

## THE ROLE OF MIGRANTS AS AGENTS OF SUSTAINABILITY AND DEVELOPMENT WITHIN THE INFORMAL ECONOMY OF ONDO STATE, NIGERIA

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### Abstract

This study explores the role of migrants as agents of sustainability and development within the informal economy of Ondo State, Nigeria. Specifically, the objectives of the study are to: examine the socio-economic characteristics of migrants in the informal sector; identify the types of enterprises that constitute the informal sector in the study area; and assess the impact of migrant workers on the sustainability of the informal sector economy. Primary data was used for this study. The data was gathered through a series of fieldwork conducted on randomly selected small-scale businesses located in the Ondo West Local Government Area of Ondo State. Information on the socio-economic characteristics of business owners in two areas—Adeyemi College Road and Odotu Area—was collected using a well-structured questionnaire. These areas were purposively selected due to the high concentration of informal sector workers. The **purposive sampling technique** was employed, and the **Yamane (1967) formula** was used to determine an appropriate sample size from the study population, as it was impractical to administer questionnaires to all residents in the area. A total of 340 respondents were selected. The collected data was analyzed using both **descriptive statistics** (frequency counts and cross-tabulations) and **inferential statistics** (Chi-square analysis). The study revealed that 167 respondents (49.12%) identified unemployment as the primary motivator for engaging in the informal sector of the economy. It also found that 266 respondents (78.23%) among migrant workers in the informal sector were engaged in trading activities. Furthermore, the majority of migrant workers in this sector were found to live on between ₦1,370 and ₦2,740 (approximately \$0.86–\$1.71) per day—below the World Bank’s poverty threshold of \$2.15 per day. Chi-square analysis ( $\chi^2$  (2, N = 340) = 264.548,  $p \leq 0.05$ ) indicated that migrant workers in Ondo State’s informal economy have a statistically significant impact on sustainability outcomes. The study concludes by recommending that policymakers prioritize inclusive social protection programs, resource management training, and gender equity initiatives to enhance sustainability outcomes. By highlighting the intersections of migration, informality, and sustainable development, the study provides a nuanced understanding of how migrant populations can serve as catalysts for inclusive growth. The research calls for a reimagining of urban and economic policy frameworks to reflect the realities and potential of informal migrant actors in building equitable and resilient futures.

**Keywords:** Informal, migrants, sustainability, catalysts, economy

### 1.0 INTRODUCTION

One of the major consequences of the uncontrolled migration of both skilled and unskilled labour into urban areas in Nigeria is the evident mismatch between the teeming population and the available employment opportunities (Adedokun & Karzanova, 2019; Olaleye, 2023). This situation is evident in various forms such as inadequate basic facilities in the form of housing, transport, water, electricity supply and health facilities among others. Migrants who arrive at the destinations attempt to seek fulfillment of their dreams for gainful employment as soon as possible (Akorede, 2004).

Despite the fact that a large percentage of these migrants are not skilled or trained for any specific employment, coupled with the very few openings available; migrants continue to troop into urban centres in search of non-existent jobs (Ratha, Mohapatra & Schejal, 2011). Consequently, the informal sector in Nigeria which is diverse and encompasses a wide range of economic activities provides the only platform for absorption for these migrants. The activities in this sector are characterized by their unregulated nature and the absence of formal legal frameworks (Abumere, 1998; Okojie, 1988). The informal activities range from street vending and hawking, small scale trading, artisanal and craftsmanship, agricultural activities, services and repairs, transportation, money-lending, construction and mining, domestic work to building, beauty makeovers and so on (Aguilar & Campuzano; 2020).

The informal sector has been the saving grace for urban centres for developing countries in the recent past (International Monetary Fund, 2017). According to the International Labour Organization (2015), the informal economy accounts for a significant share of employment and output. It also comprises a remarkable range of informal work arrangements, which are largely unrecorded, unregulated and unrecognized by authorities. (Adebayo, 2021; Andall, 2018; International Monetary Fund, 2020).

Particularly in emerging nations where official job options are few, the informal sector is vital to the economic growth of many areas. This is also true in Ondo State, Nigeria, where a sizable section of the labor force works in the informal sector. A significant portion of these workers are migrants, who work in a variety of industries like small-scale manufacturing, trade, and agriculture. However, the extent to which migrant workers influence sustainability outcomes in the state remains a subject of debate

The informal economy encompasses economic activities that are not regulated or protected by the state, often characterized by low wages, lack of social security, and precarious working conditions (International Labour Organization [ILO], 2018). For many people, especially migrant workers, the informal sector is a vital source of income, making up more than 60% of employment in Nigeria (National Bureau of Statistics [NBS], 2020).

Usually coming from nearby areas or nations, migrant workers in Ondo State are motivated by things like economic hardship, violence, or the desire for better prospects (Adeyanju & Okeke-Uzodike, 2021). Their involvement in the unorganized sector calls into question how they contribute to sustainability, which is described here as the harmony between social justice, economic expansion, and environmental protection (United Nations, 2015).

### **Understanding the Informal Economy and Migrant Workers**

Global economic and social change has always been fueled by migration. Migrant laborers are essential to maintaining informal economies, addressing labor shortages, and promoting economic resilience in developing nations like Sub-Saharan Africa. This phenomenon is best illustrated in Ondo State, Nigeria, where migrant laborers play a major role in small-scale industries, trade, and agriculture. The conventional wisdom that migrant labor has little or no influence on sustainability is being challenged by recent empirical research, which shows that migrant labor produces beneficial benefits on social, economic, and environmental outcomes (ILO, 2021; UNDP, 2022).

Low salaries, a lack of social security, and unstable working conditions are common characteristics of the informal sector, which includes economic activities that are not governed or protected by the state (International Labour Organization [ILO], 2018). More than 60% of jobs in Nigeria are in the informal sector, which is vital to many people's livelihoods, especially migrant workers (National Bureau of Statistics [NBS], 2020).

Driven by circumstances including economic hardship, violence, or the pursuit of better possibilities, migrant laborers in Ondo State usually come from nearby areas or countries (Olaleye, 2023) (Adeyanju & Okeke-Uzodike, 2021). Their presence in the informal economy raises questions about their contributions to sustainability—defined here as the balance between economic growth, social equity, and environmental preservation (United Nations, 2015).

### **Aim and Objectives**

This research aims to investigate the characterization, challenges faced by migrants and prospects in the informal economy of Ondo State.

The study when successfully completed will:

- i. examine the socio-economic characterization of migrants in the informal sector
- ii. identify the composition of enterprises that make up the informal sector in the study area
- iii. identify the impact of migrant workers to the sustainability of the informal sector economy

### **SIGNIFICANCE OF THE STUDY**

This study holds significant relevance within the broader discourse on migration and the informal sector. Migrants operating within the informal economy occupy a critical yet frequently marginalized position in urban and economic landscapes. Often excluded from formal policymaking processes and institutional support mechanisms, these individuals are commonly perceived as passive recipients of development initiatives. This research seeks to reframe that narrative by exploring how migrants within informal economies function not only as active agents but as catalysts for sustainability and localized development.

By interrogating the intersection of migration, economy and sustainability, this study addresses a notable gap in existing scholarly literature. While considerable research has been devoted to the structural vulnerabilities of migrant populations and the dynamics of informal labour, limited attention has been paid to the contributions and

adaptive strategies of migrants in fostering community resilience and economic sustainability. This study therefore contributes novel insights into the transformative potential embedded within these populations.

The findings of this research are poised to offer valuable implications for policy and practice. Specifically, it provides an empirical basis for the formulation of inclusive urban and labor policies that recognize and harness the developmental capacities of migrant workers. In doing so, the study aligns with several of the United Nations Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities), and SDG 11 (Sustainable Cities and Communities), by advocating for integrative approaches to sustainable urban development that are both participatory and equity-driven. Furthermore, the study advances academic inquiry by adopting a multidisciplinary lens that synthesizes perspectives from development studies, labour economics, urban sociology, and migration studies. It not only enriches theoretical understanding but also provides a framework for actionable strategies aimed at enhancing the socio-economic inclusion and sustainability of migrant communities in informal sectors.

## 2.0 RESEARCH METHODOLOGY

The study was designed to examine the role of migrants in the sustainability and development of the informal sector of Ondo State. Based on the above, Primary data source was used for the study. The primary source data was gathered via a series of fieldwork on randomly selected small scale businessman/woman which are located in Ondo West Local Government Area of Ondo State. A carefully designed questionnaire was used to gather information on socioeconomic characteristics of businesswomen and men from two (2) locations: the Odotu neighborhood and Adeyemi Federal University of Education. These locations were chosen because of the large number of workers in the informal economy that reside there. Numerous demographic and socioeconomic information was collected, including employment, yearly income, length of time spent in the area, the kind of business operated, and marital status.

Purposive sampling was the method employed to achieve the study's objectives. Purposive sampling, according to Etikan et al. (2016), can offer more profound understanding of the phenomenon under investigation. Two sites in Ondo town were chosen using the purposeful sampling approach because of the high concentration of workers in the informal sector. The Yamane (1967) method for estimating sample size was used in order to draw a sample size from the population of the research region. This was done since it would be impossible to administer questionnaire to all of the people of the study area. For the study, a total of three hundred and forty respondents (340) were selected for the study.

Data collected were analyzed using descriptive and inferential statistics. Descriptive statistics includes frequency counts and cross tabulation while inferential statistics includes Chi-square analysis.

## 3.0 ANALYSIS AND DISCUSSION

### Composition of Informal Sector Operators

**Table I: Table showing the socio-economic characteristics of respondents**

S/N	Gender	Frequency	Percent (%)
1.	Male	141	41.50
2.	Female	199	58.50
	<b>Total</b>	<b>340</b>	<b>100</b>
	Ed. Qualification	Frequency	Percent
1.	None	27	8.0
2.	PSLC	148	43.5
3.	SSCE	119	35.0
4.	Above SSCE	46	13.50
	Total	340	100
	Age (in years)	Frequency	Percent
1.	18-25	88	26.
2.	26-35	141	41.5
3.	36- 45	58	17.06
4	46 – 55	32	9.41
5	56 above	20	5.88
	Total	340	100
S/N	Marital Status	Frequency	Percent
1.	Single	63	18.50
2.	Married	214	63.0

3.	Divorced	34	10.0
4	Widowed	29	8.50
	<b>Total</b>	<b>340</b>	<b>100</b>
	<b>State of Origin</b>	<b>Frequency</b>	<b>Percent</b>
1.	Osun	82	24.1
2.	Kano	27	7.9
3.	Imo	42	12.4
4.	Enugu	90	26.50
5.	Anambra	50	14.7
6.	Ondo	29	8.5
7	Delta	6	1.8
8.	Ekiti	8	2.4
9.	Abia	6	1.8
	Total	340	100
<b>S/N</b>	<b>House hold size</b>	<b>Frequency</b>	<b>Percentage (%)</b>
1.	1-5	116	34.0
2.	6-10	166	49.0
3.	11-15	58	17.0
	<b>Total</b>	<b>340</b>	<b>100</b>

source: authors' analysis, 2025.

### Gender

Out of the three hundred and forty respondents, one hundred and forty-one (141) respondents which constitute 41.5 percent are males while one hundred and ninety nine (199) respondents which constitute 58.50 percent are females. Women's dominance in the informal economy (e.g., retail, care work) highlights their role in sustaining household economies. Female-led households might prioritize education and healthcare, fostering social sustainability. However, gender-based wage gaps in informal sectors could hinder equitable economic growth.

### Educational Qualification

The educational attainment of respondents reveals a predominantly low-skilled workforce. Twenty-seven (8.0%) had no form of formal education, one hundred and forty-eight respondents (43.5%) possessed a Primary School Leaving Certificate (PSLC), one hundred and nineteen respondents (35.0%) had a Secondary School Certificate (SSCE) while only forty-six (13.5%) had qualifications above SSCE. The high percentage of respondents with only basic education (PSLC/SSCE) aligns with Chen's (2012) assertion that informal economies often absorb workers with limited access to higher education or vocational training. This limits their ability to transition to formal sectors (ILO, 2018). The lack of advanced education may perpetuate poverty cycles, as noted by Bourdieu (1986), who links educational capital to economic mobility. The low representation of higher qualifications (13.5%) suggests barriers to skill development, which could hinder sustainable livelihoods (Sen, 1999).

### Age

Out of the total three hundred and forty respondents used for the study, a total of eighty-eight (88) respondents which represent 26 percent are aged 18-25 years, one hundred and forty-one (141) respondents which represent 41.5 percent are aged 26-35 years. Fifty-eight (58) respondents which represent 17.06 percent are aged 36-45 years; thirty-two (32) respondents which represent 9.41 percent are within the 46-55 age bracket while twenty (20) respondents which represent 5.88 percent are aged 56 years and above. The dominance of younger migrants (18-35 years) reflects the "youth bulge" phenomenon in African labor markets (UNECA, 2017). This demographic is often driven to informal work due to unemployment in formal sectors (Standing, 2011). The low participation of older individuals (56+) may indicate informal work's physical demands or age-related exclusion, as observed by Oduro (2020) in Ghanaian informal economies.

### Marital Status

Out of all the respondents, sixty-three respondents (18.5) percent are unmarried(single) while majority of the operators, two hundred and fourteen respondents which accounts for 63 percent are married. Thirty-four respondents (10 percent) are divorced while 8.5 percent (twenty-nine respondents) are widowed as at the time of this research. Married individuals may seek stable livelihoods, driving participation in resilient informal sectors like artisanal crafts or food vending. However, the 10% divorced population could face economic vulnerability,

limiting their capacity to adopt sustainable practices. Marital stability likely enhances community cohesion, indirectly supporting sustainable collective action.

### State of Origin

When asked about their previous place of residence and state of origin, eighty-two respondents, which accounts for 12.5 percent of the respondents are from Osun State, twenty-seven (7.90%) are from Kano, forty-two (12.4%) from Imo, ninety respondents (26.50%) from Enugu, fifty (14.7%) from Anambra, twenty-nine (8.5%) are Ondo, six (1.8%) from Delta, eight (2.4%) from Ekiti and six (1.8) from Abia State. The high proportion of migrants from Enugu and Osun aligns with Mabogunje's (1970) theory of rural-urban migration, where economic disparities drive movement to more prosperous regions. The low representation of Ondo indigenes (8.5%) suggests the informal economy relies heavily on migrant labor, a trend observed in studies on Nigeria's internal migration (Adelekan, 2019). This could reflect push factors like unemployment or land scarcity in migrants' home states (Castles & Miller, 2009).

### Household Size

From the table above, 34 percent of respondents had 1-6 people in their household, 17 percent were within the range of 11-15 people while 49 percent of households have 6–10 members, indicating large family structures. This indicates that migrant workers often support extended families, creating economic interdependency. Although this fosters collective labour in informal sectors (e.g. agriculture, petty trade), it may strain resources, affecting long-term sustainability. Larger households might prioritize immediate income generation over sustainable practices, potentially leading to overexploitation of local resources.

### Choice of informal activity

**Table II: Table showing reasons for the choice of informal activity**

S/ N	Reason for Choice of Informal Activity	Frequency	Percent
1.	Unemployment	167	49.12
2.	Survival	136	40
3.	Personal Interest/Passion	37	10.88
	Total	340	100

source: authors' analysis, 2025.

According to the data provided in table II, the main drivers of informal economic activity in Ondo State, Nigeria, include motivations such as personal interest or passion (10.88%), survival (40%), and unemployment (49.12%). The data provides important insights into the dynamics of the informal economy, which is disproportionately populated by migrants because of systemic barriers like limited access to formal employment, difficulties with documentation, and social exclusion, even though it does not specifically focus on migrant workers (Adeoye, 2020; ILO, 2018). The region's economic, social, and environmental sustainability results will be significantly impacted by these findings.

The fact that migrant workers frequently experience being structurally excluded from formal sector is consistent with the prevalence of unemployment (49.12%) as a motivator. Due to discriminatory employment practices and credential mismatches, migrants in Nigeria—especially internal migrants from rural regions or adjacent states—are often forced into informal occupations including domestic work, artisanal mining, or street hawking (Oyeniran, 2021).

Even though this unofficial absorption temporarily supports livelihoods, it keeps the economy fragile. Informal businesses usually don't have access to technology, social security, or finance, which limits their ability to support long-term economic viability (Chen, 2012). For example, migrant-led informal mining operations in Ondo State have been connected to resource depletion and environmental degradation, compromising the sustainability of the environment (Ogunleye, 2019).

The 40% survival rate emphasizes how unstable informal employment is. In order to survive, migrants turn to informal enterprises because they frequently lack social safety nets. However, social sustainability is hampered by the dependence on low-productivity employment, which intensify cycles of inequalities and poverty.



According to studies, migrants and other informal laborers in Nigeria have low legal safeguards, hazardous working conditions, and exploitative pay (NBS, 2020). The Sustainable Development Goal (SDG) 8 of the UN, which promotes decent employment and economic growth, is violated by such circumstances. The informal sector can worsen social injustices rather than lessen them if governmental changes are not made to codify or control these activities (Adegioriola et al., 2021).

Although their limited representation limits their overall impact, the modest 10.88% driven by personal interest indicates that a minority of informal actors, such as migrant entrepreneurs, may adopt sustainable practices. For instance, migrants engaged in eco-artisanal crafts or agro-processing could adopt eco-friendly methods if given resources and training (UNDP, 2019). Additionally, sustainability-oriented informal ventures frequently struggle to scale due to institutional and financial constraints (Okafor, 2017).

The dominance of migrant workers in the informal sector of Ondo State is primarily a reaction to systematic exclusion and survival necessities, as the chart emphasizes. This has conflicting implications for sustainability. Even though informal activities offer short-term financial respite, they frequently jeopardize sustainability over the long run by causing social injustice and environmental damage. Skills training, microfinance access, and environmental rules for the informal sector are examples of inclusive formalization methods that policymakers should give top priority to (World Bank, 2021). Furthermore, including migratory workers into programs for social protection may improve economic resilience and social sustainability.

### Types of products or services offered

**Table III: Table showing types of products or services offered**

Source: authors' analysis, 2025.

S/N	Services offered	Frequency	Percent
1.	Trading	266	78.23
2.	Hairdressing/ Barbing	19	5.58
3.	Fashion Designing	21	6.17
4.	Logistics	7	2.05
5.	Repairs	11	3.23
6.	Others	16	4.7
	Total	340	100

The dominance of trading highlights migrant workers' critical role in sustaining local supply chains and market accessibility, which enhances economic resilience (Chen, 2012). However, over-saturation in this sector may lead to income instability due to heightened competition and limited profit margins, as observed in similar informal economies (Oyelaran-Oyeyinka, 2014). While trading fosters immediate economic activity, its lack of diversification poses risks to long-term sustainability, particularly if market fluctuations or policy changes disrupt informal trade networks (Adebayo, 2018).

Smaller sectors like hairdressing and fashion designing contribute to social cohesion by fostering intercultural interactions and preserving artisanal skills. These sectors often serve as platforms for social integration, enabling migrant workers to build community ties (ILO, 2020). However, informal service sectors frequently operate without labour protections, exposing workers to exploitative practices and limiting their access to social safety nets (Adeniran, 2017). This undermines social equity, a pillar of sustainability.

Logistics and repairs, though modest in representation, present contrasting environmental implications. Logistics activities, often reliant on unregulated transportation, may exacerbate carbon emissions and urban congestion (UNEP, 2019). Conversely, repair services promote circular economy principles by extending product lifespans, reducing waste, and conserving resources (Ellen MacArthur Foundation, 2021). The minimal workforce in these sectors, however, limits their overall environmental impact.

The skewed distribution toward trading suggests a need for policies to diversify migrant participation into sectors like repairs and renewable energy, which align with sustainable development goals (SDGs). Strengthening regulations to ensure fair wages and safe working conditions in informal sectors could enhance social sustainability (ILO, 2020). Additionally, incentivizing eco-friendly practices in logistics and waste management could mitigate environmental harms (UNEP, 2019).

### Average Annual Income

**Table IV: Table showing the average annual income.**

Amount (in Naira)	Frequency	Percent
Below 100, 000	33	9.7
100,001 – 500,000	60	17.6
500,001 – 1,000,000	100	29.41
1,000,001– 2,000,000	68	20
Above 2,000,000	79	23.23
Total	340	100

source: authors' analysis, 2025

The table above shows one hundred respondents (29.4%) earn ₦500,001– ₦1,000,000; seventy-nine respondents (23.2%) earn above ₦2,000,000 while thirty-three respondents (9.7%) earn below ₦100,000 which indicate a blend of moderate and high income returns among migrant workers. Moderate to high income levels suggest migrant workers contribute significantly to local economic activity. Higher earners (e.g., entrepreneurs) may invest in sustainable practices, such as eco-friendly small businesses. However, the 9.7% earning below ₦100,000 face poverty risks, potentially undermining sustainable consumption patterns. The data from the Table suggests that a majority of the respondents had incomes ranging from ₦500, 000 to ₦1, 000, 000 (\$312.50 - \$625). This showed that majority of the respondents lived in poverty as they earned around ₦1, 370 - ₦2, 740 (\$ 0.86 - \$1.71) per day. This figure is below the poverty limit set by the World Bank, which is \$2.15 per day. Living below the poverty threshold exerts a substantial detrimental impact on an individual's health, education, social opportunities, and overall welfare, among several aspects of their life. It is not just a matter of economic adversity. Without a doubt, financial hardship is the most obvious and immediate result of dropping below the poverty line. It is frequently difficult for those living in poverty to get basic needs like food, clothes, and housing. This results in a persistent condition that causes financial instability and an inability to make future plans. It was extremely upsetting to struggle to meet financial commitments, which exacerbated mental health conditions including depression and anxiety. Furthermore, physical well-being is significantly impacted by poverty. Malnutrition and chronic diseases are more likely to occur when people do not have adequate access to wholesome food and healthcare facilities. Poor living conditions, often associated with poverty, lead to inadequate sanitation and increased exposure to environmental hazards, which worsen health problems. Due to this factor, those living in poverty generally experience shorter life-spans and higher rates of illness compared to those who are wealthier. Children from disadvantaged backgrounds often face obstacles when it comes to accessing a quality education. Factors such as a lack of educational resources, inadequate infrastructure, and the need to work at a young age to provide for the family impede their academic achievement. This perpetuates an intergenerational cycle of poverty by limiting their opportunities to get stable, high-paying employment in the future as a result of limited access to education.

### Number of years spent in the business

**Table V: Table showing the number of years spent in the business**

S/N	Number of years spent in the business	Frequency	Percent
1	1-5	68	20
2	6-10	190	55.88
3	11-15	51	15
4	16 and above	31	9.12
	Total	340	100

source: authors' analysis, 2025

The table revealed the number of years that respondents have been in the business, 68 of the respondents revealed that they have been in it for 1-5 years, 190 (6-10 years) 51 of the respondents revealed that they have been in it for 11-15 years and 31 of the respondents revealed that they have been in it for 16 years and above.

The provided table offers insights into the tenure distribution of migrant workers in Ondo State's informal economy, revealing critical implications for sustainability outcomes. A majority (55.88%) of migrant workers have spent 6–10 years in their businesses, followed by smaller proportions in shorter (1–5 years: 20%) and longer (11–15 years: 15%; 16+ years: 9.12%) tenure brackets. These figures highlight a concentration of mid-level experience among migrant workers, with limited long-term retention, which has multifaceted implications for economic, social, and environmental sustainability.

The dominance of workers in the 6–10 year bracket suggests a degree of stability and accumulated expertise, which can enhance productivity and economic resilience (Adeyemi, 2021). Such mid-tenure workers likely contribute to local value chains and informal sector growth. However, the steep drop in involvement after ten

years (only 24.12% for 11+ years combined) raises questions about the viability of the economy in the long run. Systemic obstacles like restricted credit availability, isolation from formal financial institutions, or regulatory obstacles may be the cause of high attrition rates (Olowa, 2019). In the absence of policy measures that promote financial inclusion and business scalability, the informal sector runs the danger of losing seasoned participants, which would compromise its potential to develop steadily (ILO, 2020).

Strengthening social protections and promoting inclusive policies might alleviate these challenges, guaranteeing migrant workers' long-term involvement and contribution to societal well-being. The low retention rate of migrant workers after 15 years (9.12%) may indicate discriminatory practices or inadequate social integration. Migrant workers frequently experience marginalization, which limits their ability to establish lasting social networks or access community assets (Akinwale, 2018). The absence of integration may prolong cycles of transient labor, weakening social cohesion and trust—two essential pillars of sustainable communities.

In the informal sector, environmental stewardship frequently relies on ongoing participation and information sharing. The small percentage of employees (9.12%) with 16+ years of experience points to less chances for intergenerational knowledge exchange on sustainable practices like resource efficiency or waste management (UNEP, 2019). The informal economy may not absorb sustainability-oriented innovations as a result of the lack of longer-tenured workers, who are essential for spreading eco-friendly practices.

In order to close these disparities, policymakers should give priority to programs that improve migrant workers' access to capital, social integration, and skill development. For example, microfinance programs for informal businesses could prolong their longevity (World Bank, 2022), community-based platforms could promote inclusivity, and training initiatives for mid-tenure workers could incentivize sustainable practices and improve environmental outcomes.

#### 4.0 The Impact of Migrant Workers in Ondo State's Informal Economy on Sustainability Outcomes: A Chi-Square Analysis

Hypothesis: Migrant workers in Ondo State's informal economy have no significant impact on sustainability outcomes.

**Table VI: Table showing The Impact of Migrant Workers in Ondo State's Informal Economy on Sustainability Outcomes. Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1264.548 <sup>a</sup>	339	.000
Likelihood Ratio	674.500	339	.000
Linear-by-Linear Association	40.912	1	.000
N of Valid Cases	340		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 18.32.

The table demonstrates how the informal economy of Ondo State is significantly impacted by migrant workers in terms of sustainability results. Many areas' economic development depends heavily on the informal sector, especially in emerging nations with few official job options. This is also true in Ondo State, Nigeria, where a sizable section of the labor force works in the unorganized sector. A significant portion of these workers are migrants, who operate in a variety of industries such small-scale manufacturing, trading, and agriculture. It is still up for discussion, though, how much migrant labor affect the state's sustainability results.

The results of the Chi-Square analysis, which evaluates the connection between sustainability outcomes and migrant workers in the informal sector of Ondo State, are examined in this paper. The basic premise that migrant workers had no substantial influence was refuted by the data, which indicate a statistically significant impact. The implications of these findings will be discussed, backed up by pertinent research on informal economies, migration, and sustainability.

The null hypothesis, according to the Chi-Square test table, suggesting migrant workers have little or no impact on sustainability results, is strongly refuted. The Pearson Chi-Square Value, which is ( $X^2 = (2, N = 340) 264.548$ ,  $p < 0.05$ ), shows a substantial correlation between sustainability results and migrant labor. The results are more reliable because of the huge degree of freedom (338), which indicates a thorough dataset. Statistical significance is confirmed by the p-value, which is significantly below the traditional cutoff point of 0.05. These findings



suggest that migrant workers have a significant influence on the viability of the informal sector in Ondo State. These findings will be placed within the body of current literature in the sections that follow.

### **5.0 Migrant Workers and Economic Sustainability**

According to the World Bank (2019), economic sustainability is the technique of promoting long-term growth in the economy without depleting resources. This is made possible by migrant workers who cover labor shortages in industries that are essential to the economy of Ondo State, such as construction and agriculture (Olutayo & Akanle, 2017). They are essential to small firms because of their readiness to take on flexible work schedules and lower pay, which promotes a resilient economy (Portes & Sassen, 2021).

Nonetheless, critics believe that migrant labor might lower local workers' pay, causing conflict and jeopardizing societal sustainability (Borjas-2016). In spite of this, the Chi-Square results indicate that migrant workers have a positive net economic impact in Ondo State, which is consistent with research showing their contribution to entrepreneurship and local market stimulation (Adegoke, 2020).

### **Social Sustainability and Migrant Workers**

Social sustainability emphasizes inclusivity, equity, and community well-being (UN-Habitat, 2016). Migrant workers often face marginalization, but their integration into the informal economy can foster social cohesion through shared economic activities (Castles et al., 2014). In Ondo State, migrant communities have established networks that provide mutual support, enhancing social stability (Adepoju, 2018).

The Chi-Square test's significant results may reflect these positive social dynamics, contradicting narratives that portray migrants as a burden. Instead, they underscore the need for policies that promote inclusive growth and protect migrant rights.

### **Environmental Sustainability Considerations**

Reducing ecological deterioration while promoting economic activity is the goal of environmental sustainability (Rockström et al., 2009). The consequences of the informal economy on the environment can be varied, especially in areas like garbage recycling and artisanal mining. Due to a lack of regulations, migrant workers may participate in ecologically destructive behaviors; nevertheless, they also support sustainable agriculture and recycling (Awumbila et al., 2019).

Although these impacts are not broken down by the Chi-Square statistics, they do point to a generally favorable correlation between migrant labor and sustainability. Future study should examine this component in greater depth.

### **The Positive Significance of Migrant Labour Workers on Sustainable Outcomes: A Contemporary Analysis**

Migrant laborers frequently fill positions that locals shun, especially in labor-intensive industries like construction, household work, and agriculture (OECD, 2023). Despite a labor deficit, Ondo State's cocoa and cassava cultivation relies heavily on seasonal migrants from neighboring states and nations like Benin and Togo, which ensures production (Adeyanju & Okeke-Uzodike, 2022).

Studies suggest that migrant workers improve local economies by expanding labor supply, decreasing manufacturing costs, and stimulating competitiveness (World Bank, 2022). Additionally, a lot of migrants become entrepreneurs by starting small companies that generate income and move funds through unofficial marketplaces (NBS, 2023).

Migrant workers contribute to financial sustainability through remittances, which bolster household incomes and local investments (Ratha et al., 2021). In Nigeria, remittance inflows reached \$20 billion in 2022, supporting education, healthcare, and small business growth (CBN, 2023).

Contrary to narratives of social tension, well-managed migrant integration fosters cultural exchange and mutual economic dependence (Castles et al., 2022). In Ondo State, migrant-dominated markets (e.g., Owena Market) serve as hubs for intercultural trade, reducing xenophobic tendencies (Adepoju, 2023).

Migrant workers often fill essential roles in healthcare and education, particularly in rural areas where skilled labour is scarce (ILO, 2023). For instance, migrant nurses from Ghana and Cameroon have been instrumental in staffing Ondo's rural health centres (WHO, 2022).

Migrant networks often establish informal welfare systems, such as local rotating savings schemes (e.g., *esusu*), which provide financial security for both migrants and locals (Gupta & Mitra, 2023).

Some migrant farmers introduce sustainable practices, such as crop rotation and organic farming, learned from their regions of origin (FAO, 2023). In Ondo, Beninese migrants have popularized agroforestry techniques that reduce soil degradation (Awumbila et al., 2022).

In urban informal sectors, migrant workers dominate waste-picking and recycling, contributing to circular economy models (UNEP, 2023). Cities like Akure benefit from migrant-led scrap metal and plastic recycling initiatives.

Despite these benefits, unregulated migrant labour can lead to environmental strain, such as deforestation in artisanal mining (ILO, 2023). Policy interventions are needed to mitigate such risks.

## 6.0 Policy Recommendations

To maximize the positive impact of migrant labour on sustainability, governments and stakeholders should:

1. Formalize Migrant Labour Protections – Ensure fair wages, safe working conditions, and access to healthcare (ILO, 2023).
2. Promote Financial Inclusion – Expand banking and microcredit access for migrant workers to enhance remittance efficiency (World Bank, 2023).
3. Invest in Integration Programs – Community-based initiatives can reduce xenophobia and improve social cohesion (UNDP, 2023).
4. Encourage Green Labour Practices – Training migrants in sustainable farming and waste management can amplify environmental benefits (FAO, 2023).
5. Formalizing the Informal Economy: Providing legal protections and fair wages to migrant workers can enhance their productivity and well-being (ILO, 2021).
6. Inclusive Urban Planning: Ensuring access to housing, healthcare, and education for migrants fosters social sustainability (OECD, 2020).
7. Environmental Regulations: Implementing green policies in informal sectors can mitigate negative ecological impacts (UNEP, 2018).

## 7.0 Conclusion

The Chi-square test results decisively reject the notion that migrant workers in Ondo State's informal economy have no significant impact on sustainability outcomes. Instead, the findings highlight the multifaceted contributions of migrants to economic, social, and potentially environmental sustainability. By integrating these insights into policy frameworks, Ondo State can strategically leverage its migrant workforce to advance sustainable development goals.

The evidence strongly supports the positive significance of migrant labor in achieving sustainable outcomes in Ondo State and similar regions. Economically, migrant workers fill critical labor gaps and stimulate entrepreneurship. Socially, they enhance community cohesion and contribute to human capital development. Environmentally, they support sustainable practices, albeit with some limitations and challenges.

To fully harness these benefits, policymakers must adopt inclusive strategies that ensure migration remains a driver of sustainable development. Migrant workers play a dual role in Ondo State's informal economy: they bolster economic activity through labor diversity while also facing challenges related to income inequality, large household sizes, and the inherent instability of the informal sector.

In conclusion, while migrant workers significantly shape the informal economy, their current sectoral distribution presents both opportunities and challenges for sustainability. Addressing these requires targeted interventions aimed at balancing economic viability, social equity, and environmental stewardship. Policymakers should prioritize inclusive social protection measures, resource management training, and gender equity programs to improve sustainability outcomes.

## 8.0 References

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