very large agglomeration of densely populated slums in Mumbai. According to the Census of India, the population of Dharavi was about 5.08 lakh in 2001.<sup>5</sup> It falls under the revenue jurisdiction of the G-North ward of the Brihanmumbai Municipal Corporation (BMC). The total land area of Dharavi is about 3.5 square kms. It is known for production units engaged in a wide variety of economic activities, and concentrated densely on the ground. Units that produce an outstanding range of commodities, including food products, soaps, plastics, leather, leather goods, garments, non-ferrous metal products like buckles, door and window fittings, plastics, toys, rubber goods and pottery are found in Dharavi. To the eye it appears that every second tenement houses some kind of production unit.

### III

#### **Features of Migration among Workers in Leather Accessories Manufacture**

A migrant worker is defined by the Census of India as one who is not born in the place he or she is working. Several studies suggest that migrant workers form a substantial part of the

workforce in specific industries in India.<sup>6</sup> According to the Second National Labour Commission, migrant workers constitute a substantial segment of the workforce in the informal sector in urban India (GOI 2002). Migrant workers form a substantial proportion of the workforce, both organised and unorganised, in urban India. In the early 1990s, a study of the organised manufacturing sector in Mumbai found that nearly 78 per cent of the workers were migrants [Deshpande and Deshpande 1990]. Similarly, another study of low-income households in the city found that 80 per cent of the workers were migrants (Acharya and Jose 1991).<sup>7</sup> Our sample surveys indicate that about 88 per cent of the workers in leather accessories manufacture in Dharavi were migrant workers.

There is a large body of literature exploring the factors that lead to migration among populations, including workers.<sup>8</sup> Of the many factors that cause migration, economic factors such as employment opportunities are said to be the most important. In developing economies rapid urbanisation has been associated with the migration of rural population to urban areas in search of employment opportunities [Kuznets 1966, 1971; Bhattacharya 1998]. Depending on the economic status of the rural migrant (for example, landed or landless) the migrant might return to the rural areas or decide on moving permanently to the urban area. Some migrants moved to the urban areas in search of employment only during agricultural off-season [Breman 1996].

The Harriss-Todaro (1970) model has been used to explain the movement of populations from rural to urban areas despite high unemployment and over-crowding in the urban areas. The essential assumption here is that basic earnings in the urban areas are “substantially higher than rural agricultural wage earnings.” The Harriss-Todaro model has been modified to include the urban informal sectors. Modified Harriss-Todaro models suggest that the informal sector may be a “stepping stone” for workers to enter the formal sector (Mazumdar 1979). Some empirical studies on migrant workers in the urban formal and informal sectors have shown that migrant workers first found employment in the urban informal sector and over time a very small proportion “graduated” to the organised sector [Mazumdar 1979; Papola 1981; Bhattacharya 1996, 1998; Breman 1996].

In this section we attempt to assess the character of the migrant workforce in Dharavi’s leather accessories manufacture with respect to the places of origin of the workers, the

pattern and duration of migration and the nature of ties that the workers maintain with their native places. These findings help us to understand the nature and stability of the workforce.

### *III.1 Origin of Workers*

About 70 per cent of the workers in our sample were migrants from other states of India and about 18 per cent came from different districts of Maharashtra. Workers born in Bihar accounted for about 59 per cent of the total workforce. Others came from Uttar Pradesh, West Bengal, Karnataka, Tamil Nadu, Andhra Pradesh and Manipur (Table 3). One worker in the sample came from Nepal. Among the migrant workers, about 94 per cent came from rural areas, while the rest came from cities such as Delhi and Calcutta (Kolkata).

*Table 3 Distribution of workers, by place of birth, leather accessories manufacture, Dharavi, 2000*

Place of birth	Sample workers	Share in per cent
Bihar	160	59.0
Maharashtra	84	31.0
<i>of which</i> Mumbai/Dharavi	33	12.2
Uttar Pradesh	11	4.1
Other states, countries	16	5.9
All areas	271	100.0

*Source:* Survey data

A point of difference between our study of migrants in the workforce in leather accessories manufacture in Dharavi and some other studies is that most migrants in our study came not only from outside the state, but also from states that are far away, and have no contiguous boundaries with Maharashtra. The industry in Dharavi is a powerful magnet; of the total migrant workers, 77 per cent came from states that are not contiguous with Maharashtra. Contrary to this, Deshpande and Deshpande (1990) report that, in the organised manufacturing sector in Mumbai, migrant workers were mainly from other districts of Maharashtra (57 per cent), Uttar Pradesh (12 per cent), Karnataka (6.5 per cent), Kerala and Gujarat (5 per cent each). Similarly, in the informal sector in Ahmedabad and among garbage pickers in Kolkata, more than half of the migrant workers were found to have migrated from other parts of Gujarat and West Bengal respectively (Papola 1981; Chowdhury 1995).<sup>9</sup>

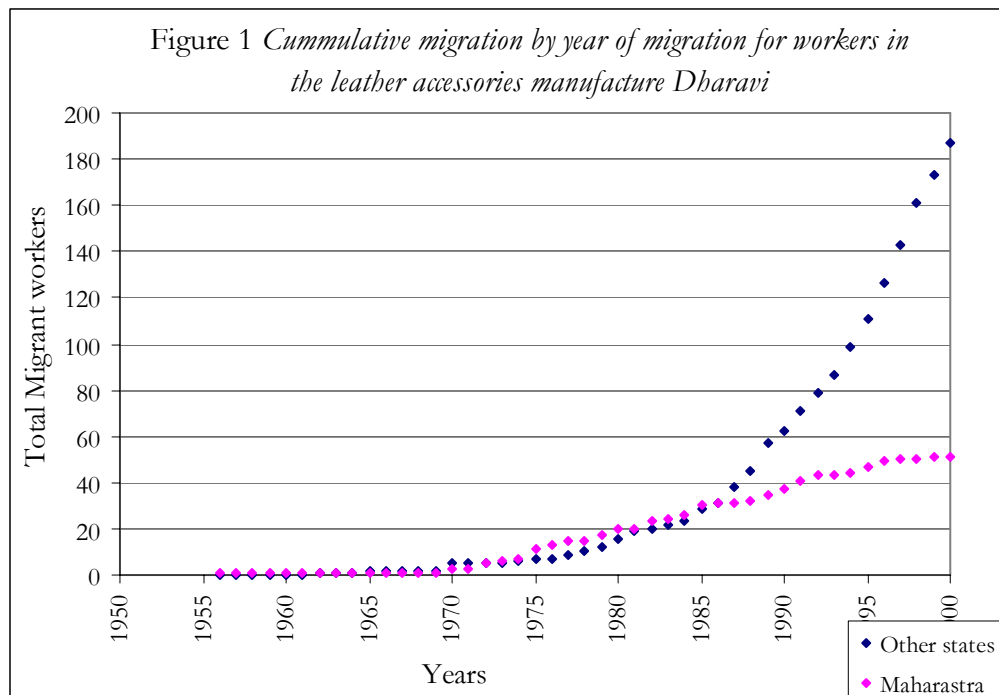
### III.2 Pattern of Migration

The data on the year of migration shows that there is a clear distinction between the year of migration of Maharashtra and non-Maharashtrian workers (Table 4 and Figure 1). From Table 4 it appears that a large section of the Maharashtra workforce had migrated to the city by 1990, unlike the non-Maharashtrians, who migrated mainly in the late 1980s and 1990s. About 72 per cent of Maharashtra migrant workers had migrated to Mumbai by 1972. By contrast, about 67 per cent of non-Maharashtrian migrant workers migrated after 1990.

Table 4 *Distribution of migrant workers, by year of migration to Mumbai, leather accessories manufacture, Dharavi, 2000*

	Migrant workers from			Share in per cent		
	Maharashtra	Other States	Total	Maharashtra	Other States	Total
Pre 1970	2	3	5	3.9	1.6	2.1
Between 1971 and 1980	18	12	30	35.3	6.4	12.6
between 1981 and 1990	17	46	63	33.3	24.6	26.5
Between 1991 and 1995	11	55	66	21.6	29.4	27.7
between 1996 and 1999	3	57	60	5.9	30.5	25.2
In 2000	0	14	14	0.0	7.5	5.9
All migrants	51	187	238	100.0	100.0	100.0

Source: Survey data





The migratory pattern for Maharashtrian and non-Maharashtrian workers is plotted in Figure 1. We tested for the difference between the annual frequency of migration of Maharashtrian and non-Maharashtrian migrant workers and found that they were significantly different. The Kolmogorov-Smirnov non-parametric test (two tailed) for cumulative distribution of Maharashtrian and non-Maharashtrian migrants indicate that the two series are significantly different, with the D statistic = 0.33.<sup>10</sup>

Our findings indicate that inter-district migration to the industry dominated till the mid-1980s and this trend was reversed in the 1990s. The migration in the 1990s, also the reform period, was mainly inter-state. Not surprisingly, the largest proportion of migrants to the industry was from the state of Bihar, the most backward in India.

### *III.3 Household type*

There were two types of residential arrangement among workers in leather accessories manufacture in Dharavi. The first was a household, that is, a group of people living in the same building and eating from a common kitchen. They thus fulfilled the basic Census definition of a household: “a group of persons who normally live together and take their meals from a common kitchen.... The persons may or may not be related or a mix of both” [GOI 2000].

The second type of residential arrangement was a boarding room, in which a group of persons unrelated to each other, except as co-workers or co-villagers, lived under one roof. All members of such a boarding-room did not eat food cooked in a single kitchen. The workspace in karkhanas (manufactories) with largely migrant workers often doubled as a boarding-room for the workers. As can be expected, many boarding-rooms were occupied by workers from a wide range of occupations.<sup>11</sup>

*Table 5 Distribution of workers, by type of residential arrangement, leather accessories manufacture, Dharavi, 2000*

	Sample workers	Share in per cent
Household	100	36.9
Boarding room	171	63.1

*Source:* Survey data

The majority of sample workers (63 per cent) lived in boarding-rooms (Table 5). All workers living in boarding-rooms, married or unmarried, lived away from the members of their family, who were generally back in their native villages.

### *III.4 Ties Between Town and Country*

About 88 per cent of the workers in our sample were migrants. Among the migrant workers, about 94 per cent were of rural origin. Here we examine the links that migrant workers maintained with their villages of origin, thus attempt to capture, in a small way, what have been called the organic links between town and country.

Some earlier studies have shown that migrant workers maintain close links with their place of origin. For example, Banerjee and Nihila (1999) report on the strong links between workers in the leather industries in Kolkata with their native villages. Chowdhury (1995) describes workers who maintain strong links with their villages and return during agricultural peak seasons to work as agricultural labourers. On migrants in Dharavi, Sharma (2000) says that except for some nomadic groups from Karnataka, migrants maintained strong links with their native places and visited their villages every year. Sharma also indicates that recent migrants were found to invest not only in own property, but also in community resources in their native places. Models that explained rural-urban migration assumed that typical migrants would maintain strong links with the rural sector; then, from the standpoint of social welfare, the income of migrants is to be considered as accruing to the rural sector [Harriss and Todaro 1970].

We have used four different indicators to measure continued ties between a migrant worker and his native village. The first is when a worker migrates alone and the family of dependants remains in the place of origin. The second indicator is the frequency of workers' visits to their native villages. The frequency and the duration of such visits give a measure of a worker's ties with the village. Thirdly, a worker may own productive assets, particularly agricultural land, in his native village.<sup>12</sup> Fourthly a worker may participate, as a family worker or hired worker, in agricultural tasks or in non-agricultural tasks in the village. These four indicators are not, of course, mutually exclusive.

The first indicator, that is, workers with dependants living in small towns and villages, suggests strong ties with their place of origin. About 79 per cent of all workers or 90 per cent

of migrant workers reported having dependants living in their places of origin. About 45 per cent of all workers or 52 per cent of all migrants had dependants only in native villages and no dependants living with them in Mumbai.

#### *Visits to Native Villages and Towns*

Workers' visits to their native villages were due to economic, social or other reasons. The reasons for visits included agricultural work or other business activities of the natal households. When some workers lost their jobs, they returned to villages to minimise living expenses while actively looking for alternative employment.<sup>13</sup> Workers returned to their native places to spend time with their wives and children, parents and so on. Young workers returned for prolonged periods to their villages to get married and begin a family. Some workers went back to their villages to rest after a full year of hard work.

The frequency and the duration of visits of workers to their villages give an indication of the intensity of their ties with the villages. Workers who have migrated from distant places may find it difficult to undertake regular and frequent visits, given the time and expenditures involved.<sup>14</sup> In such cases, one may expect single, long-duration visits. We have, for this reason, taken the duration of workers' stay in the villages into consideration.

Over 76 per cent of the total workforce reported visits to their native places in the year preceding the surveys. About 16 per cent did not visit their place of origin. Another 7 per cent of the workers were fresh migrants in the industry from rural areas. Among the migrant workers who reported visits to native villages and towns in the year preceding our surveys, about 61 per cent paid at least one visit, 27 per cent reported 2 visits while about 12 per cent reported 3 or more visits (Table 6).

*Table 6 Distribution of workers, by number of visits to place of origin in one year, leather accessories manufacture, Dharavi, 2000*

Number of visits per year	Sample workers	Share in percent
1	124	60.5
2	56	27.3
3 and above	25	12.2
Total who visited native places	205	100.0

*Source* : Survey data

### *Duration of visits*

The total duration of visits varied from as little as three days in a year to more than six months. The distribution of workers by the duration of their stay in the villages is given in Table 7. The average duration of visits per workers was about 42 days in a year. Of the workers visiting their native villages, about 52 per cent spent at least a month, while 18 per cent spent more than two months. The frequency and duration of workers' visits to their native villages suggest that, in general, workers in Dharavi's leather accessories manufacture maintained close ties with their native villages.

*Table 7 Distribution of workers, by number of days spent in native village or town, leather accessories manufacture, Dharavi, 2000*

Days spent in place of origin	Sample workers	Share in percent
10 and below	31	15.1
Between 11 and 30	67	32.7
between 31 and 60	71	34.6
Above 60 days	36	17.6
Total who visited native places	205	100.0

*Source*: Survey data

Note: All workers who did not go to their native place and those who had arrived newly to the city (less than one year) from native place are excluded from this table

### *Land Ownership*

A little less than half of the migrant workers came from agricultural worker and landless households. The share of migrant workers who came from agricultural worker or landless households in all migrant workers was about 46.2 per cent (Table 8). The remaining 53.8 per cent of the migrant workers came from peasant households. The share of migrant workers who owned land themselves was only about 3.8 per cent, of which 1.3 per cent owned irrigated land and 2.5 per cent owned unirrigated land.

*Table 8 Distribution of migrant workers, by ownership of land, leather accessories manufacture, Dharavi, 2000*

Sl. No.	Description	Sample workers	Share in percent
1	Workers from agricultural worker or landless families	110	46.2
2	Workers from peasant families	128	53.8
3	All migrant workers	238	100.0

*Source*: Survey data

### *Employment in the Village*

Some migrant workers also engaged in work, mainly agricultural work, in their native villages. Table 9 gives details of workdays of migrant workers in their native villages. The share of such workers who spent at least 20 days a year working in native villages, in all migrant workers was about 9 per cent. On an average such workers worked for 77 days a year in the native village and about 185 days in a year in Dharavi. Thus the share of days worked in native village in total workdays, for such workers, was about 29 per cent.

Table 9 *Migrant workers employed in native villages, leather accessories manufacture, Dharavi, 2000*

1	Migrant workers who also worked in native villages	22
2	Share of such workers in all migrant workers in the sample(%)	9.2
3	Average days of work in native villages (per worker per year)	77
4	Average days of work for such worker in Dharavi	185
5	Share of (3) in (3+4) (%)	29.4

*Source*: Survey data

### *Temporary and Permanent Migration*

As discussed, a large proportion of the migrant workers continued to maintain ties with their place of origin. Such migrant workers are likely to invest their savings in assets (land, houses, for example) in their places of origin. Such migrant workers are also likely to eventually return to the place of origin at the end of their work life in the city. This process has been termed “return migration” or “circular migration” or “temporary migration.”<sup>15</sup> In the Philippines and Thailand, Nakanishi (1996) shows evidence of return migration from Metro Manila to rural areas.<sup>16</sup> Temporary migration or return migration in the city of Mumbai is a process noted in earlier studies. In the early 1960 and 1970s, “roughly half the influx into the city ... was offset by out-migration” (Mazumdar 1979). It has also been reported that the highest rate of return migration was not among the older post-retirement groups, but in the 30–35 age group. Mazumdar argues that the “critical link between permanence of migration and the supply price of the migrant” is the proportion of migrant’s family that migrated with him. Single migrants, it is argued, are the most likely to return to the rural sector.

It has been argued that there are two types of rural-urban migrants, those from the rich and landed classes and those from the poor and landless classes. It has further been argued that

the former are mainly employed in the formal sector while the latter end up working in informal sectors of the urban economy (Connell *et al* 1976, cited in Bhattacharya 1998; Breman 1996). Migrant workers in the leather accessories industry in Dharavi clearly belonged to the second group. Further, it has been argued that migrants from relatively prosperous regions are likely to return while those from relatively poor regions are likely to stay back in the city (Nakanishi 1996). This is not confirmed by our study as a majority of the temporary migrants in our study were from the poor region, Bihar. The cause for temporary migration in Dharavi seems to be due to the inability of migrant workers to get permanently absorbed in the urban economy.

#### *Index of Workers' Ties with their Native Villages*

Instead of classifying the migrant workers as permanent or temporary migrants, we classify them according to the degree of their ties with their native villages. To measure the degree of a migrant worker's ties with his native place, we have developed a simple index, based on certain factors that may be indicative of the same. Four such factors are identified to construct the index of ties. They are, in order of importance, as follows:

- Ownership of agricultural land by the migrant worker in his native village.
- Dependants in native place, but no dependants in Mumbai.
- Economic engagement of the worker in the native place, for example, as a family worker in agricultural work or as a hired worker in non-agricultural work.
- Duration of stay over 90 days a year in native place.

These indicators are given a score of 0.4, 0.3, 0.2 and 0.1 respectively in the construction of the index (Table 10). If a worker does not have any of the above indicators, then he is assigned a score of 0. The index of a worker's tie with his native place is calculated by adding the scores of the worker, depending upon whether or not he has the above indicators. This index can, thus, range between 0 and 1. A zero value of the index would imply no ties with the native place while a value 1 would imply the strongest tie(s).

Based on the value of the index of ties, we have made a classification of the migrant workers into four simple categories. Workers with index value between 0.7 and 1.0 are classified as having strong ties with their native villages. Workers with index between 0.3 and 0.6 are classified as having "medium" level of ties with their villages and workers having an index number of 0.1 or 0.2 are classified as having weak ties with their native villages. In the last category, workers have an index equal to zero, implying no ties with their native villages.

Table 10 *Indicators of workers' ties with their native villages used in the construction of an index number*

SL No.	Indicators for workers' ties with native villages	Weights provided in the index number
1	Ownership of agricultural land by migrant workers in their native villages.	0.4
2	Dependants in native place, but no dependants in Mumbai.	0.3
3	Worked in native place in agricultural work as a family worker or hired worker in non-agricultural work.	0.2
4	Spent more than 90 days a year in native place.	0.1
5	None of the above	0

Table 11 gives the distribution of workers by the index of ties thus calculated. A total of about 72 per cent of the migrant workers maintained ties with their native villages in some form or the other. Of them, about 2.1 per cent of the workers had very strong ties with their villages. About 69 per cent of the migrant workers had reasonable or medium level of ties with their villages and about 1.3 per cent of the workers had weak ties with their villages.<sup>17</sup> Only 28 per cent of migrant workers did not have any ties with their places of origin.

Migrant workers with strong links with rural villages can be expected to return to their native villages when they retire as workers in the town [Mazumdar 1979]. Mazumdar also suggests that strong links between town and country could lead to early “retirement” of migrant workers who would then return to the rural sector. Our study supports this view. We find workers maintaining medium to strong level of ties with their villages and are likely to ‘retire’ to their village at the end of their work life. In addition, the age profile of the workers suggest early retirement. Our study also shows that rural-urban migration is not permanent in nature. It is rather temporary or semi-permanent as described by Breman (1996). The slow pace of urbanisation in India, as compared with other countries can be partly explained by this phenomenon.

Table 11 *Distribution of migrant workers by index of ties with native villages, leather accessories manufacture, Dharavi, 2000*

SL No.	Nature of ties	Index	Migrant workers	Share in per cent
1	Strong ties	0.7 to 1.0	5	2.1
2	Medium ties	0.3 to 0.6	164	68.9
3	Weak ties	0.1 to 0.2	3	1.3
4	No ties	0	66	27.7
5	All migrant workers	0 to 1.0	238	100.0

*Source*: Survey data

### 3.5 Role of Networks

Studies of the methods of recruitment and employment of migrant workers in urban India have found strong links between recruitment methods and community- and caste-based networks (Mohapatra and Srivastava 2001; Gothoskar *et al* 1998; Deshpande and Deshpande 1990; Romatet 1983; Papola and Subramanian 1975). In leather accessories manufacture in Dharavi, such networks played a major role in getting workers their jobs.

Our study in leather accessories manufacture shows that there was a total absence of any form of formal public or impersonal announcement for employment opportunities; no newspaper advertisements or posters in public places announcing job vacancies.<sup>18</sup> The hired workers obtained employment mainly by having access to a network of relationships within the industry and outside. Similarly, to a large extent, the self-employed started their enterprises and continued to obtain work orders through a network of relationships.

Recruitment on caste and community lines is not new in India. Earlier studies have found strong caste and kinship relations in the method of employment, especially in the informal sectors of the economy. Gothoskar *et al* (1998) found that in the small and unorganised sector in Mumbai, about 70 per cent of male and 95 per cent of female employment was obtained through relatives, friends and community members. In the informal sector in Calcutta, Romatet (1983) found that “new entrants depend on their friends and relatives already settled in the city.” In leather goods manufacture in Kanpur, Mohapatra and Srivastava (2001) report that employment was, to a large extent, on caste and community lines. Even in certain organised sectors, scholars have reported that workers found jobs through caste- and community-based networks.<sup>19</sup>



Our study in the leather accessories industry in Dharavi reflects the same trend. Even in the year 2001, in an industry with international markets and export-led growth, there was no indication of a decline in the role of caste- and community-based informational networks in favour of more impersonal recruitment procedures.

#### IV

### Job Mobility of Workers in Leather Accessories Manufacture

We have defined job mobility following Acharya and Jose (1991) as the ability of workers to move up (or at times down) the scale of occupations inside an enterprise or from one enterprise to another within the same industry or even across industries. For hired workers, a job change is defined as a change in enterprise of employment. For self-employed a job change could be in three ways, change from self-employment to hired employment, change from home-based to manufactory-based self-employment and a change from manufactory-based to home-based self-employment. In hired as well as in self-employment a job change may or may not involve a change in industry and location.

Job mobility is seen as increasing the efficiency of labour use and thus leading to higher productivity levels in the economy. Job mobility could imply adaptability, flexibility and adjustability in the labour market [Jefferys and Moss 1954; Papola and Subramanian 1975; Deshpande and Deshpande 1990; Acharya and Jose 1991]. Job mobility could also lead to higher incomes and improvement in working conditions for workers [Acharya and Jose 1991].<sup>20</sup>

In a study of the employment mobility in the factories sector in Ahmedabad, Papola and Subramanian (1975) report that the “labour market was characterised by a high degree of malleability of occupations”. They conclude that a large number of occupations did not require “any specific skill”. Job changes routinely involved occupational change; industry change was also very frequent and hence provides evidence to the fact that the Indian labour market was “not compartmentalised” by occupation or industry. Two studies have examined labour mobility in the city of Mumbai in the early 1990s. Deshpande and Deshpande (1990), studied different aspects of labour mobility with regard to workers in the organised manufacturing sector in the city. Acharya and Jose (1991) studied the aspects of labour

mobility for workers in the unorganised sector through surveys of low-income households in Mumbai. Deshpande and Deshpande (1990) conclude that a change from non-manufacturing to manufacturing employment meant higher income for workers. Further, job changers earned higher than non-changers. Acharya and Jose (1991) find upward mobility from unskilled to skilled jobs, and from 'irregular' to regular jobs covered by labour regulations among workers in the low-income households in Mumbai. They report that about 50 per cent of the male workers (and 46 per cent of female workers) started in their first job as unskilled workers and while about 22 per cent of the male workers (and 34 per cent of female workers) continued to be in unskilled jobs, the rest moved to semi-skilled or skilled jobs [Acharya and Jose 1991].

There are very few studies that have systematically analysed industrial and employment mobility in urban India because of the lack of panel data. We too do not have panel data on workers but we did ask workers about 1) father's and mother's employment, 2) the worker's previous job, and 3) the worker's first job. Apart from this, we have also collected data on the work histories of all workers for a period of two years preceding the surveys.<sup>21</sup> Using these data, we will examine three aspects of labour mobility of the workers in leather accessories manufacture in Dharavi, namely job mobility, industrial mobility of workers and inter-generational mobility.

#### *IV.1 Job Mobility in Leather Accessories Manufacture*

Table 12 provides a summary of the comparable data on number of jobs changes from different studies in different parts of urban India along with the data on number of job changes from our study of leather accessories manufacture in Dharavi. The table shows that more than half the workforce covered by these studies changed jobs at least once in their careers. Job changes were higher for male workers than female workers and higher for informal sector workers than for formal sector workers. The share of workers who changed jobs in leather accessories manufacture in Dharavi was found to be 91 per cent and the highest of all studies presented in the table.<sup>22</sup>

*Labour mobility index.* The literature on mobility provides several ways of measuring mobility. The simplest measure of labour mobility discussed in the literature is the labour mobility index. The labour mobility index is defined as the average job changes per worker per year.

The inverse of the mobility index gives the average duration of a job held by the workers [Papola and Subramanian 1975; Acharya and Jose 1991].

Table 12 *Comparison of job changes per worker in different studies in urban India* (in per cent)

Number of job changes	Leather accessories manufacture Dharavi	Low income households in Mumbai <sup>2</sup>		Informal sector enterprises in Delhi <sup>3</sup>	Informal sector in Ahmedabad <sup>4</sup>	Factories sector in Ahmedabad <sup>5</sup>	Workforce in the organised sector in Mumbai <sup>6</sup>	
	All workers <sup>1</sup>	Male workers	Female workers	Entrepreneurs	All workers	All workers	Male workers	Female workers
No job change	8.9	18.1	43.6	48.9	52.5	38.8	46.0	77.0
One job change	8.9	33.2	38.5	47.8	32.0	40.0	30.7	16.0
Two job changes	7.4	28.2	12.2	3.3	11.0	12.0	12.3	6.0
Three and more job changes	74.9	20.6	5.8		4.0	9.0	11.0	1.0
Total	100	100	100	100	100	100	100	100
<b>Total job changers</b>	<b>91.1</b>	<b>81.9</b>	<b>56.4</b>	<b>51.0</b>	<b>47.5</b>	<b>61.2</b>	<b>54.0</b>	<b>23.0</b>
Sample size	271	1469	723	90	1337	1066	300	100
Year	2000-2001	1990	1990	1992-93	1977	1971-72	1989	1989

*Source:* Survey data, Acharya and Jose (1991), Papola (1981), Sankaran & Rao (1995), Deshpande & Deshpande (1990), Papola & Subramanian (1975)

*Note:* 1. Male workers dominated the industry.

2. Data on workers in the low income households in Bombay city (Acharya and Jose 1991).

3. Entrepreneurs in the informal sector in the Delhi slum of Govindpuri (Sankaran and Rao 1995).

4. Data on informal sector workers in Ahmedabad city (Papola 1981).

5. Data on employment in the factories sector in Ahmedabad city in 1971-72 (Papola and Subramanian 1975).

6. Data on employment in the organised manufacturing sector in Bombay city (Deshpande and Deshpande 1990).

Labour mobility index for workers in leather accessories manufacture in Dharavi along with the labour mobility index of an earlier study of workers from low-income households in Mumbai is given in Table 13. For the male workers from low-income households in Mumbai the mobility index was 0.08, which implies that an average male worker changed jobs once every 12.5 years. Compared to that, the labour mobility index for workers in leather accessories manufacture in Dharavi was very high, 0.28. On an average, workers in leather accessories manufacture changed jobs once every 3.6 years. The job change scenario in Dharavi, therefore, appears to be much more volatile than what has been recorded for the organised- and unorganised-sector workforce in urban India.

Table 13 *Comparison of labour mobility index of workers in Mumbai's informal sector* (in per cent)

Sl No.		All workers in the Leather accessories manufacture, Dharavi	Workers in Low-income households in Mumbai <sup>2</sup>	
			Male	Female
1	Labour mobility index (0 to 1)	0.28	0.08	0.04
2	Average duration of a job (in years)	3.6	12.5	25.0
3	Sample size	271	1469	723
4	Year	2000-2001	1990	1990

*Source:* Survey data, Acharya and Jose (1991)

*Note:* 1. Mobility index = number of job changes per year per worker. Data in this table is for the entire career of the worker. Thus the mobility index is given by total number of jobs held by a worker divided by total duration of employment from first job to current job.

#### *IV.2 Industrial Mobility of the Workforce*

Industrial mobility is defined as the movement of labour across different industrial sectors of the economy. The change in the industry of employment between the first job held by the worker and the last job (current employment) gives an idea of the mobility of workers across industries.

##### *First Jobs of Workers*

As seen in Table 14, a little over half the workers (55 per cent) started their work careers in leather accessories manufacture. Of the remaining, about 5 per cent started their careers in leather tanning and footwear production. The rest of the workers (about 39 per cent) started their careers in sectors unrelated to leather and leather products. About 8 per cent of the workers started work in agriculture and about 31 per cent in other sectors, including manufacture of textiles, jute mills, readymade garments, trade and services.

### *Previous Jobs of Workers*

According to Table 14, an overwhelming 83.3 per cent of the workers were involved in leather manufacture as a primary occupation in the previous job. Another 1.2 per cent had worked in leather tanning and footwear previously. Among workers who had worked in non-leather sectors, 4.3 per cent had worked previously in agriculture and related activities and 11.3 per cent came from other sectors, including manufacturing textiles, readymade garments, metals and machinery industries, trade and services.

Table 14 *Distribution of workers by industry of previous and first jobs, leather accessories manufacture, Dharavi, 2000*

SL No.	Industry of employment	First job <sup>3</sup>	Previous job <sup>3</sup>
1	Leather accessories	55.3	83.2
2	Leather tanning and footwear	5.4	1.2
3	Agriculture and related	7.8	4.3
4	Others <sup>4</sup>	31.5	11.3
5	Total	100.0	100.0
6	N <sup>1,2</sup>	257	257

*Source:* Survey data

*Note:* 1. Data reported only for workers with principal occupation in the leather accessories manufacture.  
2. All workers who have changed jobs at least once are included in this table or had worked in the current job for at least one year. This table excludes 5 workers who were new entrants in the labour market.  
3. Data on first and previous jobs relate to principal occupation in the respective jobs.  
4. Others includes other manufacturing such as textiles, readymade garments and metal industries, trade and services.

### *Formal and Informal occupations*

Another feature of industrial mobility is that about 8 per cent of the workers reported that they had moved to leather accessories manufacture having worked previously in the organised sector.<sup>23</sup> This would indicate that there was some kind of a downward mobility at least in the case of these workers as the employment in leather accessories manufacture was entirely of an informal nature. However, detailed employment histories of these former organised sector workers indicate that they were not regular or formal employees in the organised sector. All of them had been employed in the organised sector on contract basis, through labour contractors.<sup>24</sup> Nevertheless, anecdotal evidence indicates that the earnings of

such workers in the organised sector were higher than their present earnings in leather accessories manufacture in Dharavi. To that extent they experienced a downward mobility.

#### *IV.3 Inter-Generational Mobility*

Inter-generational mobility gives an idea of the improvement or the worsening of employment opportunities over a generation. Most studies that have reported inter-generational mobility report the jobs of only the father [for example, Acharya and Jose 1991]. Here we report the jobs of both the father and the mother of the worker.<sup>25</sup>

##### *Worker's Fathers' Occupation*

The workers' fathers were employed in a wide range of occupations in different industrial sectors (Table 15). Agriculture provided employment for about a third of the workers' fathers. The second most important was manufacture based on agricultural inputs, including leather accessories and textiles. About 16.6 per cent of the worker's fathers worked in industries that were related to leather, that is in leather tanning, leather footwear (as cobblers) and leather accessories manufacture. Employment in cotton textiles and jute mills accounted for about 7 per cent of workers' fathers' occupation. The third important sector was services (17 per cent): government service provided employment to about 2.5 per cent of workers' fathers. Trade (wholesale and retail) provided jobs to about 12.5 per cent.

Data on worker's father's occupation shows that while a notable proportion of workers' fathers were engaged in non-agricultural occupations, in a majority of the cases the workers' fathers were employed in non-leather related sectors such as in other manufacturing activity, construction, trade and services. Only about 17 per cent of the workers' fathers were employed in leather-related work. Data on father's place of occupation (not given in the tables) also suggests a large part of the non-agricultural occupations were in urban or semi-urban areas.

Table 15 *Distribution of workers in the leather accessories manufacture Dharavi, by industry of father's occupation, leather accessories manufacture, Dharavi, 2000*

Father's occupation and industry	Sample workers	Share in per cent
Agriculture	81	29.9
Mining	4	1.5
Manufacture based on agricultural inputs	72	26.6
of which    Leather tanning, footwear and accessories	<b>45</b>	<b>16.6</b>
Textile (including jute and cotton, garments)	27	10.0
Manufacture based on mineral inputs	19	7.0
Construction	15	5.5
Trade	34	12.5
Services (including government service)	46	17.0
Total	271	100.0

*Source*: Survey data

#### *Worker's Mother's Occupation*

The mother's occupations were not as wide-ranging as that of the fathers; nevertheless there were some variations. Mothers, who were homemakers, accounted for about 74 per cent of the mothers in both the surveys. About 15 per cent of the mothers were engaged in agricultural labour (Table 16). However, 2.2 per cent of the mothers had worked in leather and allied industries.

An important conclusion that emerges from the data on inter-generational mobility is that a large proportion of the workers came from households that were dependent on non-agricultural employment. More than 70 per cent of the workers' fathers were employed in non-agricultural employment. There is also some indication of mobility over generations from other industrial sectors to the leather accessories manufacturing industry. Only about 16.6 per cent of the sample workers' fathers, however, had worked in the leather and related industries. Although a majority of the Hindu workers belonged to scheduled castes that can be traditionally linked to leather, a majority of the parents, especially the fathers of both Hindu and Muslim workers, were not employed in leather and related industry but held jobs in the non-agricultural sector. This is in contrast with data on the first jobs held by workers, which indicate that nearly 55 per cent of the workers began their career in the leather industry.



Table 16 *Distribution of workers in the leather accessories manufacture Dharavi, by industry of mother's occupation, leather accessories manufacture, Dharavi, 2000*

Mother's occupation and industry	Sample workers	Share in per cent
Agriculture	41	15.1
Manufacture based on agricultural inputs	9	3.3
<i>of which</i> Leather tanning, footwear and accessories	<b>6</b>	<b>2.2</b>
Other Textiles (incl of jute, cotton, garments)	2	0.7
Other manufacturing	1	0.4
Construction	5	1.8
Trade	8	3.0
Services	8	3.0
<i>of which</i> Domestic help	7	2.6
Government service	1	0.4
Home makers	200	73.8
Total	271	100.0

*Source:* Survey data

The data on father's occupations and their place of work indicate that the trend of temporary migration of male workers from rural villages to urban areas, in search of non-agricultural employment, had already existed in the previous generation. Another notable feature of inter-generational migration is that about 8.5 per cent of the workers' fathers had been employed in the formal sector. Workers' fathers had formal employment in textiles, manufacture based on mineral inputs (mainly steel plants) and government service (Police, Post and Telegraphs, and Agricultural departments).

## V Summary and Conclusion

Neo-liberal economic policies were introduced in India in the early 1990s. In this new regime, specific industries with export potential were chosen and growth in exports and employment in such industries was promoted. Liberalisation and the policies thereafter have lead to a definite increase in production and export from the leather accessories industry in India. In this paper, we examine features of migration and the labour mobility in leather accessories manufacture in Dharavi, based on primary field surveys conducted roughly 10 years after the new policies were initiated.

Our surveys found that about 88 per cent of the workers were migrants and had migrated mainly from Bihar, other districts of Maharashtra and Uttar Pradesh. Also we found that

there was a significant difference in the pattern of migration of Maharashtrian and non-Maharashtrian workers. We also examined the nature of ties migrant workers have with their place of origin. Migrant workers maintained close links with their place of origin. Based on four criteria that relate migrant workers to their villages, we have developed an index of workers' ties with their native villages. According to the index, migrant workers were classified as having strong ties, medium ties, weak ties and no ties with their native villages. About 69 per cent of the migrant workers were classified as having "medium" ties with their native villages, about 2 per cent of the migrant workers had strong ties and about 28 per cent of the migrant workers had no ties with their native villages.

Our study also shows that rural-urban migration is not permanent in nature. It is rather temporary or semi-permanent. It has been argued that migrants from relatively prosperous regions are likely to return while those from relatively poor regions are likely to stay back in the city. This is not confirmed by our study as a majority of the temporary migrants in our study were from the poor region, Bihar. The cause for temporary migration in Dharavi seems to be due to the inability of migrant workers to get permanently absorbed in the urban economy. The slow pace of urbanisation in India, as compared with other countries can be partly explained by this phenomenon.

Recruitment on caste and community lines is not new in India. Earlier studies have found strong caste and kinship relations in the method of employment. Our study in the leather accessories industry in Dharavi reflects the same trend. Even in the year 2001, in an industry with international markets and export-led growth, there was no indication of a decline in the role of caste- and community-based informational networks in favour of more impersonal recruitment procedures.

The labour mobility index defined as the number of jobs per worker per year was found to be much higher for the workers in leather accessories manufacture in Dharavi than for workers in other sectors as reported in earlier studies. Over 90 per cent of the workers had changed jobs at least once. An average worker changed jobs once every 3.4 years. From this point of view, the job change scenario in Dharavi appears to be much more volatile than what has been recorded for organised and unorganised workforce in urban India.

On the industrial mobility front, about 45 per cent of the workers had started their work careers in other industries (first job) and later moved to leather accessories manufacture (current job). None of the workers had previously worked in formal-sector jobs. Industrial mobility indicates that over time workers moved from different industries to leather accessories manufacture (comparison of first job and current job), but once they entered the leather accessories manufacture, there was a tendency to stick to employment in the industry (comparison of previous job and current job). Our findings are similar to what is reported by Breman (1996) for workers in the textile and diamond cutting industries in Surat. Breman finds that “workers frequently change employers not trade.”

Even though a large proportion of workers were rural migrants, inter-generational mobility indicates that the shift from agricultural employment to non-agricultural employment already had occurred in the previous generation. Nearly 70 per cent of the workers’ fathers were employed in non-agricultural employment. The non-agricultural employment was, however, not in leather accessories manufacture. Only about 17 per cent of the workers’ fathers were employed in leather related industries.

In conclusion, we would like to state that in the post-liberalisation period there was a definite increase in production and export from the leather accessories industry in India. This has, however, not been accompanied by an improved condition of employment. The features of migration and labour mobility in the industry, as examined in this paper, indicate that the industry exhibits features that are typical of the urban informal sector. The picture that emerges is not of an industry that is modernising, at least in terms of employment contracts.

#### References

- Acharya, Sarthi, and A.V. Jose (1991), “Employment and Mobility: A Study Among Workers of Low-Income Households in Bombay City”, ILO-ARTEP Working Papers, New Delhi.
- Banerjee, Nirmala, and Millie Nihila (1999), “Business Organisation in Leather Industries of Calcutta and Chennai”, in Bagchi, A. K. (ed.).
- Bhattacharya, Prabir C. (1996), “The Role of the Informal Sector in Structural Transformation: Some Indian Evidence”, *Journal of International Development*, Vol. 8, No. 1, pp 83–94.
- Bhattacharya, Prabir C. (1998), “The Informal Sector and Rural-to-Urban Migration - Some Indian Evidence”, *Economic and Political Weekly*, Vol. 33, 21, pp 12–55.
- Breman, Jan (1996), *Footloose Labour: Working in India's Informal Economy* Cambridge University Press, Cambridge.
- Breman, Jan (2001), “The Impact of The Asian Economic Crisis on Work and Welfare in Village”, [http://www.worldbank.org/eapsocial/asemsocial/files/839\\_THE\\_IMPACT\\_OF\\_THE\\_ASIAN\\_ECONOMIC\\_CRISIS.pdf](http://www.worldbank.org/eapsocial/asemsocial/files/839_THE_IMPACT_OF_THE_ASIAN_ECONOMIC_CRISIS.pdf) browsed on July 10th 2003.
- Breman, Jan, Otto van den Muijzenberg and Ben White (1997), *Labour Migration in Asia*, Working Papers on Asian Labour.

- Chari, Sharad (2000), "The Agrarian Origins of the Knitwear Industrial Cluster in Tiruppur, India", *World Development*, Vol. 28, No. 3, pp 579–99.
- Chowdhury, Utpal (1995), "The Organisation of Work in the Informal Sector", *Indian Economic Journal*, Vol. 43, No. 2, pp 110–21.
- Cinar, E. Mine (1994), "Unskilled Urban Migrant Women and Disguised Employment: Home-Working Women in Istanbul", Turkey, *World Development*, Vol. 22, No. 3, pp 369–80.
- Deshpande, Sudha L. and L. K. Deshpande (1990), *Labour mobility in Bombay's manufacturing Sector*, ILO-ARTEP Working Papers, ILO, New Delhi.
- GOI (2000), *Census of India 2001: Instruction Manual for Filling up the Household Schedule*, Office of the Registrar General & Census Commissioner, India, Ministry of Home Affairs, New Delhi.
- GOI (2002) *Second National Commission on Labour Report*, Ministry of Labour, downloaded from <[http://labour.nic.in/lcomm2/nlc\\_report.html](http://labour.nic.in/lcomm2/nlc_report.html)>.
- GOI (2004) Exim Policy Documents, Ministry of Commerce and Industry, Government of India, New Delhi.
- GOI (2005) *The Economic Survey 2004-2005*, Ministry of Finance, Government of India, New Delhi.
- Gothoskar, Sujata et al (1998), "Neither Bread nor Roses, a Comparative Study of Women and Men Workers in the Galas of Industrial Estates in Mumbai", Worker's Solidarity centre, Mumbai.
- Harriss, John. R. and Michael P. Todaro (1970), "Migration, Unemployment and Development: A two Sector Analysis", *American Economic Review*, Vol. 60 (1).
- Hollander, Myles and Douglas A. Wolfe (1999), *Nonparametric Statistical Methods*, John Wiley & Sons Inc. New York.
- Jefferys, Margot and Winifred Moss (1954), *Mobility in the Labour Market: Employment Changes in Battersea and Dagenham*, Routledge and Kegan Paul, London.
- Kuznets, Simon (1966), *Modern Economic Growth: Rate, Structure and Spread*, Yale University Press, New Haven.
- Kuznets, Simon (1971), *Modern Economic Growth of Nations: Total Output and Production Structure*, Harvard University Press, Cambridge.
- Mazumdar, Dipak (1979), *Paradigms in the Study of Urban Labour Markets in LDCs: A Reassessment in the Light of an Empirical Survey in Bombay City*, World Bank Staff Working Paper No 366, World Bank Washington D.C.
- Mohapatra, K. M. and Kavita Srivastava (2001), "Leather Goods Industry in Kanpur: Casteism, Religion and Business Interlinkings", *Economic and Political Weekly*, Vol. 37, No. (28 September 2001).
- Nakanishi, Toru (1990), "The Market in the Urban Informal Sector: A Case Study in Metro Manila, the Philippines", *Developing Economies*, Vol. 28, No. 3, pp 271–301.
- Nakanishi, Toru (1996), "Comparative Study of Informal Labor Markets in Urbanization Process: The Philippines and Thailand", *Developing Economies*, Vol. 34, No. 4, pp 470–96.
- NSSO (2001), *Employment & Unemployment in India, 1999–2000, (Part I)*, Report No.458, National Sample Survey Organisation, Ministry of Statistics and Programme Implementation, Government of India.
- Pais, (2004) *Production Units and the Workforce in the Urban Informal Sector A Case Study From Mumbai*, PhD dissertation, Indira Gandhi Institute of Development Studies, Mumbai.
- Pais, Jesim (2003) "Surveying the Informal Sector in Indian Cities: An Example of Field Surveys in the Leather Accessories Manufacture in Dharavi" unpublished mimeo.
- Pais, Jesim (2002), "Casualisation of the Urban Labour Force: An Analysis of Recent Trends in Manufacturing", *Economic and Political Weekly*, Vol. 37, No.7, pp 631–652
- Papola, T. S. (1981), *Urban Informal Sector in Developing Economy*, Vikas Publishing House, New Delhi.
- Papola, T. S. and Subrahmanian K. K. (1975), *Wage Structure and Labour Mobility in a Local Labour Monograph Series; No. 4*, Sardar Patel Institute of Economic & Social Research, Ahmedabad.
- Romatet, Emmanuel (1983), "Calcutta's Informal Sector; Theory and Reality", *Economic and Political Weekly*, Vol. 18, No 50. .

Sankaran T. S and V. R. Rao (1995), *The Urban Informal Sector in India; A Study of Govindpuri, (Delhi)*, Jaishankar Memorial Centre, New Delhi.

Sharma, Kalpana (2000), *Rediscovering Dharavi: Stories from Asia's Largest Slum*, Penguin Books, New Delhi.

## Notes

<sup>1</sup> A full list of all reserved and de-reserved items produced in the industry is given in the website <<http://www.laghu-udyog.com/publications/reserveditems/itemrese.htm#deres>>.

<sup>2</sup> The industry has also been identified as a major employment generating export industry due to its relatively lower value addition and technological content (Economic survey 2004–05, GOI).

<sup>3</sup> The leather accessories industry is also referred to as the “leather goods industry” in some industry and business circles. The Council for Leather Exports (CLE) also refers to this industry as the leather goods industry.

<sup>4</sup> The average annual growth rate of total employment (11.9 per cent) and casual employment (54.7 per cent) in urban leather accessories industry was also higher than the corresponding growth rate for total urban employment (2.8 per cent) and urban casual employment (2.9 per cent) (Table 1).

<sup>5</sup> This includes about 40,000 persons who live in Koliwada (Dadar and Mahim) which is not part of Dharavi. Separate figures are not available for Dharavi.

<sup>6</sup> The gem polishing industry in Jaipur had migrants from Bihar, Orissa, Uttar Pradesh and Andhra Pradesh (Mishra 2002). Ninety per cent of the workforce in the ship breaking industry in Gujarat was migrant labour, mainly from Uttar Pradesh, Bihar and Orissa (GOI 2002).

<sup>7</sup> In a study of the features of migration among factory workers, casual workers and workers from small-scale industries in Mumbai, Mazumdar found the share of migrants to be between 78 and 80 per cent in each of the categories, share of migrants being higher among workers in the small-scale industries and casual workers Mazumdar (1979).

<sup>8</sup> For discussions of empirical findings on the reasons for migration in India see Papola (1981); and Deshpande and Deshpande (1990), Breman (1996). For similar discussions on Turkey and Philippines see Cinar (1994) and Nakanishi (1990) respectively.

<sup>9</sup> The features of migration can be specific to an industry. For example, Surat's small-scale textile industry was dominated by workers from Orissa (42 per cent) and Andhra Pradesh (12 per cent) both of which are not contiguous to Gujarat (Breman 1996). At the same time, in diamond cutting, a neighbouring industry, also small-scale and in the city of Surat, a majority of the migrant labour was from rural hinterland in Gujarat itself (About 50 per cent from Saurashtra and North Gujarat).

<sup>10</sup> The corresponding critical value of D is 0.287. The test is taken from Hollander and Wolfe (1999).

<sup>11</sup> The living conditions in the ‘karkhana’-converted boarding-rooms in Dharavi are very similar to the description of similar conditions faced by workers in the diamond cutting industry in Surat (Breman 1996).

<sup>12</sup> As most workers were young, there is possibility of ancestral agricultural land not being divided. To take this into account, workers who reported no land holding were asked if their parents owned land.

<sup>13</sup> Since often employment was obtained largely through a network of co-villagers in the industry, it was possible to obtain a job in Dharavi while based in the village. For more on the system of recruitment see the discussion on employment methods in the industry in this paper.

<sup>14</sup> Papola (1981) reports that the workers in Ahmedabad's informal sector did not pay regular visits to their native place due to high costs involved. In our sample, migrant workers from Bihar had to spend about Rs 1000 per trip only on transportation. This was about half the average monthly earnings of workers in the industry.

<sup>15</sup> Breman (1996, 1997) refers to this process as circular migration or labour circulation. Seasonal migration, he says, is an important variation of circular migration. For a detailed description of circulation migrant workers in the informal sector Indonesia, see Breman (2001). Mazumdar (1979) discusses “temporariness of migration” and of migrant workers who eventually returned to rural sectors.

<sup>16</sup> Providing similar evidence from Thailand, Nakanishi (1996) has shown that in the 1950s and 1960s migrants from the central regions made up for over 60 per cent of the migrants to Bangkok metropolitan region. However, this was reversed in 1975–80 when the migrants from Bangkok returning to central region reached 80 per cent of all ‘return migrants’.

<sup>17</sup>

<sup>18</sup> This is unlike what has been reported for informal sector workers in Mumbai and Delhi. In a survey of workers in ‘industrial galas’ (small workshops in multi-storeyed industrial estates) in Mumbai, Gothoskar *et al* (1998) found the entrances to the galas filled with such notices as “Wanted: Sample tailors 46/A Todi, Modest Garments”, “204/A: WANTED SKILLED WORKERS FOR SHIRT B MAKING” and “WANTED: Packers 22 gala”. This kind of advertising for workers was also found in the knitwear manufacturing in Tiruppur (Chari 2000). In the informal sector manufacturing activities in Delhi, the advertisement for jobs were placed through

---

“notices” and “posters” at some “prominent places” (Sankaran and Rao 1995) In Dharavi, the low levels of literacy among potential workforce could be one reason to explain the complete absence of this kind of advertising in leather accessories manufacture in Dharavi. Another interesting point is that in the related activity of leather accessories trading in the neighbourhood, posters with “Wanted Sales Man” or “Wanted Typist” are not uncommon.

<sup>19</sup> For example, in Mumbai’s organised manufacturing sector, Deshpande and Deshpande (1990) found that nearly 88 per cent of workers obtained their first employment through relatives or friends working in the same firm, while only 10 per cent had obtained first employment through advertisements in the media. In Ahmedabad’s factory sector, Papola and Subramanian (1975) found that 61 per cent of the jobs were secured through caste, community and family networks.

<sup>20</sup> In the literature on labour mobility, scholars have identified two main types of job changes, “voluntary job changes” and “involuntary jobs changes” (Jefferys and Moss 1954; Papola and Subramanian 1975). We do not discuss this in detail, however, our data on the reasons for job changes in leather accessories manufacture in Dharavi indicate that most job changes were involuntary in nature.

<sup>21</sup> For some workers we have data on entire work history (beyond two years).

<sup>22</sup> Our findings are similar to what is reported by Breman (1996) of job changes of workers in the informal sector diamond cutting units in Surat. Breman reports that about 30 per cent of the workers in diamond cutting changed jobs in one year and about 50 per cent changed jobs once in two years.

<sup>23</sup> Not reported in the tables.

<sup>24</sup> Contract labour is not covered by many labour regulations and the specific regulations concerning contract labour are rarely enforced.

<sup>25</sup> The parent’s occupation presented here is the lifetime primary occupation or job that the parent held during major part of his or her lifetime.