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## PROMOTING FINANCIAL INCLUSION AND SUSTAINABILITY: EMPOWERING MIGRANT WORKERS FOR A BETTER FUTURE

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### ABSTRACT

In today's globalized world, the phenomenon of migration has become increasingly prevalent, with millions of individuals leaving their home countries in search of better economic opportunities. Migrant workers play a crucial role in supporting the economies of both their host and home countries through their contributions to various sectors. However, they often face numerous challenges, including limited access to financial services and vulnerability to exploitation. This study aims to explore the importance of promoting financial inclusion and sustainability for migrant workers, highlighting the potential benefits it can bring benefits for both individuals and society as a whole. Financial inclusion refers to the access and usage of essential financial services, such as banking, credit, insurance, and savings, by all members of society, including marginalized groups. By ensuring that migrant workers have access to these services, they can enhance their economic stability, build assets, and effectively manage their finances. Empowering migrant workers with financial knowledge and tools can lead to a myriad of positive outcomes.

**Key words:** financial inclusion, migrant workers, economic stability, challenges and economic stability.

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### 1. INTRODUCTION

In today's globalized world, migrant labourers play a vital role in various industries, contributing to the economic growth of both host and home countries. However, these individuals often face significant challenges in accessing financial services and maintaining sustainable livelihoods. This article explores the importance of promoting financial inclusion and sustainability among migrant workers and the potential benefits. Incorporating sustainability principles into financial inclusion efforts for migrant workers is crucial. Encouraging the adoption of environmentally friendly practices and responsible investment can promote the long-term well-being of both migrants and their communities. Integrating digital technologies and mobile banking solutions can enhance access to financial services, reduce transaction costs and minimize the environmental impact associated with traditional banking methods.

Achieving financial inclusion and sustainability for migrant workers requires collaboration among various stakeholders, including governments, financial institutions, civil society organizations and international bodies. Policymakers must develop inclusive regulatory frameworks that facilitate migrant

workers' access to financial services while safeguarding their rights and protecting them from potential exploitation. Financial institutions should design tailored products and services that cater the unique needs of migrant populations, considering language barriers, cultural differences, and mobility challenges. It enables them to save and remit money back to their families, thus contributing to poverty reduction and economic development in their home countries. The financial inclusion facilitates the establishment of credit histories, enabling migrants to access loans and invest in income-generating activities, thereby fostering entrepreneurship and self-reliance.

## **2. FINANCIAL INCLUSION AND SUSTAINABILITY AMONG MIGRANT LABORERS**

Financial inclusion and sustainability among migrant labourers are crucial aspects that can greatly impact their well-being and contribute to overall societal development. Migrant labourers often face numerous challenges in accessing financial services and maintaining sustainable livelihoods. However, efforts can be made to address these issues and promote their financial inclusion and sustainability.

### **a. Access to Financial Services:**

Migrant labourers should have access to basic financial services such as bank accounts, savings, credit and insurance. Governments and financial institutions can work together to establish mobile banking services, simplified account opening procedures and low-cost remittance options to facilitate financial access.

### **b. Remittance Services:**

Migrant labourers often send a significant portion of their earnings back to their families in their home countries. Governments can facilitate affordable and secure remittance services to minimize transaction costs and ensure that a larger portion of the funds reaches their intended recipients.

### **c. Financial Literacy and Education:**

Providing financial literacy programs and education to migrant labourers can enhance their understanding of basic financial concepts, budgeting, saving, and investment options. This empowers them to make informed financial decisions and improve their financial well-being.

### **d. Skill Development and Entrepreneurship:**

Encouraging skill development programs and entrepreneurship opportunities among migrant labourers can enhance their income-generating capacity and promote sustainable livelihoods. Governments and organizations can provide training, mentorship and access to credit to support the establishment of small companies or self-employment ventures.

### **e. Social Protection and Insurance:**

Migrant labourers often face risks associated with their work and living conditions. Access to social protection programs, such as health insurance, accident coverage and retirement benefits, can provide a safety net and ensure their financial sustainability in case of unforeseen circumstances.

### 3. REVIEW OF LITERATURE

**Stacy Shimanuki (2021)** global migration has significantly increased over the past few decades, with millions of individuals seeking better economic prospects in foreign countries. Among this vast migrant population, the migrant workers often face numerous challenges, including limited access to financial services and exclusion from mainstream financial systems. This article highlights the importance of financial inclusion for migrant workers and explores the potential benefits it can bring in terms of economic empowerment and social integration.

**Mahmood Ahmad, Abdul Majeed, Muhammad Asif Khan, Muhammad Sohaib and Khurram Shehzad (2021)** financial inclusion refers to the accessibility and availability of financial services to all individuals and businesses, regardless of their economic status. It encompasses a wide range of financial products and services, including savings accounts, credit, insurance, and payment systems. Economic growth means increase in the production and consumption of goods and services within an economy over time. Financial inclusion provides individuals and companies with access to formal savings mechanisms and investment opportunities. This enables them to accumulate capital, which can be channelled into productive activities, such as starting companies or investing in education.

**Nir Kshetri (2021)** Artificial Intelligence (AI) has potential to significantly contribute to promoting financial inclusion by addressing various barriers and challenges faced by underserved populations. Traditional credit scoring methods often rely on limited data sources, which can exclude individuals with no formal credit history. AI algorithms can analyse alternative data such as mobile phone usage, social media activity and transaction history to develop alternative credit scoring models. By leveraging AI, the financial institutions can assess creditworthiness more accurately and enabling them to extend credit to individuals who were previously excluded.

**Thushara George (2018)** the financial inclusion of migrant female labourers is a critical aspect of promoting the economic empowerment and improving their overall well-being. Migrant female labourers often face unique challenges and barriers when it comes to accessing financial services. The basic banking services, such as savings accounts and remittance channels is crucial for female migrant labourers. Simplifying account opening procedures, reducing documentation requirements and providing affordable and accessible remittance options can facilitate their participation in the formal financial system.

**Hamid, Wajihah (2015)** Tamil migrant workers often experience a complex mix of feelings when it comes to their sense of home. While they may be physically distant from their homeland, their emotions and memories are often tied to their cultural and familial. It's important to note that the feelings and experiences of Tamil migrant workers can vary depending on individual circumstances, personal background, and the specific challenges they face in their host countries.

### 4. OBJECTIVES

1. To emphasize the role of collaboration between governments, organizations, and employers in ensuring the welfare of migrant workers.

2. To analyze the importance of promoting financial inclusion and sustainability for migrant workers.
3. To create a more inclusive and sustainable future for migrant workers and societies.

## 5. HYPOTHESIS

1. There is an association between financial inclusion and sustainability for migrant workers.
2. There is an association between encouraging skill development programs among migrant labourers and their income-generating capacity.

## 6. ANALYSIS AND RESULTS

Table 1: ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Migrant labourers should be provided with legal rights protection, fair employment contracts, and access to grievance mechanisms	Between Groups	2.166	3	.722	.432	.731
	Within Groups	182.224	109	1.672		
	Total	184.389	112			
Governments and organizations can provide training, mentorship and access to credit to support the establishment of small companies	Between Groups	4.035	3	1.345	.958	.415
	Within Groups	153.044	109	1.404		
	Total	157.080	112			
Migrant labourers face risks associated with their work and living conditions.	Between Groups	4.348	3	1.449	1.309	.275
	Within Groups	120.643	109	1.107		
	Total	124.991	112			
Encouraging skill development programs among migrant labourers can enhance their income-generating capacity	Between Groups	3.518	3	1.173	1.300	.278
	Within Groups	98.341	109	.902		
	Total	101.858	112			
Governments facilitate affordable and secure remittance services to minimize transaction costs	Between Groups	.951	3	.317	.343	.794
	Within Groups	100.606	109	.923		
	Total	101.558	112			
Migrant labourers face numerous challenges in accessing financial services	Between Groups	6.502	3	2.167	2.772	.045
	Within Groups	85.215	109	.782		
	Total	91.717	112			

The P value of the variable migrant labourers face numerous challenges in accessing financial services is less than 0.05 @ 5% level of significance. Therefore, null hypothesis is rejected. It identified that there is a significance relationship between migrant labourers face numerous challenges in accessing financial services and age of the respondents. It is found the government and companies need to take steps to reduce the challenges of migrant labourers.

## 7. FINDINGS

- ✓ Migrant workers are facing challenges in accessing formal financial services such as banking, credit, insurance, and savings.
- ✓ This limited access hinders their ability to manage their finances effectively and exposes them to risks associated with informal channels.
- ✓ Promoting financial inclusion among migrant workers can enhance their economic stability by enabling them to save and remit money back to their families in their home countries.
- ✓ Financial inclusion contributes to poverty reduction and economic development in those regions.
- ✓ Providing migrant workers with access to formal financial services reduces their reliance on informal channels, which are often associated with theft, loss and exploitation.
- ✓ Formal banking services offer a more secure and regulated environment for managing their finances.

## 8. CONCLUSION

By emphasizing the transformative potential of promoting financial inclusion will create the positive impact on their well-being, their families and the economies. By empowering migrant workers through access to financial services, skill development, social protection and rights, we can build a more inclusive and sustainable future for all. Promoting financial inclusion and sustainability among migrant workers holds immense potential for empowering individuals and fostering a better future. By ensuring access to essential financial services, imparting financial literacy and incorporating sustainable practices, unlock the economic potential of migrant workers and enable them to contribute more meaningfully to their host and home countries. Such efforts not only benefit for the individuals but also strengthen the social cohesion, reduce inequalities and advance sustainable development.

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