

RETURN MIGRATION, SKILL UTILIZATION AND RURAL EMPLOYMENT GENERATION IN ODISHA, INDIA

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ABSTRACT

Return migration has become an important part of the livelihood pattern of rural households in India. Odisha is also a major source of migrant workers, particularly from rural areas where employment opportunities are often seasonal or limited. The present study examines the relationship between return migration, the use of skills gained during migration and employment generation among return migrants in rural Odisha. The study is based on primary data collected from 500 return migrants from selected migration-prone rural areas of the state. Information was collected on their migration experience, skills acquired during migration, employment after return, income, access to credit, participation in government programmes and livelihood conditions. Descriptive statistics, cross-tabulations, Chi-square tests and Cramer's V were used to examine the relationships between these factors.

The findings show that many respondents acquired practical skills during migration, particularly in construction, manufacturing and service-related activities. However, these skills were not used to the same extent by everyone after returning to their villages. While some respondents were able to use their experience in self-employment or wage employment, others continued to depend on agriculture or casual labour because suitable local opportunities were not available. The analysis also shows significant associations between skill utilization and employment improvement, access to credit and employment improvement, participation in government programmes and livelihood improvement, and duration of migration and livelihood improvement.

KEYWORDS: Return Migration, Skill Utilization, Rural Employment Generation, Livelihood Diversification, Rural Development, Odisha.

1. INTRODUCTION

For many rural families in India, migration has become a way of managing everyday livelihood needs. When work in the village is not available throughout the year or farming does not provide enough income, one or more members of the household may move to another place for work. Migration can help families earn additional income and can also give workers the chance to work in occupations that are not available in their own villages. Much of the earlier research on migration has concentrated on the reasons people leave, the work they find at the destination and the income they send back home. The situation of workers after they return has received comparatively less attention.

People do not always return from migration for the same reason. Some come back when their employment at the destination becomes uncertain, while others return because the cost of living has increased or because they need to take care of family responsibilities. Changes in economic conditions can also affect the decision to return. At the same time, a migrant may bring back more than the money earned during the period away from home. Work experience, practical knowledge, occupational skills and savings can all become useful resources for the household after return. However, these resources can be put to use only when the local economy provides suitable opportunities.

This issue is particularly relevant in Odisha. Many workers from rural parts of the state travel to other parts of India in search of employment. Limited local employment, seasonal unemployment, low returns from agriculture and uncertainty in household income are among the conditions that encourage migration. Migrant workers from Odisha are found in construction, manufacturing, mining, hospitality, transport and several other informal activities. Migration can provide much-needed income, but coming back to the village does not necessarily mean that a worker will find employment that matches previous experience.

Although migration is an important livelihood strategy in Odisha, there is still limited empirical evidence on how return migrants use the skills they acquired outside the state and how such skill use is connected with their employment after return. The present study therefore focuses on the situation of return migrants in rural Odisha. It examines their migration experience, the skills they acquired while away, the extent to which those skills are used after returning, and the factors that may help or restrict their employment and livelihood opportunities.

2. LITERATURE REVIEW

Migration has been discussed in social science research for many years, particularly in relation to employment, population movement and household livelihoods. Ravenstein (1885) [1] was one of the early scholars to identify broad patterns of migration and pointed to the importance of distance and economic opportunities in shaping population movement. Lee (1966) [2] later developed the push-pull approach, explaining migration through factors that encourage people to leave their place of origin and factors that attract them towards a destination. Todaro (1969) [3] gave greater attention to economic considerations and argued that differences in expected income and employment opportunities can influence rural-to-urban migration. These early studies provide a useful foundation for understanding why people move from rural areas to places where they expect to find better work. The livelihood perspective provides another important way of looking at migration. Connell et al. (1976) [4] showed that migration can become an important response for rural households when opportunities in their places of origin are limited. de Haan (1999) [5] similarly argued that migration should be understood as part of wider livelihood strategies rather than simply as the physical movement of people. From this perspective, households may use migration to deal with unemployment, uncertain income and other economic difficulties. This approach is useful for understanding why migration becomes an important part of the livelihood decisions of rural families. Research on return migration has paid more attention to what happens when migrants come back to their place of origin. Dustmann and Kirchkamp (2002) [6] found that return migrants may use the savings and experience gained during migration to enter self-employment or other economic activities. de Haas (2010) [7] also suggested that migration can contribute to development when migrants are able to use their financial resources, knowledge and experience in their home communities. Zhao (2002) [8] examined the consequences of return migration and highlighted the accumulation of human and financial resources during migration. Wahba and Zenou (2012) [9] discussed the links between migration experience, entrepreneurship and social capital, while McCormick and Wahba (2001) [10] emphasised the importance of savings and work experience in helping return migrants establish economic activities.

Overall, the literature indicates that migration can provide rural workers with income, work experience, practical skills and other resources. However, these benefits may not automatically continue after workers return home. The ability of return migrants to use their acquired skills depends on the availability of suitable employment, finance, markets, infrastructure and institutional support. Existing studies have examined migration, livelihoods and return migration from several perspectives, but comparatively less attention has been given to the actual use of migration-acquired skills and its relationship with employment after return in rural Odisha. The present study attempts to contribute to this area by examining the employment situation, skill utilisation and livelihood outcomes of return migrants in the selected rural areas of the state.

3. OBJECTIVES OF THE STUDY

The main objective of this study is to examine the relationship between return migration, skill utilization and employment opportunities among return migrants in rural Odisha.

4. METHODOLOGY

The study adopted a descriptive and analytical research design to examine the relationship between return migration, skill utilisation and rural employment generation in Odisha. The descriptive approach was used to understand the socio-economic characteristics, migration experiences and employment conditions of return migrants, while the analytical approach examined factors influencing their employment and livelihood outcomes. The study was conducted in selected rural areas of Odisha where labour and return migration are prevalent. A multistage sampling method was adopted. Districts with significant migration intensity were identified first, followed by the selection of blocks and villages having a high concentration of return migrant households. Finally, respondents were selected through systematic sampling. A total of 500 return migrants who had returned to their native villages within the previous five years were selected. Primary data were collected through a structured interview schedule covering socio-economic characteristics, migration history, duration of migration, skills acquired and utilised, employment status, income, access to credit and participation in government programmes. Data were collected through face-to-face interviews after obtaining informed consent and ensuring confidentiality. The collected data were coded, classified and analysed using frequencies, percentages and cross-tabulations. The

Chi-square test was applied to examine significant associations among selected variables, while Cramer's V was used to measure the strength of these relationships.

5. RESULT AND DISCUSSION

Table 1: Socio-economic Profile of Return Migrants

Characteristics	Category	Percentage (N=500)
Age Group	18–29 years	24.0
	30–44 years	46.0
	45 years and above	30.0
Education Level	Up to Primary	38.0
	Secondary	42.0
	Higher Secondary & Above	20.0
Employment before Migration	Agriculture/Casual labour	56.0
	Non-farm work	44.0

(Field Survey, N = 500)

Most respondents (46%) were aged 30–44 years, followed by 30% aged 45 years and above and 24% aged 18–29 years. Education levels were modest, with 42% having secondary and 38% primary education. Before migration, 56% depended on agriculture or casual labour, indicating that limited and seasonal employment was a major factor driving migration.

Table 2: Type of Migration Experience of Return Migrants

Type of Migration Experience	Number (N)	Percentage (%)
Short-term migration (less than 1 year)	190	38.0
Medium-term migration (1–3 years)	210	42.0
Long-term migration (more than 3 years)	100	20.0

(Field Survey, N = 500)

Migration duration varied among respondents, with 42% migrating for 1–3 years, 38% for less than one year, and 20% for more than three years. Thus, migration was mainly short- or medium-term, indicating its role as a temporary livelihood strategy. Longer migration periods may provide greater opportunities for skills, experience and savings.

Table 3: Skills Acquired by Return Migrants During Migration

Type of Skill Acquired	Number (N)	Percentage (%)
Construction-related skills	170	34.0
Manufacturing/industrial skills	110	22.0
Service-related skills	90	18.0
No specific skill acquired	130	26.0

(Field Survey, N = 500)

Construction-related skills were most common (34%), followed by manufacturing/industrial skills (22%) and service-related skills (18%). However, 26% acquired no specific occupational skills. Overall, migration provided practical work experience to many respondents, particularly in construction, manufacturing and services, though skill acquisition varied according to employment opportunities and workplace exposure.

Table 4: Utilisation of Migration-Acquired Skills after Return

Skill Utilisation Status	Number (N)	Percentage (%)
Fully utilised	180	36.0
Partially utilised	200	40.0
Not utilised	120	24.0

(Field Survey, N = 500)

Among 500 return migrants, 40% reported partial utilisation of migration-acquired skills, 36% used them fully, while 24% could not use them at all. Limited local employment, weak infrastructure, low industrial activity and skill mismatches restricted utilisation. Better skill recognition, suitable jobs, training and local business linkages could improve skill utilisation.

Table 5: Employment Status of Return Migrants After Return

Employment Status	Number (N)	Percentage (%)
Self-employment	140	28.0
Wage employment	230	46.0
Agriculture/Casual labour	130	26.0

(Field Survey, N = 500)

After returning home, 46% of respondents were engaged in wage employment, 28% in self-employment, and 26% in agriculture or casual labour. The findings indicate that return migration did not automatically ensure independent or improved employment. Limited finance, markets and suitable local opportunities constrained self-employment and the productive use of migration experience.

Table 6: Monthly Income of Return Migrants After Return

Monthly Income Level	Number (N)	Percentage (%)
Below 8,000	160	32.0
8,001 – 12,000	220	44.0
Above 12,000	120	24.0

(Field Survey, N = 500)

Among return migrants, 44% earned ₹8,001–12,000 per month, 32% earned below ₹8,000, and only 24% earned above ₹12,000. The findings indicate that income improvement after return was limited and uneven. Many continued in low-paid work, highlighting the need for better local employment, skill utilisation, financial support and self-employment opportunities.

Table 7: Skill Utilisation and Employment Outcome After Return

Skill Utilisation Status	Improved Employment	No Improvement	Total
Utilised	112	68	180
Not Utilised	68	252	320
Total	180	320	500

(Field Survey, N = 500)

Statistical Test: Chi-square (χ^2) = 24.63; df = 1; p < 0.001; Cramer's V = 0.22

Among respondents whose migration-acquired skills were utilised, 62.2% reported improved employment, compared with only 21.3% among those whose skills were not utilised. The association was statistically significant ($\chi^2=24.63$, df=1, p<0.001), with Cramer's V=0.22, indicating a moderate relationship. The findings highlight the importance of skill utilisation for better employment outcomes.

Table 8: Access to Credit and Employment Outcome of Return Migrants

Access to Credit	Improved Employment	No Improvement	Total
Yes	95	110	205
No	85	210	295
Total	180	320	500

(Field Survey, N = 500)

Statistical Test: Chi-square (χ^2) = 16.78; df = 1; p < 0.001; Cramer's V = 0.18

Among migrants with credit access, 46.3% reported improved employment, compared with 28.8% without credit access. The association was statistically significant ($\chi^2=16.78$, df=1, p<0.001), with Cramer's V=0.18, indicating a weak-to-moderate relationship. The findings highlight the importance of institutional credit, microfinance and financial support for improving return migrants' employment opportunities.

Table 9: Participation in Government Schemes and Livelihood Outcome of Return Migrants

Participation Government Schemes	Improved Livelihood	No Improvement	Total
Yes	90	55	145
No	150	205	355
Total	240	260	500

(Field Survey, N = 500)

Statistical Test: Chi-square (χ^2) = 21.54; df = 1; p < 0.001; Cramer's V = 0.21

Among respondents participating in government schemes, 62.1% reported improved livelihoods, compared with 42.3% among non-participants. The association was statistically significant ($\chi^2=21.54$, df=1, p<0.001), with Cramer's V=0.21, indicating a moderate relationship. The findings highlight the importance of improving awareness, accessibility and outreach to increase return migrants' participation in government programmes.

Table 10: Duration of Migration and Livelihood Outcome of Return Migrants

Duration of Migration	Improved Livelihood	No Improvement	Total
Up to 2 years	90	160	250
More than 2 years	150	100	250
Total	240	260	500

(Field Survey, N = 500)

Statistical Test: Chi-square (χ^2) = 32.68; df = 1; p < 0.001; Cramer's V = 0.26

Among migrants with up to two years of migration, 36% reported improved livelihoods, compared with 60% among those migrating for more than two years. The association was statistically significant ($\chi^2=32.68$, df=1, p<0.001), with Cramer's V=0.26, indicating a moderate relationship. Longer migration may provide greater opportunities for skills, experience and savings, supporting improved livelihoods after return.

6. FINDINGS AND DISCUSSION

The findings show that return migration is mainly driven by limited local employment opportunities. Most respondents were economically active and had primary or secondary education, with agriculture and casual labour as major pre-migration occupations. Construction, manufacturing and service skills were commonly acquired during migration, but many could not fully utilise them after returning due to limited jobs and skill mismatches. Wage employment remained the dominant livelihood, while income improvement was limited. Skill utilisation ($\chi^2=24.63$, V=0.22), credit access ($\chi^2=16.78$, V=0.18), government programme participation ($\chi^2=21.54$, V=0.21), and migration duration ($\chi^2=32.68$, V=0.26) were significantly associated with improved employment or livelihood outcomes.

7. POLICY IMPLICATIONS

The study concludes that return migration can contribute to rural employment and livelihood development in Odisha when adequate post-return support is available. Skill recognition and certification should be promoted to help migrants obtain suitable employment. Easier access to institutional credit and microfinance can support self-employment and small businesses. Skill-development programmes should be aligned with local employment opportunities and market demand. Better linkages with industries, businesses and employers can facilitate skill utilisation. Awareness and accessibility of government schemes should be improved through simplified procedures and local support centres. A coordinated approach to skills, finance, employment and institutional assistance can enhance migrants' livelihoods and strengthen rural employment generation.

8. CONCLUSION

Return migration can contribute significantly to rural livelihood and employment development in Odisha. Migrants often return with occupational skills, work experience and savings, particularly from construction, manufacturing and service activities. However, limited local employment, inadequate infrastructure, financial constraints and skill mismatches restrict effective skill utilisation. The study found significant associations between skill utilisation, credit access, government programme participation, migration duration and improved employment or livelihood outcomes. Therefore, return migration should be viewed as an opportunity for rural development rather than simply the end of migration. Skill recognition, suitable employment, easier credit access and better government support can help return migrants achieve stable livelihoods and contribute to local economic development.

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