

CHAPTER-ONE

INTRODUCTION

1.1. General Background

Now a days remittance is one of the important sources of national income of developing countries like Nepal. Remittance has a great portion of total income. Therefore it has significantly contributed to the development of the country. Remittance is being played the roles for infrastructure development, social development and economic development of the country. Various types of entrepreneurial activities are promoted at local level with the growth of amount of remittance. Similarly, remittance has contributed to construction of temple, local routes, schools, parks, etc. cooperatives like saving and credit and multipurposes are established and operated at local levels. Remittance has vital role for such types of social and economic development of Nepal. Although government of Nepal has no proper and specific policy and system for utilizing remittance, it has multi-dimensional possibility of overall economic development and industrialization with mobilization of remittance amount.

Trade deficit was high as Rs 82 billion during the period 2003/04 in 2004/05 Rs 90 billion and currently estimated to be high as more than Rs 100 billion (more than 22 percent of the total GDP). Fiscal deficit is estimated to be 8.9 percent of GDP as overall budget deficit is around 5.2 percent of GDP in 2005. Although open employment is relatively low, underemployment or disguised unemployment is as high as 50 percent (Dahal, 2004). Such a trade deficit cuts down economic as well as social development. Unemployment and lower amount at investment affects negatively in the process of establishment of community based as well as small business in the rural areas also. In such situation, remittance may have important role for the purpose of social development. Many Nepalese people are being worked in various countries.

Although foreign employment for Nepalese people has long history, foreign labor migration and remittance have emerged over that last decades as a prominent feature of Nepalese economy. It was started before early nineteenth century when the first Nepalese traveled to Lahore to join army of Sikh Ruler Ranjit Sing; formally it was

started after Anglo-Nepal friendship treaty of 1816 that recruited 3000 Nepalese soldiers in British Gorkha Regiment Dahal (ibid).

There is close relation between remittance and development. Remittance primarily has positive impact on development. Increase in remittance amount makes additions in total national income of the countries. It increases amount of consumption which has positive influence in development. Small business development, establishment of cooperatives, establishment of community based institutions is promoted by the increment of remittance in Nepal. Therefore remittance can play important role for improving human development index also.

1.2 Statement of Problem

In the twenty first century, the age of globalization remittance has become a cornerstone of development for any developing country. The magnitude may differ but the role of the remittance to the development can't be denied. The developing countries in this age can't even take a foot path ahead without external assistance like remittance and the foreign aid. In the case of Nepal, in this present situation of post war the one and only source of economic stabilization and growth rate remittance is remittance income. According to CBS Nepal's per capita income is US \$ 740 (CBS, 2011/12) which is only due to the increasing trend of remittance income.

Since many years foreign employment rate is increasing, but most of the unskilled labor had gone to foreign land. Nepalese labor force seeking foreign employment having very low level of technical education and formal training. They are compelled to take risky, difficult and dirty work in foreign country. Slowly, training institute is being established in Nepal to develop skills on individuals who are seeking foreign employment so that earning capacity of the employed can be increased. But these institutions are fancy. Individual seeking foreign employment are spending large amount of money as a cost for employment. The cost includes passport fee, Medical charge and visa fee, air fare and commission to the employment agency. To finance the employment individual have to depend on several source of funds which included internal saving, borrowing from the relative, funds received from the sales of fixed assets like land and animals, borrowing from money lenders etc. formal financial institutions like banks, co-operatives and finance companies do not provide loan easily. It is very difficult to arrange the funds

needed to foreign employment by people coming from lower income calss (Karki, 2006).

One of the stagnant situations in over all development each improper in efficient use of remittance the National Planning Commission has also given priority for improvement in foreign employment and proper use of the remittance. In this regard thus study is designed to address the following questions, which are related to remittance and it's proper economic use:

- i) What is the total amount of remittance received in the study area?
- ii) What is the countribution of remittance in development of Devdaha VDC?
- iii) What is the condition of outgoing labors migrated from this VDC?
- iv) What are the major problems for foreign employment?

1.3 Objective of the Study

The main objective of the study is to analyze the role of the remittance in Development of the study area. Beside this, the specific objective of this study is as follows:

- i) To identify nature and volume of remittance in the study area.
- ii) To identify the uses of remittance in different sectors.
- iii) To identify and analyze about whether remittance is contributing development.
- iv) To identify the socio-economic status of the study area.

1.4 Significance of the Study

This study provides knowledge about the trend of using remittance. It provides information about collection of remittance and its effect in society. Similary there is empireical significant of the study. It may be helpful for proper use of remittance amount in social development.

In the past the kind of job of Nepalese workers used to get abroad was only the armed force. After the restoration of democracy international job market was open in the forty countries. Thus in the new phenomenon of entering in to the WTO efficient and skilled

labor force is required and diversification in the skill and destination. This study is also concentrate on the role of remittances in rural Nepal and guide to make it more helpful in eradicating rural poverty and increasing the capacity of the labor force.

If we try to analyze the present man power of Nepal about seventy percent of the educated man power is migrated for work. Some of them are coming back to Nepal and some of them are setting there forever but all of them are sending money from there for their family and relatives. So the remittance is coming for all over the world to Nepal where the Nepalese people are migrated. Certainly the amount of remittance is helping Nepalese economy to reduce the poverty level. When we compare the poverty level as well as the living standard of the migrated family and non migrated family the migrated people's family is in high condition of living standard or they are feeling very comfortable to fulfill their basic needs for their existence.

But most of the remittance income is use in the unproductive fields like house building, land perching of luxuries goods and consumption etc. therefore the remittance income is not playing actual role for the development of the country as well as the reduction of the poverty level of entire country. In other words, in this days the remittance income is using in the advantage of the migrated people and their family only. If the remittance income is invested in the productive sector like industries development activities etc., then only the effect of that remittance income can be felt by other citizenship of Nepal.

1.5 Organization of the Study

This study has been organized in five chapters. The first chapter is introductory chapter, which includes general background, statement of problem, objective of study, significance of study and organization of study. The second chapter review of literature is concerned with theoretical an empirical review. The third chapter explains the research methodology in the present study. The fourth chapter explains the volume of remitacne its use and contribution in the study area. Similarly, it focuses on the socio-economic status of the study area foreign employment and remittance economy in Nepal. The fifth chapter inclues the summary and conclusion of the study.

CHAPTER-TWO

REVIEW OF LETERTURE

There are serveral studies for causes to emigration, its eco-consequences either they are in the form of book articles. That means study about the matter by finding the books, articles, newspaper, and thesis report etc. They are published in the past. This chapter helps to take adequate feedback to boarder the information base and inputs to the study. Since there are not so much adequate study materials related with this topic published in Nepal.

2.1 Volume of remittance

Remittance means the transferring money from one place to another. Generally remittance refers to that portion of migrant's earning sent from the migration destination to the place of origin. Even though they can also be sent in kind, the term the “Remittances” is normally imitated to donate monetary and other cash transfers transmitted by migrant workers to their familes and communities (NRB, 2011). In this way, remittance is the amount transferred by workers abroad to support their families, back home. In the actual sense, present day Nepalese economy is characterized by “Remittance Economy”. It starts from the beginning of world war in which Nepalese fought not for the protection of there homeland but in course of fulfilling duty in which they engaged. At the time of British rule in India, those days when “Nawabs” of Lacknow were watching helplessly the loot of their huge wealth by the Nepali Soldiers the possessions thus receive went to the treasury of the rules but the salary of the soldiers received formed the part to support their families. Remittance business is created by the foreign employment that has the long experiences in Nepal. For the foreign employment Nepalese people are engaged before some centuries. The Nepalese were able to the name “Brave Soldier” during the world war. Nepalese people are earned a name and fame for the fighting the victory in the war so that are called as “Bir Gorkhali”. The Nepali migrants are called “Lahure” because they employed and earned money in Lahore which is in Pakistan now. Some of the Nepalese earned money in Malaysia so they are called “Malayako Lahure”. According to study conducted by prof. Seddon, Jagannath Adhikari and Ganesh Madhesie entitled “Foreign Labor Migration and the Remittance Economy of Nepal” DFID (Department for International

Development of the British Government) in the year 2005, nearly Rs. 69 billion was remittance by the Nepalese working in foreign countries in 1997. Of this, nearly 40 billion came from an estimated one million Nepalese working in India whereas the rest “Nearly Rs 29 billion” come from people working in other parts of the world.

From the past 14 years up to now, about 1.4 million people are migrated to other countries in the search of employment. Even though, the number of people migrated directly with the permission of government is one million but estimation of the same number of people is migrated from individual level and from the medium of other tired countries. According to the data provided by the Labor and employment promotion department up to the data the total of 9 lakh 63 thousands 7 hundreds and 8 people are migrated for work. According to the same data about 370061 people are migrated to Malaysia, about 264191 people to Qatar, about 186728 to Saudi Arabia, 106097 people are to UAE, 6378 people to south Korea, summing up all of 9 lakh 33 thousand people are migrated to these countries for work. Rests of the people are migrated to the other countries.

According to the president of Nepal Foreign Employment Association, Tilak Ranabhat, the total of about 9,78,125 people from Nepal migrated to the other countries for the search of the employment by both either through the formal or informal mediums (2008/09). According to the Foreign Employment Department Mohan Krishna Sapkota, Nepalese people are migrated to other countries because they can get the desired work there and also they can earn more money than in the native country. According to the government data maximum of 165,000 people are migrated in the year 2062/63. The number of people going to the foreign employment are not decreasing after the restoration of peace in Nepal also. In the period of one month (Jestha 2065/66) thousand people are migrated to the foreign employment. Generally same-skilled people are migrating to the gulf countries like Qatar, Malaysia, UAE, etc. and the literate and skilled labors are migrating to the countries like South Korea, Israel, Cyprus, Hong Kong etc. The government opened 107 countries for the foreign employment of Nepalese labors but labor-contact was signed with Qatar, UAE, and Korea etc. E.G. Ravenstein, (1885) was the first person to attempt forming migration theory. Ravenstein “Law of migration” is also known as, pull-push factors of migration still predominates as framework of migration analysis. According to him push factors are Land tenure system, on favorable from of Trade, Wide dispersion poverty and income, pressure of rural poverty in general

and so on. Pull factors are employment, education and other facilities are opportunities known as bright light of town. On the other hand push factor pushes the migrants from their place of birth and on the other hand pull factors pull the migration to the place of destination.

Todaro (1979) stated that migration is stimulated primarily by rational economic consideration of relative benefit which is mostly financial. Decision to migrate is influenced by the difference between expected incomes between two places, the ODDS; probability of getting job in new area is inversely related to employment rate in the new area.

According to the Nepal Living Standard Survey NLSS (1996) 23 percent of all households surveyed received remittances. In the rural areas the proportion of household receiving remittances was 24 percent. Similarly, 38 percent of all remittances came from India, (33 percent from other rural areas within Nepal and 25 percent from urban areas within Nepal). Remittances from the other countries other than India accounted for nearly 3 percent of all remittances. In the rural areas, 40 percent come from India, 3 percent from other countries and around 58 percent elsewhere in Nepal. Besides traditional sources like salaries and pensions of Gorkha's soldiers servicing in British and India army, thousands of Nepalese, some of them engaged in "D" jobs (That is Dangerous, Dirty & Difficult) are sending billions of rupees back home. This has emerged as vibrant sectors of the country's economy (www.nepalnews.com.np/ntimes.issue169/economy).

2.2 Role of Remittance to reduce poverty

The first attempt to define and quantify the level of poverty of Nepal was made by National Planning Commission (NPC) in 1976/77 through a survey on Employment income distribution and consumption patterns, the minimum subsistence level of poverty line. An income Rs. 2 per capita per day 1976/77 price was taken as the minimum subsistence level. This level was based on the expenditure required to buy food, giving average daily intake 2144 calories (NLSS 2003/04) and value of the lowest actual daily consumption of other basic necessities. This criterion at that time has given poverty estimated 40.3 percent (Meeting the challenges 1992). This emphasizes the existence of several poverty in south Asia block. It has used various social indicators to

analyze and compare the level of poverty in SAARC countries the major social indicators use for analysis are population, population education enrollment, income level employment status, expenditure level etc.

Special the research report of NRB (2009) conducted by the study section of NRB entitled “Foreign employment Remittance Economy and Nepal” states that the migration of Nepalese workers starts after 1816’s peace treaty between Nepal and Britain. Most of the people of that time are migrated to work in the British regiments. This study examines about the historical perspectives, present condition, the trend and dimension of Remittance, the problem associated with the remittance and its measurements, the use of the gained money as well as the skills, the investment pattern of that remittance and also the employment. It also examines about the Nepalese foreign employment system and its objective, with other questions related with the remittance. This study concludes that apart from India, about 86 percent of the people migrated to gulf countries like, Malaysia, Saudi Arab, Qatar, Dubai, etc. Rest percent are migrated to the other countries of the world. This study examine and about the role of manpower agencies in the field of foreign employment. This study concludes that even through the role of manpower agencies is obtaining work permit, government acceptance letter, tickets etc is very helppul but most of the manpower agencies of Nepal are looting the people in the name of foreign employment.

This research report found in its conclusion that the condition of family is improved who has remittance as the source of income. If may be in both aspect i.e. social development as well as economic development. Although larger amount of ramittance is used for household expenses, positive changes have taken place in the development. There is positive result in the situation of living standard, economic status, social status.

2.3 Trend of remittance income

According to the analysis of data obtained from this research the main conclusions about the remittance income and its trend are as follows:

Most of grated people are from the agriculture and livestock sector (71.3 percent) where they can not get the required amount of money and food from their protection form their existence.

About 26.7 percent of the people are earning less than rupees 50 thousands per year, about 28.8 percent people are getting from rupees 50 thousands to rupees 1 lakhs about 12.5 percent people are getting from rupees 1 lakhs to rupees 15 lakhs and about 31.9 percent people are getting more than rupees 15 lakhs from abroad migration.

Among the migrated people most are migrated to India (24 percent), Saudi Arabia (16.3 percent), Qatar (6.88 percent), UAE (5.6 percent) and only 1 percent to 5 percent are migrated to the other developed countries like Japan, Germany, Korea and America. Most of the migrated people are in the age of between 26 year to 40 year (60 percent), 24 percent are above age 41 years and 16 percent below 25 years. This clearly shows that, most of the migrated people are young.

About 80 percent of the migrated people are using their money for purchasing of house and land, for household expenses, for buying ornaments and other luxurious goods, education of their child etc. Which use unproductive sectors.

Most of the migrated people are getting the salary Rs. 10,000 to Rs. 50,000 and some of them are getting more then Rs. 50,000. The study shows that about 49.9 percent are getting up to Rs. 10,000, about 20.6 percent people are getting from 10,000 to 25,000 about 31.8 percent of the migrated people are getting up to 50,000 about 16.2 percent people are getting more than Rs. 50,000.

While comparing the states of income of work of the migrated people to India with other countries it is clearly seen that, most of the people migrated to India are absolute poor, they are in the problem of fulfilling their basic need, and they are uneducated and unskilled labor whose salary is relatively very low. Where as the people migrated to the other countries are very much educated and their salary is relatively very high comparing to those people. In other words, the people can't pay expenses other countries going to India for works.

This research report also has some suggestions and recommendations for the improvement of the foreign employment sectors as well as to rise to productivity of the remittance income. Which are like, the government should be clear about the agencies related the foreign employment, the like agency of the government, and other private

sectors and non-government organization also should be clear about their foreign employment policy of Nepal. There should be a good cooperation between ministry of finance, Nepal Rastra Bank (NRB), department of Labor, Central Bureau of Statistics (CBS) and Depart of Tourism. There should be a strong policy to increase the investment from that remittances income in Nepal. The government should open the labor offices in the countries like Malaysia, Qatar, UAE etc, where more than 5,000 thousands Nepalese people are migrated for work. The present system of brokers in the foreign employment sectors be replaced. There should be strong observation to the foreign employment sector agencies about whether they are following all the rules and regulations of the government as well as “Foreign Employment Act 1992”, which has fixed the minimum wage is US \$ 125. There should be foreign employment information centers in all the regions of the country to give actual suggestions and recommendations for those who are in foreign employment interested.

Karki (2006) in this dissertation, “Foreign employment and Remittance Economy of Nepal. A case study of Dhuseni V.D.C., Illam District” has attempted to indentify the impact of foreign employment and remittance in rural community in the study area. Moreover he aslo tried to identify the past trend of foreign employment and remittance of Nepal, Socio-economic charters of Foreign employees, sources of Financing and cost for foreign employment, change brought by foreign employment and remittance in household economy and uses of remittance.

Thus, the study has concluded that the main destination of Nepalese worker is Gulf countries and Malaysia. Sixty percent of total are in Gulf countries. The main countries are Saudi-Arabia, Qatar, UAE and Malaysia etc. The remittance is in increased in the year 2003/04 by 36% wile base year was 1994/95. The contribution of remittance of GDP in 2003/04 was 11.44 percent and the share of remittance in convertible foreign exchange reserve was accounted by 46.9% in 2003/04. The average cost for foreign employment was Rs. 93.25 thousands. It ranges between Rs. 45 thousand minimum to Rs. 150 thousand maximum. Source of financing for foreign employment for 90.25 percent migrant workers was borrowings. The major sector of employment for Nepalese workers was building construction (41.66 percent) and Industry (26.38 percent). The Nepalese workers average stay duration was 2.66 years. Most of them respondents of that study area want to go again becuase of the unemployment (70.85 percent) and conflict (36.11 percent). Out of causes maximum respondents of Brahmin/Chhetri were

suffering from the conflict problem. The study summaries that remittance has increase their household economic and social indicators after returning from foreign employment. Around 55 percent respondents said that remittances have changed their economic status and standard of living and around 72 percent said that it has increased their social attitude and around 90 percent respondent's skill. But around 36 percent respondents said that economic status has been same, 44 percent have remained same standard of living, and 27 percent said that it remained their social attitude same and 9 percent said that remained same level of skill after returning from the foreign employment. Around 77 percent respondents improve their clothing and 33 percent increased their cash available according to the field resources. But around 15 percent respondents have worsened their education of children, health of family members and cash available and around 36 percent respondents have same level of children and health of family members, around 47 to 50 percent have same level of cloth and cash available.

The study has some recommendations for the betterment of the foreign employment sector. These are, policy should be made to solve the conflict situation, create good environment and provided sufficient technology as well as market, give more information to the respondents, technical training institution should be established in rural areas, the required funds should be provided by the government sector for the people who can't afford foreign employment should be declared by the government etc.

Trends in Foreign Employment: There was little information on the number of Nepali migrant workers and their contribution to the national economy until a survey was undertaken in 1997. According to the results of the survey, the number of migrant workers at that time was estimated at 100,000 working in 25 countries except India and sending home Rs. 29 billion in remittance. Today, this number exceeds 200,000 in annual departures to more than 105 countries. The only country banned for Nepali migrant workers looking for jobs. India is not included in the official figures for a number of reason, the most significant of which is the open border that requires neither passport nor visa for the Nepali and Indian nationals: Since there is no system of registration, the flow of migrant workers in between Nepal and India is at best guess estimate (Madhesi, 2009).

The impact will be severe if the present trend continues as remittance contributes significantly to the household income. According to the Second Nepal Labor Force Survey, every household received remittance income of Rs. 65,755 in 2008. This reality is reflected in the data that show that the incidence of poverty has declined from 42% in 1995-96 to 31% in 2003/04, a decline of almost 11 percentage points. ¹⁵ This decline is largely attributed to foreign employment and remittance income, which makes nearly 20% of the GDP. Other factors responsible for the decline in poverty rate are, in addition to remittance, fast growing urbanization, increase in average wage in the agriculture sector, and increase in the number of economically active population.

A study in 2002 by the Nepal Rastra Bank on the impact of remittance was undertaken in 10 districts across the country with a total of 160 households. The study found that the remittance income went invested mainly on household purposes purchase of land, purchase and maintenance of new houses, paying off loans, deposit cash in bank and finally invest for business purpose. Some returnee migrants have also invested their savings in business ventures. For example, some hotels and industries in operation in Pokhara valley has been possible as a result of the remittance income.

As a result of this study, the central bank began formulating and implementing policies focused on remittance. Since 29 March 2009, it has been issuing licenses to private sector organizations for remittance transfer business. It was agreed that the private firms will be allowed to charge 15 paisa per US dollar thus transmitted. It was also provided that the commercial banks would provide a loan of up to Rs. 100,000 to the prospective migrant workers (Sharma and Madhesi 24 Sep 2009).

The flow of remittance is voluminous in small economics of some districts with high volume of remittance. According to a news report, people in Myagdi district in western Nepal have problems getting their cash payments on the eve of the Dasain festival. The daily cash demand in the district exceeds Rs. 50 million but the banks have been able to pay only Rs. 500,000 a day. It is estimated that nearly 80% of the household depend on remittance income. Myagdi district receives Rs. 80 million in monthly remittances sent by migrant workers from the district. ¹⁶ In another instance, Gulmi district received Rs. 12.5 million in daily, remittance during the Hindu festival of Dashain in September 2009 (Kantipur 24 Sep 2009).

The remittance income has been growing over the years, as shown in the table 2 below. Increased from Rs. 4,722 million in 2002/03 to Rs. 18,301 million in 2009/10. This figure includes remittances sent through formal banking channels only. There is no data on the remittance by gender. A study in 2007 noted that the contribution of women to total remittance inflow amounts to more than 10%. This calculation is mainly based on the assumption that women make nearly 10% of the migrant workers, their contribution to remittance income least their share in the total number of migrant workers. The same study found that high propensity of saving among women and their greater participation compared to men in migration high income countries like Hong Kong, Japan, United State and United Kingdom meant relatively higher contribution to remittance (Nepal Institute of Development Studies, 2007).

According to Ministry of Finance record the upsurge in remittances has led to a surplus in the current account, thereby strengthening the overall balance of payments (BoP) position. The share of remittances in total current receipts, for instance, soared from 33.6% in 2002/03 to 50.8% in 2008/09 as shown below contribution to the GDP has also been substantial. The overall BoP posted a significant Rs. 37.7 billion in 2009/10 compared to a lower surplus of Rs. 29.7 billion in 2008/09 current account also recorded a massive surplus of Rs. 41.4 billion compared to a surplus Rs. 23.7 billion in 2008/09. This was largely attributed to the rise in net transfers by 36.5%. Under transfers, workers' remittances increased by 47.0% in 2009/10 compared to a growth 42.5% in the previous year. In mid-July 2010, the gross foreign exchange reserves stood Rs. 280.0 billion, an increase of 31.7% compared to the level as at mid-July 2009. On the US dollar, gross foreign exchange reserves went up by 15.6% to US\$ 3.59 billion in mid-2010. The current level of reserves is adequate for financing merchandise imports of 11.8 months, and merchandise and service imports of 9.7 months.

Table 2.3
Remittance flow

Heading	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Total remittances (in million NPR)	4,722	4,754	5,420	5,859	6,554	9,769	10,014	18,301
Share of remittances to current a/c receipts excluding grants (in %)	33.6	37.8	36.6	38.2	46.7	45.3	50.8	-
Ratio of remittances to GDP (in %)	10.3	11.0	10.9	11.1	14.9	13.8	17.4	19.1

Source: Ministry of Finance , July 2014.

CHAPTER-THREE

RESEARCH METHODOLOGY

3.1 Research Design

This is a case study of Devdaha VDC. It is a micro level study. This is analytical as well as descriptive type of research design. The main objective is to review the role of remittance income, therefore, the required data to meet the objectives of this study are taken from the primary as well as secondary sources. The simple statistical as well as scientific tools are used to describe and analyze the result.

3.2 Nature and Sources of Data

The study entitled “Role of remittance in Development” is the case study of Devedaha VDC of Rupandehi. Basically, the study is based on the primary data. Field survey is the main source of primary data. Similarly, secondary data like economic survey and village profile are the basis in the study. It has focused the factual and qualitative or quantitative data. The collected data are processed according to the need of study.

3.3 Sample Selection Procedure

In Devedaha VDC, there are 805 households and total population is 4288. Among them the working age population is only 2148 (the Population aged between 15 years to 60 years is categorized into the working age population). Among the total no. of households are migrated to foreign country in 2067/068 B.S. Among the total population about 20 percent of the people are migrated to another place. Among them about 36.3 percent of people are migrated for their further studies and about 43.7 percent of people are migrated for work. From 805 total households in the study area, about 270 households are migrated for study and work purpose. 104 households are selected by using simple random sampling method.

Table 3.3
Sample size of represents' household of Devedaha VDC

Ward No.	Total number of Households	No. of Emigrant Household	Number of sampled Households
1	87	59	12
5	102	82	13
6	114	88	15
7	88	43	10
2	53	24	8
3	49	32	9
4	129	69	12
5	68	29	11
6	115	84	14
Total	805	510	105

Source: VDC Profile 2013, field survey 2014.

The sample is selected on simple random basis.

3.4 Data Analysis

While analyzing the data, the available data from the various sources is collected, classified and tabulated to meet the needs of the study. Data are studied comparatively to get required results about of that remittance income and the effect of that remittance income in the research area.

3.5 Limitation of the Study

The study has following limitations:

- i. The study is focused in the particular area of Devdaha V.D.C. Rupandehi district to determine the poverty as well as the amount of remittance income in micro level.
- ii. This study is based in smaple size of study area. It may be helpful to make general conclusion.
- iii. Price of all commodities is calculated on the current price.
- iv. Only economic variables such as income, and wealth inequalities are analysed.
- v. The value of self produced goods consumption rest of the self occupied household working charge (labor charge) on their own land is ignored.

CHAPTER-FOUR

PRESENTATION AND ANALYSIS OF DATA

This chapter is all about the description of the volume of remittance in the study area, uses of remittance in different sectors contribution of remittance in development, social characteristic of the respondents, status of economic condition, occupation causes to seek foreign employment, medium used to obtain foreign employment, destination, duration of stay in abroad, income earned in abroad, system of transfer remittance income, uses of remittance income and the effect of the remittance in the poverty situation and send in the life status of the family of the migrated worker etc. In other words, this chapter deals with all the data related to the topic which are collected in the field survey.

Devedaha V.D.C., many people are living below poverty line. 30 percent of the people in this VDC are rated poor. These people are not able to fulfill their basic needs. Their health status is not that satisfactory. Their children are not getting the proper opportunity for education. They are having a low level of living standard.

In the study area, remittance income has an effective approach in reducing the poverty. The living standard of the people is gradually changing. People are now getting the proper health facilities and their educational status is also gradually increasing. The income of the family has been raised up, ultimately uplifting the living standard of the people living under the poverty line.

4.1 Income Status

Majority of the people in this VDC are largely involved in the agriculture while others are involved in other sectors such as trade, service, business etc. whereas the major contribution in the economic status of this VDC is due to the remittance income coming from peoples migrated abroad. The general income scenario of the study area before the respondents actually migrated a presented in the following table:

Table 4.1**Income status of the people from Devdaha VDC before going abroad**

Cast/Ethnic	No. of Household	Earning per month (in thousand)				
		Below-5	5-10	10-20	20-50	Above 50
Brahmin/Chhetri	36	10	6	9	7	4
Tharu	48	16	17	7	2	6
Madhesi	10	5	4	1	-	-
Kami/Damai	2	1	1	-	-	-
Others	8	2	3	1	1	-
Total	104	34	31	18	10	10

Source: Field Survey 2014.

The above table 4.1 presents the overall scenario of the people in Devdaha VDC, based on the cast of the households. It is clearly seen that 34 out of total household were receiving less than Rs. 5000 per month. Out of total of 104 households 31 stated that income of be between 5 thousands and 10 thousands. 18 households were found to have their monthly income between 10 thousands to 20 thousands. 10 of the households stated their income to be in between 20 and 50 thousands regularly each month. The number of households receiving the regular monthly income of more than Rs. 50 thousands was 10.

The above table 4.1 gives the castes wise scenario of the income status of the people. Brahmin/Chhetri and Tharu were found to be possessing better economic status. Households receiving more than Rs. 20 thousand monthly were entirely from Brahmin and Tharu. People belonging to the castes Madhesi, Kami/Damai and others were found to be possessing lower income status as compared with Brahmin and Tharu.

4.2 Present income status of the study Area

The proceeding table 4.2 presented the income level of the households before they were actually migrated. After their migration, the remittance they had brought have actually changed their level of income, their living standard, education, health, etc. and in the overall scenario the level of poverty of the study area has decreased. The Following table presents the level of the actual income received by the people after getting the remittance income.

Table 4.2
Income status of the people from Devehada VDC after getting the remittance income

Cast/Ethnic	No. of Household	Earning per month (in thousand)				
		Upto-5	5-20	20-50	50-100	Above 100
Brahmin/Chhetri	36	2	16	11	6	1
Tharu	48	6	29	10	2	1
Madhesi	10	2	5	2	1	-
Kami/Damai	2	-	1	1	-	-
Others	8	-	4	2	2	-
Total	104	10	55	26	11	2

Source: Field Survey 2014.

The above table 4.2 explains the increased income level the households after receiving the remittance income, People are getting higher amount of income per month due to the remittance income they are actually receiving. There were no households receiving more than Rs. 1 lakh monthly previously but there are 2 rows now. Households receiving in between 50 household to one lakh increased from 10 to 11. The households receiving in between 20 to 50 there were 10 which has been increased to 26. Households getting in between 5 to 20 households have increased to 49 from 55. While the number of households receiving less than 5 thousands has been decreased to 10 from 34. This figure clearly shows the rise in the level of income the people after receiving the remittance in the Devedaha V.D.C.

4.3 Volume of Remittance

Table 4.3
Total remittance (in rupees) of the related groups in the study area

Cast/Ethnic Group	No of Household	Remittance Income	Percentage of Total Remittance
Brahmin/Chhetri	36	10620000.00	39.15
Tharu	48	11310624.00	41.70
Madhesi	10	2605680.00	9.61
Kami/Damai	2	542000.00	2
Others	8	2046104.00	7.54
Total	104	27124408.00	100

Source: Field Survey 2014.

Among the various ethnic groups of the study area, total remittance income for the period is Rs. 27124408. In castewise distribution, the highest portion of remittance is collected by Brahmin/Chhetri caste. The lowest portion is collected by Kami/Damai in the study area. The data shows the similar reflection to the whole situation of the country.

4.4 Uses of Remittance Income

Table 4.4

Uses of remittance amount (in rupees) in different sectors

Cast/Ethnic Group	No of Household	Education (amount & %)	Health (amount & %)	Other household (amount & %)	Development (amount & %)
Brahmin/Chhetri	36	2124000.00 (20%)	955800.00 (9%)	4885200.00 (46%)	2655000.00 (25%)
Tharu	48	1583487.00 (14%)	1244169.00 (11%)	6333949.00 (56%)	2149019.00 (19%)
Madhesi	10	599306.00 (23%)	260568.00 (10%)	1537351.00 (59%)	208454.00 (8%)
Kami/Damai	2	37940.00 (7%)	27100.00 (5%)	428180.00 (79%)	48780.00 (9%)
Others	8	511526.00 (25%)	245532.00 (12%)	920747.00 (45%)	368298.00 (18%)
Total	104	4856259.00	2733169.00	14105427.00	5429551.00

Source: Field Survey 2014.

Int the study area Madhesi ethnic group has spent the highest portion of remittances i.e. 23% and the lowest portion 7% is spent by Kami/Damai in education. In health, others spent the highest and Kami/Damai has the lowest expenses in the same sector. In development, Brahim/Chhetri ethnic group has the highest and Madhesi has the lowest contribution.

4.5 Contribution of Remittance to Development

Table 4.5

Contribution of remittance to development in the study area

Cast/Ethnic Group	No of Household	Total Remittance (rupees)	Total Contribution in Development Sector (rupees)	Percentage Contribution in Development (%)
Brahmin/Chhetri	36	10620000.00	2655000.00	25
Tharu	48	11310624.00	2149019.00	19
Madhesi	10	2605680.00	208454.00	8
Kami/Damai	2	542000.00	48780.00	9
Others	8	2046104.00	368298.00	18
Total	104	27124408.00	5429551.00	100

Source: Field Survey 2014.

According to the above table 4.5, there is significant contribution of remittance to development. According to field survey, people have mainly contributed to the social development, health and sanitation, establishing cooperatives, construction of temple, roads and schools. Brahmin/Chhetri contributed the largest percentage of their remittance and Madhesi ethnic group has the lowest contribution in the development sectors.

4.6 People's Approach to Education

As compare to the district level of literacy rate it is quite higher in Devdaha V.D.C. showing 79 percent of literacy which is only 68 percent in district level. The approach of the people to the education has increased and the literacy rate is increasing. The increased rate of remittance income also has increased the approach of people to the private education institution which is comparatively expensive. The following table shows the education status of the people of the study area before the respondents were actually abroad.

Table 4.6**Education status of the Devedaha VDC (6 Years before)**

Educational Status	Male		Female		Total Population	Total Percent
	No.	Percentage	No.	Percentage		
Illiterate	63	34.7	103	48.3	166	42.2
Literate	29	15.9	38	17.8	67	16.6
Education up to IA	68	37.3	59	27.7	127	32.1
Well educated	22	12.1	13	6.2	35	9.0
Total	182	100	213	100	395	100

Source: Field Survey 2014.

The above table 4.6 presents the educational status of the people of the Devdaha V.D.C. before 6 years. It present the literacy rate was 57.9 percent. It also presents that the no. of well educated people is only 8.86 percent. People educated up to IA level were 32 percent and people only literate well 16.96 percent this table clearly shown that the literacy rate among the males is higher then that of the female.

4.7 Present Status of Education

During the period of 6 years, the educational status of Devdaha VDC has been raised up and the literacy rate is increased people have got the higher level of approach over the education. It also has ultimately helped to uplift the living standard of people the following table presents the change the educational status of the people.

Table 4.7**Present status of education of the Devdaha VDC**

Educational Status	Male		Female		Total Population	Total Percent
	No.	Percentage	No.	Percentage		
Illiterate	45	17.30	56	19.31	101	20.59
Literate	57	21.92	68	23.44	125	21.44
Education up to IA	117	45	136	46.89	253	43.39
Well educated	41	15.76	30	10.34	71	14.58
Total	260	100	290	100	550	100

Source: Field Survey 2014.

The above table 4.7 shows that out of 550 sample population 101 are illiterate, showing a table of 18.37 percent illiterate. People who are only literate are 125 giving a total of 22.73 percent as only literate. There are 253 people educated up to IA level giving a total of 46 percent. Total well educated people are 7 only showing a total of 12.90 percent.

4.8 Health Status

The flow of remittance in the study area has increased the peoples approach to the health facilities. There is a health post being run by the government and 2 private medical clinics providing the health services to the people in this VDC six years back. The overall health status of the people six years back is presented in the following table.

Table 4.8
Health status of the people of Devdaha VDC (6 Years Back)

People receiving health facilities from	Number of people	Percentage
Health post	191	48.4
Private clinics	109	27.6
Others	43	10.8
Not getting any health facilities ast all	52	13.2
Total	395	100

Source: VDC Profile 2014

The above table presents the data about the receiving health facilities from various sectors like health post, private medical firms and others. The above table shows that 48.4 percent of the total people were getting health facilities from the health post 27.6 percent of the people were getting the health service from the private medical firms. While people receiving health services from the place out of the VDC were 10.8 percent. 13.2 percent of the people were not receiving any health facilities at all.

Table 4.8.1

Present health status of the people of Devdaha VDC

People receiving health facilities from	Number of people	Percentage
Health post	180	31.0
Private clinics	257	44.0
Others	128	21.9
Not getting any health facilities at all	18	3.1
Total	583	100

Source: Field survey 2014

The above table 4.8.1 presents the present health status of the people of Devdaha VDC. This table clearly shows that the approach of people to the health facilities is gradually increasing. Only 3.1 percent are receiving the health facilities which decreased by 10.1 percent in the period of six years. The number of people approaching for better health facilities outside the VDC has increased by 11.1 percent and the approach of people to the health facilities provided in VDC by the private medical post has increased by 16.4 percent. This table clearly shows that 96.9 percent of the people in this VDC are in approach of health facilities.

4.9 Geographical Background

Devdaha is a small V.D.C., located in the eastern part of the Rupandehi district of Nepal. It is maternal place of lord Buddha. It is 35 km. east of Lumbini, the sacred birth place of lord Gautam Buddha. It is laying in the lap to Chure mountain just south of Mahabharata mountain range. Far north of these minor mountain ranges lie the beautiful snow peaks of the Himalayan Mountain ranges of the Dhaulagiri and Annapurna. The east west highway passing through the evergreen forest areas has offered an easy access to Devdaha. It is both the maternal home and the In-laws home of prince Siddhartha after his marriage with Yashodhara, the daughter of king Supra Buddha of Devdaha. It lies 245 km. south west of Kathmandu. It is also the home town of Mayadevi the mother of prince Siddhartha and his step mother Prajapati Gautami. It is also again the home town of princess Yashodhara, the consort of prince Siddhartha.

4.10 Demographic Status

According to VDC profile 2011 the total population of this VDC is 4588. The total households are 805. The following table 4.10 gives the ward and sex wise distribution of population of the study area.

Table 4.10
Demographic status in study Area

Ward No.	Total number of Households	Total no. of migrant household	Population emigrants		Total Population
			Male	Female	
1	87	59	56	7	63
2	102	82	78	9	87
3	114	88	83	12	95
4	88	43	51	12	95
5	53	24	23	4	27
6	49	32	35	5	40
7	129	69	73	6	79
8	68	29	22	9	31
9	115	84	107	18	125

Source: VDC Profile 2014

The above table 4.10 shows that among the total population of 3142, in all the wards of the VDC, the sex ratio is higher i.e. the number of female population is more than the number of male population. According to the CBS census 2001, among the wards the sex ratio is highest in wards number 2 and 9 which is 0.94 and lowest is wards number 7 which is 0.71 Taking average of sex ratio is 0.82. Among the 9 wards according to the demographic status wards number 7 is the biggest ward which has 137 house holds and total population is 589. Among wards, ward number 6 is the smallest ward with the 49 house holds and total population 322.

4.11 Household Status

This title gives us the information about the poverty situation of the sample house holds from the structure and condition of there houses.

Table 4.11
Sample house holds made by different types

S.No.	Types of houses	Total number
1.	Made with rod, Concrete and cement	5
2.	Made with stone and mud with tin roof	78
3.	Make with stone and mud and thatched roof.	21
Total		104

Source: Field survey, 2014

The above given table 4.11 shows that most of the sample household have made with stone and mud with and slate stone in the roof. These type houses are 78. After these types of house there are 21 house made of with stone and mud thatched roof. Remaining 5 houses are made with concrete.

4.12 Education Status

It is surely will not subject of debate that education is the main factor determining the foreign level employment and the earning from that foreign employment i.e. remittance. Besides that, education also helps to reduce the poverty because of educational employment in the home country also. Thus in the study are realizing the above fact that education is the prime factor for reduction of poverty. There are so many educational institutions. There is 1 secondary school 2 lower secondary school, 5 Primary school and 1 private (secondary) boarding school. The following table 4.12 gives us the information about the educational status of the study area (sample households).

Table 4.12
Educational status of sample households (6 years of age and above)

Educational Status	Male		Female		Total Population	Total Percent
	No.	Percentage	No.	Percentage		
Illiterate	55	19.93	65	21.17	120	20.59
Literate	57	20.65	68	22.16	125	21.44
Education up to IA	117	42.39	136	44.30	253	43.39

Well educated	47	17.03	38	12.37	85	14.58
Total	276	100	307	100	583	100

Source: Field Survey 2014.

The above table 4.12 shows that out of 583 sample population 120 people are illiterate, 125 people are literate, 253 people are educated up to IA level and 85 people number of female illiterate is more than the number of male illiterate. Most of the male population is educated up to S.L.C. and female also. In the sample area literacy rate is quite high in comparison to the national index.

4.13 Family Size

The table presented below shows the no. of the family members present in the sampled households.

Table 4.13
Distribution of Sampled household by family size

Family size	No. of households	Cumulative
1-2	2	2
3-4	37	39
5-6	51	90
7-8	10	101
8 and above	4	104
Total	104	104

Sources: Field survey, 2014

The above table 4.13 shows that, the highest no. of family size is 5-6 member family household, which is 51 percent. In the same way the lowest number of family size is 1-2 number family household which is only 2 percent in the total of 104 households. Now a day the young and educated parents have not more than two children because of family planning. But more households have more than two children because of their ignorance, the desire of emphasis on male child rather than the female child and child marriage etc. which is another major factor of poverty in the study area.

4.14 Age and sex status of the study area

Below table 4.14 shows that out the total population of this VDC about 41.82 percent population belongs to the age below 15 years which means that dependent population is very high in this VDC. The population of working age (15-59) is only 43.26 percent. The population above 60 years is 14.88 if the population between the ages of 15-60 years regarded as economically active population and below 15 years and above 60 years regarded as economically inactive on dependent population. Based on the above assumption there is very high dependency ratio, which 56.7 percent. This high dependency rate is also one of the major causes of poverty situation in the study area.

Table 4.14
Distribution of population by sex and age groups

Age Groups (y)	Male population	Female population	Total	Percent
Below 15	957	962	1919	41.82
15-19	402	438	840	18.30
30-44	317	262	579	12.61
45-59	309	258	567	12.35
60-75	209	194	403	8.78
75 and above	112	168	280	6.10
Total	2306	2282	4588	100

Source: VDC profile 2014

4.15 Size of Land Holding

In the study area, most of the peoples' main occupation is agriculture. How ever, there is extreme inequality in the distribution of land. The land is categorized into one form i.e. Khet. Most of the poor families don't have enough Khet. They have only small pieces of Khet. The following table shows the unequal distribution and holding of land among the sample households.

Table 4.15**Distribution of land among sample households**

Size of land holding (Kattha)	No. of households
Landless	2
Below 2	20
2-5	25
5-10	17
10-15	19
15-20	12
Above 20	5

Source: Field Survey, 2014

The above given table 4.15 shows that there is unequal distribution of land among the total sample households. Among the 104 households 2 percent households is landless, percentage of land holding households below 2 Kattha and 2-5 Kattha are 20 and 25 percentage respectively. Similarly, 5-10 Kattha is 17 percent; 10-15 Kattha are 19 percent, 15-20 Kattha 12 percent and above 20 Kattha is 5 percent respectively. So, the unequal distribution of land is one of the causes of poverty in the study area.

4.16 Occupational Status

The following table 4.16 shows that 78 percentage of sampled population is involved in the agriculture which is exactly equal to the national level. Rests of the sampled households are involved in the other occupation such as Government job, Business, Study etc.

Table 4.16**Distribution on households and population according to major occupation**

Main occupation	No. of households	Total Population	Economically active population (Age 15-59 Years)	
			Active Population	Percentage
Agriculture	78	394	254	64.46
Non-agriculture	26	156	83	53.20
Total	104	550	337	100

Source: Field Survey, 2014

4.17 Ethnic Composition

Table 4.17
Distribution of Total Sampled Population and Household by Cast

S.No.	Ethnic Group	Total No. of Sampled Households	Population Status		
			No. of emigrants	Total	Percentage of emigrants
1.	Brahmin/Chhetri	36	43	191	27.1
2.	Tharu	48	86	254	54.1
3.	Madhesi	10	16	52	10.1
4.	Kami/Damai	2	3	11	1.9
5.	Others	8	11	42	6.9
Total		104	159	550	100

Source: Field Survey, 2014

Table 4.17 shows that, the total population of Devdaha VDC is divided into different cast such as Brahmin, Chhetri, Madhesi, Kami/Damai and other. From the above table the majority of households are found Brahmin which is 54.1 percent of the total sampled households and other cast is so minimum. Chhetri is 27.1 percent, Madhesi is 10.1 percent, Kami/Damai is 1.9 percent other and 6.9 percent.

4.18 Extent of Poverty and Unemployment

It is clear to all us that unemployment is the main causes of the poverty in any state and the unemployment plays the major role of migration to the other places from their native born place. In this study also we found that the main cause of the migration of the youth of the study area is due to unemployment in their native country. Most of the workers of the study are migrated to those countries where they don't need any special qualification or migrated like India, Qatar, Malaysia, UAE, KSA, and other Gulf countries and also to other south Asian countries. Their migration to the different countries depends upon the economic condition of their family, and also the regular money income of the members of the family. This is shown in the following table.

Table 4.18**Regular Money Income of the sample households**

S.N.	Regular monthly income (in Rs.)	No. of households
1.	Less than 5,000	10
2.	5,000 - 10,000	55
3.	10,000 - 20,000	26
4.	20,000 - 50,000	11
5.	Above 50,000	2
Total Households		104

Source: Field Survey, 2014

The above table 4.18 presents the fact of the sample households of the study area that about 62 percent of the total sampled household receives less than NRs. 10,000 per month. Which means an average of NRs 1650 per month is available to each person of the sample households. This is very below the absolute poverty line. Only 11 percent of the households receive more than 50,000 per month as the regular income. Among the 104 households about 10 percent of the households receive less than NRs 5000 per month, which is very low level of poverty for the existence of family members. The above given table is dependent of the production of agriculture products also therefore it is the weather and other factor behave against them, the income condition can also be very less than the stated level. Which are already stated in the table 6.9 that the main occupation of 78 percent of the people of the study area is agriculture which means about 78 percent people has disguised unemployment and seasonal unemployment. The occupational dependency is also another cause of the foreign employment of the study area. The kind of unemployment and the level of unemployment are shown in the following table.

Table 4.18.1**Employment status of the sample households**

S.N.	Group of population	No. of people	Employed	Unemployed	Percentage of employed
1.	Active population	337	257	135	76.26
2.	In active population	213	0	213	0
Total population		550	257	348	46.72

Source: Field Survey, 2014

The above given table 4.18.1 shows that in the sample households of the study area, only 76.26 percent of active population is employed but as over all situations only about 46.72 percent of the population are employed. It means that about 53.28 percent of all the population of study area is unemployed which is very high. Thus, as a conclusion from the above table 4.18 we can say that as the one hand among the total population 550 about 53.28 percent of the population are fully dependent population and on the other hand among the active population of 257 about only 76.26 percent of the population is employed it means the rate of employment of the study area is low and the rate of dependency area is very high.

4.19 Social Characteristics of Respondent

Social condition such as cast/ethnic composition, size of the family, age, marital status and literacy determine the willingness and clarity of the individual to participate in oreign labor market. In the proceed of field survey, we found the main cast of the study area are Brahmin, Chhetri, Madhesi, Kami, Damai etc. for the purpose of the study the sample household in respect of the above described cast were taken. The main social characteristics considered important for these groups were family size, marital status and literacy rate. The information obtained by interviewing the respond is presented in the following table.

Table 4.19
Average family size, age and literacy percentage of Different Ethnic groups of sample households

Cast/ethnic groups	No. of respondents	Average family size	Percent of literacy
Brahmin/Chhetri	36	5.12	76
Tharu	48	5.03	61.4
Madhesi	10	6.91	49.7
Kami/Damai	2	6.23	46.7
Others	8	5.06	51.2
Total	104	5.67	57

Source: Field Survey, 2014

The following table 4.19 shows that among workers seeking oreign employment form Devdaha VDC is mostly dominated Brahmin, Chhetri. Comparing the age of the migrant of the three casts with other cast, the average age of the migrant of these casts is very high while other cast like Kami, Damai has very low average age of the migrant workers. On another aspect the number of migrants from so called upper casts like Brahmin and Chhetri is quite high compared to another casts migrant. The literacy level of the migrant of Chhetri is 76% where the literacy percentage of Brahmin is 61%. The following table presents the another fact that the following size of the respondent from the low cast like Kami and Damai is high compared to the Brahmin which is also playing the vital role to foreign employment for the young an dynamic labor forces even they are educated also. Most of the people of the lower cast Marriages in their childhood, which means that the percent of the marriages cast is very high which is also another important aspect as a push of foreign employment.

4.20 Sources of income of the sampled households

In the study area the people are engaged in differnt occupation like Agriculture, Business, Jobs (Government as well as private) and Foreign employment etc. which are the main sources of income of the respondent family of the study area. The situation of the income depending on their sources in the sampled housholds is shown in the following table.

Table 4.20
Sources of income of the sample households

S.No.	Sources of income	Number of households	Percentage
1.	Agriculture	47	45.19
2.	Foreign employment	35	33.65
3.	Job	9	8.65
4.	Business	3	2.89
5.	Other	10	9.62
Total		104	100

Source: Field Survey, 2014

(Due to the multiple answer of the respondent the total number of sample households is more than 100)

The above table 4.20 presents the income sources of the respondents of the sample area. From that table we can find that most of the family depend on the Agriculture, Second largest sources of income is employment, where as about 34 percent of household's main sources income is foreign employment.

4.21 Status of Economic Condition

Economic condition is one of the most important factors of emigration. It is expected that people from lower economic condition (the type of people with problem in fulfilling their basic needs) should seek foreign employment. Mainly the lower economic condition families used to go India for foreign employment because of the cost of In this VDC respondents were classified into lower, lower middle, middle and high income group according to their own assessment of their economic condition. The information obtained is presented in the following table.

Table 4.21
Frequency distribution of economic condition of different Ethnic Groups of Respondents from Devdaha VDC

Cast/Ethnic groups	No. of Respondents	Economic Condition			
		Lower income groups	Medium lower income groups	Medium income groups	Higher income groups
Brahmin/Chhetri	36	4	17	11	4
Tharu	48	6	26	13	3
Madhesi	10	5	2	2	1
Kami/Damai	2	2	-	-	-
Others	8	2	3	2	1
Total	104	18	48	29	9

Source: Field Survey, 2014

Above table 4.21 presents the summary about the economic condition of the respondents and their family. From the above table we can see that among the sampled households most of the households are Brahmin and Chhetri, where they have quite strong economic background where two households from total 36 households are from

high income group where as 4 household are from higher income group 11 households are from medium income groups, 17 households are from medium low income group and only 4 households are the lowest income groups. After Brahmin/Chhetri Tharu is economically strong in which only the 12.5 percent of the total household are in lower income group. Among the sampled households Kami/Damai cast is the poorest cast in which 100 percent of the sampled are in lower income group from the above table we can see that there is only one family high income groups besides Brahmins.

4.22 Causes seeking to foreign Employment

Even through, the poverty being the main factor of foreign employment, there must be several reasons behind it. It might be economic, social or political. They may be related to the acquired skills and various other reasons. To find out causes of seeking employment the respondents were asked to identify the prime causes to go for foreign employment. They gave more than one reason as fallows.

Table 4.22
Frequency distribution fo causes of seeking foreign employment from
Devdaha VDC

Cast/Ethnic groups	No. of Respondents	Causes 2			
		Unemployment	Family Debt	Conflict	Earn Money
Brahmin/Chhetri	36	17	9	1	9
Tharu	48	25	11	2	10
Madhesi	10	6	3	-	1
Kami/Damai	2	1	1	-	-
Others	8	4	2	-	2
Total	104	53	26	3	22

Source: Field Survey, 2014

(Due to the multiple answers, the total will be more than 100 percent)

Above table 4.22 shows that unemployment is the main cause of foreign employment for all the cast ethnic groups. Among all the sample households about 50.96 percent had stated unemployment as the main cause of foreign employment. The second main important cause is family debt burden which is also playing as the major push factor of the foreign employment. Comparing the other cast with Brahmin and Chhetri; the

percentage of emigrated population due to family debate burden quiet high in the case of other casts like Kami, Damai and other casts. Among the total sample house holds about 25 percentage of the respondent are emigrated due to the family debate burden. This means that among the ethnic groups Kami, Damai, Madhesi and other davit showed higher percentage of family debate burden then Brahmin and Chhetri. The third reason of the foreign employment is to earn money. The percentage of respondents stating the major cause is earn money family debate burden are quiet similar i.e. 21.15 percent respondents have immigrated to foreign countries to earn money then they were in Nepal before emigration to the foreign countries. After that 2.88 percent of the respondents has stated that they are migrated due to the conflict problem of Nepal. It is concluded from our study that unemployment, family debate are the main causes to seek foreign employment.

4.23 Cost Paid for Foreign Employment

A sizable amount of money needs to be invested as a cost of foreign employment. The cost started from obtaining a passport, medical checkup, manpower agency commission, visa expenditure, air fare and cost of internal travel time to time from hone are to Kathmandu and also to the district headquarter Rupandehi and hotel charge in Kathmandu at the time processing for the foreign employment: To find out the cost paid by the respondents, they were asked top quote expenses in the different categories. The summarized version of the cost paid by the different income groups is given in the following table.

Table 4.23

Average cost paid and range of costs for foreign employment by Different Ethnic Groups from Devdaha VDC

Cast/Ethnic Groups	No. of Respondents	Average cost (in Rs. 000)	Range of Cost	
			Minimum	Maximum
Brahmin/Chhetri	36	21.4	7	108.9
Tharu	48	15.16	7	1089
Madhesi	10	12.5	4	680
Kami/Damai	2	9.06	5	85
Others	8	8.14	3	389
Total	104	66.26	-	-

Source: Field Survey, 2014

Above table 4.23 shows that average cost paid for the foreign employment is Rs 66 thousands. Chhetri had paid high average cost than the other groups because they prefer development countries like, USA, UK, Japan, Korea etc. for foreign employment where as other lower income group like Kami, Damai, Rai etc. very low foreign employment. The traveling cost to those countries is very cheaper and in the case of India, there is no any visa charge to enter. In the case of some countries, Dalit had paid high average than other group because they have not more information about foreign employment. Their Brahmin had paid higher average cost for foreign employment which is 15.16 thousand; secondly Brahmin also had paid high average cost for the foreign employment which is 21.4 thousand. Kami/Damai Ethnic groups had paid very low average cost of Rs 12.5 thousand. We can see that there is too much variation in the cost of the foreign employment in all types of cast/Ethnic groups had paid very low average cost of Rs. 15 thousand. We can see that there is too much variation in the cost of the foreign employment in all types of cast cast/Ethnic groups. This is because the cost paid to immigration to India is very low where as the cost paid for the other developed countries are quite high compared to India. The lowest cost paid by the respondents of the sampled households is Rs. 2.5 thousand rupees which is paid by Kami/Damai cost to immigrate to India where as the highest cost paid Rs. 1,098 thousand to paid immigrate to USA. It shows that the respondent of this VDC had wide range of cost and it high variability with the sample.

4.24 Source of Financing

Most of the rural people of Nepal who want to go for foreign employment use several sources of financing the cost involved. In the study area, the mostly used sources of financing are loan (From relatives, friends and local merchants), sale of property including land, internal saving. To find out the extent of sources used by respondents they were asked to provide their sources and the amount with its promised interest amount for the foreign employment. The information collected is presented in the following table.

Table 4.24
Sources of financing for the foreign employment

Cast/Ethnic Groups	No. of Respondents	Source of Financing		
		Loan	Sales of property	Family saving
Brahmin/Chhetri	36	16	9	11

Tharu	48	29	6	13
Madhesi	10	7	2	1
Kami/Damai	2	2	-	-
Others	8	4	1	3
Total	104	58	18	28

Source: Field Survey, 2014

(Due to the multiple answer totals will be more than 100 percent)

Above table 4.24 shows that 55.7 percent respondent's of the total borrowed loan to pay for the cost of foreign employment. About 27 percent respondents had paid from their family saving and only 17.3 percent respondents had paid to the cost of foreign employment by selling their property. Only the low income groups like Kami/Damai and other sold land and other property to pay for the foreign employment. Among the respondents who use family saving the maximum number was from Brahmin, Chhetri castes. It can be concluded that the cost of foreign employment is financed by borrowing and family saving. Family saving is used by to call upper cast like Brahmin and Chhetri.

4.25 Types of Jobs and Duration of Stay in Foreign Employment

Since the skill of Nepalese workers is quite low; most of them get employment in manual job. To find out the types jobs performed the respondents were asked to give the type of work they did while begin employed in foreign country which is categorized into five types, they are construction, mechanical, agriculture farming, industrial works an hotel/catering.

Duration of foreign stay of emigrants workers depend upon availability of work, facilities provided by company, salary rate, health of workers, visa permit date, home urgency another several reasons. Sometime the respondents return their home before the agreement date due to inferior type of job, low salary, and family affairs such as death of any family members, sickness and their own bad health and also the duration of foreign stay the respondents were asked to provide their length of stay. The results of both the types of job performed and the duration of stay in the foreign employment are summarized in the following table.

Table 4.25

**Types of jobs performed and duration of stay in foreign Country of respondents
from Devdaha VDC**

Cast/Ethnic groups	No. of respondents	Occupation				Average stay of duration
		Construction	Mechanical	Industry	Hotel/Catering	
Brahmin/Chhetri	36	8	8	9	11	3
Tharu	48	19	23	3	3	3.5
Madhesi	10	6	-	2	2	2.8
Kami/Damai	2	1	-	-	1	2.6
Others	8	3	4	-	1	2.7
Total	104	37	35	14	18	14.6

Source: Field Survey, 2014

Table 4.25 shows that most of the migrated respondent's works in the construction area in which 35.57 percent work in that occupation. Most of the people from lower cast work in the construction areas due to lack of other technical knowledge to work in other areas. The second most employed areas is industry in which 13.46 percent respondents are working and third most employed area is mechanical in which 33.65 percent respondent are working. Other areas of employment for the Nepalese workers are hotel/Catering and also the agriculture - farming where 17.30 percent. According to the duration of stay from the field survey we know that the respondents from Brahmin group have longest duration of stay where they stay on an average of 3.5 years once. After Brahmin, Chhetri spent average of 3 years on foreign employment at a time. The Damai/Kami and other cast duration of stay around 2.8 years. In means the average duration of stay of the respondents from Devdaha VDC is 2.92.

4.26 Cause to Return Back to Work Again

The labor employed about went returns back to his/her home he has two options. He may stay in his own native country a have to take some new profession continue as former as return back to the some foreign employment. Those who return may be returning for several reasons such as easy continuation of job unavailability of job at home, avoiding conflict. Those who are not able to return again with severable reason, such as difficulty in job, willingness to stay with family no urgency to make more money because the debt has been paid, marriage of death of the older member of family

and got another employment in their own native country etc. how the sample household's respondents to the further employment in foreign land was solicited through the questionnaires and the responses are summarized below.

Table 4.26

Causes to return for foreign employment for different Ethnic group of respondents

Cast/Ethnic Groups	No. of Respondents	Causes to returns		
		Employment Purpose	Conflict	No. of plan to go
Brahmin/Chhetri	36	24	4	8
Tharu	48	39	-	9
Madhesi	10	7	-	3
Kami/Damai	2	1	-	1
Others	8	6	-	2
Total	104	77	4	23

Source: Field Survey, 2014

The above table 4.26 shows that among the responds, 74.03 percent respondents plan to return to foreign employment. For them the most important push factor for sending to foreign employment again is employment purpose i.e. they can't get any jobs in their native country ever returning back from the foreign employment among the total respondent 83.43 percent of the respondent return back due to the employment problem, other 7 percent of the people said that they can survive in their own country but the conflict problem is purchasing them back to the foreign employment. Among the total respondents only 17 percent respondent don't plan to return again while may be because they had done difficult, danger and dirty works in abroad. Ethnic group wise almost all the lower cast is planning to return back to the foreign employment, where as some of the respondents from Brahmin and Chhetri and other cast do not plan to go to the foreign employment is mean to avoid the unemployment and the conflict in the country.

4.27 Income Earned Abroad

It is often said that Nepalese workers get low paying in overseas. So, they earn less money than labors from other countries. But income earned abroad depends on skill of workers, salary payment by company, rule and regulations of the working country, types of company, duration of stay etc. to find out the income earned by Nepalese labor

in abroad the respondents were asked to give their monthly salary earning. The respondents answer is given in the following table.

Table 4.27
Income Earned in abroad for different Ethnic group of respondents

Cast/Ethnic group	No. of Respondents	Average monthly income (in '000)							
		Based on destination		Based on Education		Types of Jobs			
		Gulf	Malaysia	Educated	Uneducated	Mech.	Hotel	Ind.	Agr.
Brahmin/Chhetri	36	13.43	12	20	8	16	15	11	-
Tharu	48	15.43	12.4	22	10	18	18	13	8.5
Madhesi	10	12.84	14	17	7.75	21	20	17	9.5
Kami/Damai	2	9.63	9	15	7	-	-	10.5	-
Others	8	10.3	18	18	9	15	14	-	10.5
Total	104	12.32	11.48	18.4	8.35	17.5	16.7	12.87	9.5

Source: Field Survey, 2014

Above table 4.27 shows that the respondents who have done the work in gulf countries earned more money than the respondents worked in Malaysia, comparing their two countries the average monthly income of the respondents in Malaysia is Rs 11.48 thousand where the average monthly income in Gulf countries is Rs. 12.32 thousands. Comparing the income of the respondents cast wise, we can get, the result that the respondents from Brahmin, Chhetri gets more average monthly income than the others because they understand all the rules and regulations of their workers and their salary before they departure to the destination country. The monthly average income of Gulf country and Malaysia is lowest for the Damai cast because most of the worker from the cast is illiterate. In other aspect of this table we can understand that the average monthly income between skill workers and unskilled workers is very different. The skill workers are getting the average monthly income of around 18.5 thousand where as the unskilled workers getting around 8.35 thousand rupees monthly average income. The average monthly income varies accordingly two types of job also. Among the four types of jobs are hotel, mechanical, industry and agriculture the workers in mechanical firms get higher monthly salary which is 17 thousand rupees per month in the Gulf countries also. Cost wise variation in that most of the Brahmin and Chhetri are working mechanical farm, hotel, industry and agriculture gets average monthly income of Rs 16.7, Rs. 12.87,

Rs. 9.5 respectively. It means that the workers working in agricultural sector are getting very little money of Rs. 9.5 per month.

4.28 Utilization of Remittance and Skills Learned in Foreign Employment

The use of remittance depends on the priority placed by the industries of different use, the size of remittance, the time of availability, opportunity for investment and several types of factors. Majority of migrant workers go abroad because of unemployment at home and poverty in household. Generally, the earning made by them is not big. The cost of foreign employment is bond by borrowing therefore the income earned has to be spent on the payment of the principle and the interest amount. There may be family in waiting. Keeping all this condition in mind the respondents were asked to identity the use they made for the money earned abroad. Each individual spen the earning in more than one uses. To find out the use of remittance by the respondents they were asked to least the use of money in different heads.

Most of the migrants Nepalese workers are unskilled, so the Nepalese migrants' workers have learnt different kinds of skill abroad. When they return back they are expected to utilize those skills back home but they are utilized their skill in home country. It might depend on different conditions. Those conditions may be place availability of work, availability conditions. Those conditions may be place availability of work, availability of industry, quality of skills learnt, lack of technology, financial availability etc. to find out the perceived reasons, the respondents were asked to provide reasons. The answer given by the respondents are presented in the following table.

Table 4.28
Use of Remittance and the skills learnt in foreing employment

Cast/Ethnic group	No. of Respondents	Utilization of remittance				Use of skills	
		Households expenses	Loan Payment	Investment (land, share)	Social activities	Yes	No
Brahmin/Chhetri	36	18	8	8	2	16	20
Tharu	48	26	18	3	1	14	34
Madhesi	10	8	2	-	-	2	8
Kami/Damai	2	1	1	-	-	2	-

Others	8	4	2	1	1	5	3
Total	104	57	31	12	4	39	65

Source: Field Survey, 2014

(Due to the multiple answers the total numbers of the households are more than the total number of sample size)

The above table 4.28 presents the fact that about the utilization of remittance income as well as the utilization of skills learnt in foreign employment. From it, we can conclude that among all the respondents and their household, 54.80 percent of the respondent uses their income in their household expenses i.e. in food, cloths, health and education of their family, 29.8 percent of the households use their income in loan payment of their family which can be taken for the same purpose or which can be the family debt before his foreign employment. Only about 11.53 households are using their income from abroad in investment purpose i.e., for buying land, home and shares or establishing industries. Among all the respondents only the 3.84 percent of the respondents are expending some amount of their income in social activities i.e., in schools, road, water tabs etc. Only the respondents from Brahmin and Chhetri, apart from those other casts like Kami, Damai, and others are using almost all of their income in regular household expenditure and loan payment. It concludes that, the big amount of remittance income earned by the respondents in the study area is spending their remittance income in regular household expense and in payment of loan and their interest.

In another aspect of this table, this present the utilization of skill earned in foreign employment. Among all the respondents only the 37.5 percent of the respondents reply that the skill learned in foreign employment in their negative country. Among all the respondents 62.5 percent of the respondents reply that the skills learnt in foreign employment is not helpful in their further life after foreign employment in any areas.

4.29 Changes in Household Economy Due to Foreign Employment

It is obtain believed that if somebody receives foreign employment his household economy will improve. The change in Economy well being improvement in living standard, improvement in skill, social status might be some of the area was change take place etc. If the respondents are able to gain more than the income which is needed to run their family and also to pay their loans principle as well as their interest amount then

only their economic condition can improve and their property problem can be reduced. To find out the change in household economic condition due to foreign employment, the respondents were asked to give their own judgment about their economic condition before foreign employment and after foreign employment and comparison of this to time periods the answer given by them is presented in the following table.

Table 4.29
Frequency distribution of changes in different indicators of Respondents due to foreign employment

Indicator	Change in Condition			
	Increased	Decreased	Remained same	Total
Economic status	85	15	4	104
Standard living	57	7	40	104
Social status	62	5	37	104
Skills	70	-	43	104

Source: Field Survey, 2014

The above analysis is based not on the ethnic composition or group but it is based on the total sample size without categorization. It shows that 82 percent of the respondents reported that their economic status is increased due to foreign employment. The 4 percent of the respondents' reply that their economic status is remain same. The 14.42 percent of the respondents economic status has decreased due to the foreign employment it means they had increased the sum of family debt for the reason of foreign employment. The decrease in economic status might have been resulted with high cost and low pay in foreign employment or short period of foreign employment. Another 54.8 percent of the respondents had increased their standard of living, 38.46 percent of the respondents had reply that their standard of living remained same and 6.73 percent respondents said that their standard of living is decreased after returning from foreign employment due to increased in debt. In the context of social attitude and rest 35.57 percent respondents' social attitude remained same. In another aspect of foreign employment, 67.3 percent of the respondents had learnt some new skills their either it may be useful here or not. The rest 32.69 percent of the respondents reply that they didn't learnt any new skills while working abroad.

From the above table it can be concluded that most of the respondents felt that their was positive change their houshold economic and social attitude and skill development etc, after returning from foreign employment.

4.30 Impact on Other Indicators

How the foreign employment and remittance impact on certain household indicators? Do they live in better house? Do they send their children to better schools? How the health condition of their family changed? Are their family members better dressed? Are they protected from indebtedness at the time of need? These were very important questions. Positive impact on the dependent on size of income of respondents brought from foreign employment, family size, earlier economic condition of the family, knowledge and education of the respodents, culture of society, etc. To find out the impact of an employment on household indicators the respondents were asked to respond on the changes brought by the foreign employment. The answer provided by the respondents is given in the following table.

Table 4.30
Frequency Distribution of Impact on other Household's indicators of the Respondents

Indicators	Increased	Worsened	Same	Total
Condition of housing	80	4	20	104
Education of children	72	-	32	104
Health of family member	61	17	26	104
Clothing	69	3	32	104
Cash available with them	54	27	23	104

Source: Field Survey, 2014

The above table 4.30 shows that 76.92 percent of the respondents reported to have improved their condition of housing. It shows that anybody who had returned from foreign employment have either made new house or repaired old house to improved their housing condition. 19.23 percent of the respondents had reported that their housing condition is same before and after foreign employment, but the static condition was not given. It might be low income or other more pressing like loan, payment, household

expenditure, marriage of a family member, etc. No any respondents housing condition is worsened after returning from foreign employment.

Among the total households, 69.23 percent of the household reported that the education of their children have improved due to the income earned by their parent from foreign employment. It might be the result of improvement of economic condition of the individuals who could afford boarding school for their children. But no one among the respondents had reported to worsen the education of their children due to the foreign employment. The rest 30.76 percent of the respondents had reported that the education status of their children remained same before and after foreign employment. The 58.65 percent respondents said that the health status of their family had worsened due to the foreign employment where about 16.34 percent of the respondent replied that health status or their family had worsened due to the foreign employment either of the respondents himself or of his family members. The rest 25 percent of the respondents said that the health condition members remained same ever after returning from foreign employment. It might be due to general health condition of the area and health awareness.

More than 66.34 percent of the respondent said that household members are using better clothing after returning from foreign employment. It might be related to the increasing purchasing power and cloth after returning with the respondent and also with their family member. The rest 16.34 percent of the respondents had replied that their clothe status same before and after returning from foreign employment. When the availability of liquid cash to meet various household need was assessed, about 51.29 percent of the respondents had increased their cash holding with them, another 22.15 percent of the respondents cash holding has remained same and the rest 25.15 percent of the respondents had worsened their cash holding after returning from foreign employment or the income earned from abroad is just equal to the sum of household expenditure and payment of loans and their interest or it might have been the result of high expenses, low income or the high cost of foreign employment. It indicates that foreign employment has increased the liquidity situtation of about 51.29 percent of the participate of foreign employment. It can be concluded that from the above table that around 65 percent respondents of this VDC have imporved that different household indicators due to foreign employment. But around 10 percent have worsened and about 25 percent respondents have same level of household indicators even after returning

from foreign employment. In short, people who have returned from foreign employment have received same economic benefit and improved their financial, social economic condition but it can not be said it has improved their life tremendously.

As a summary, we can say that the remittance income earned from foreign employment is helping the household of the study area in fulfilling their based needs as well as fulfillment of other social economic aspect of their life. In another aspect of this survey we can say that the remittance earned by the foreign labor have benefited other members of his family than the employed himself. Therefore it is clear that the remittance is playing very positive role to the respondents and their to reduce their level of poverty of the study area.

CHAPTER-FIVE

SUMMARY AND CONCLUSION

5.1 Summary and Conclusion

The study is conducted to find out the volume of remittance its uses and contributions in the study area. Primary as well as secondary sources, of data are used in the study. The study has focused the quantitative and qualitative data. As per the findings of the study about one fifth of total remittance is used in development sectors by the sampled groups. Moreover the study also tries to analyze the nature and extend of remittance income in the study area, socio economic characters of foreign employees, source of financing and cost for foreign employment, change bought foreign employment and remittance in household economy and uses of remittance.

To fulfill the stated objective of the study, Devdaha V.D.C. of Rupandehi district is selected and sample survey is conducted during 2015. The sample size was 104 household are chosen by proportional random sampling method and data collected through Questionnaire method. Some secondary data are used to show and compare the composition of foreign employment and remittance of the national level as well as of local level in the study. Data are analyzed by using simple statistical tools like mean, percentage, and ratio. From the study, following conclusions are drawn.

The main destinations of the study area Gulf countries, India, Japan, Korea and UK. Out of them 30 percent in Gulf countries, 20 percent in India, 15 percent in Japan, 10 percent in Korea, and remaining are other countries. In the National context, main destinations of Nepalese workers are Gulf countries and Malaysia. More than sixty percent of the workers are employed in Gulf countries. Country wise Malaysia, Qatar; Saudi Arabia, UAE are the destinations of Nepalese workers.

According to NRB, total remittance receive through registered source by Nepal in FY 2066/67 is more than 100 billions, which is very large them the previous year. In the FY 2066/67 the flow of remittance rose by 19 percent in Nepal, during the first half of the FY and touched the amount of Rs. 57 billion of mid- January Nepal has received Rs. 48.26 billion during the same period of last year.

The contribution of remittance to GDP saving and investment in 2009/10 were 16.8 percent and 47.6 percent respectively. Share of remittance in convertible foreign exchange reserve was accounted by 46.9 percent in 2007/08. This is also raising trend.

The socio-economic characters of migrant workers was age group most of 25-40 years, 71.97 percent of the migrant workers are married, and 80 percent of the migrants are literate, 62 percent migrants coming from medium income group; 38 percent migrants from higher income group and 78 percent of migrants from agriculture occupation.

The average income of the household in this V.D.C. is around 10,000 per month and only the 52.88 percent of the total active population and only the 33.77 percent of the total population of the study area are employed. It means that dependency ratio is very high in the study area.

Major reasons to seek foreign employment include unemployment, family debt burden, conflict problems and to earn money then which they are earning in their own country.

The means to get foreign employment of the most of the sample (85 percent) respondents were Manpower Agencies. Other went either through unregistered agents or personal initiative.

The average cost paid for foreign employment by the respondents of the study area was Rs. 70 thousands. It ranges between Rs 2 thousands minimum and to 1080 thousands was maximum.

Majority of the foreign job seekers (83 percent) didn't have any skill and took unskilled labor jobs in industries.

Sources of financing for foreign employment for 53.8 percent of the migrant workers was loan, 29.8 percent from family savings and 16.3 percent from property selling.

Major sector of employment for Nepalese workers were building construction (34 percent) and mechanical (29 percent).

The average stay duration of the respondents was 2.8 years. If we classify them cast wise, it ranges between 2.5 years of minimum (Kami/Damai cast) and 3.5 years of maximum (Brahmin).

Average family members migrated to the foreign countries is two members where maximum numbers of respondent's family members are five and minimum of one.

The respondents of this VDC want to go again to foreign employment because of the unemployment (79 percent) and conflict (3 percent). Among the total respondents 17 percent of them have no plan to go to abroad again to foreign employment.

The workers earned more income in Gulf countries than Malaysia. It was average Rs 12.32 thousand and Rs 11.48 thousand per month of skilled workers which was Rs 18.4 thousands income per month of skilled workers and 8.35 of unskilled workers. In type of the jobs the workers working in mechanical sector earns maximum income of Rs 17.5 thousands per month and workers working in the agriculture sector earns lowest income of Rs 9.5 thousands per month.

Above 60 percent respondents used formal channels (banks, registered transfer agencies) to send remittance. In formal channels like Hundi, relative and friends and bringing back by themselves were other channels of remittance transfer.

The larger amount of remittance income has been used for household expenses (37.5 percent), loan repayment (29.8 percent), investment only 16.34 percent and social spending (5.76 percent). Minimum part of remittance has been used into productive sector like as land purchase (20 percent), bank deposit (14 percent) and other small business and investment (10 percent). In this case, the respondents from Chhetri are forward.

Among the returnees from foreign employment only 35 percent of the workers are using the gain skill in abroad employment where as the rest 65 percent of the respondents have not benefited from that gain skill in foreign employment. It is because of lack of technology, lack of capital, lack of market and lack of positive social attitude etc.

The respondents of this VDC were not utilized their remittance caused by conflict and other non-availability of sizable investment funds for investing in productive sector of the economy sector.

The respondents of this VDC said that remittance have increases their household economic and social indicators after returning from foreign employment. Around 81.73 percent respondents said that remittance have increased their economic have increased their standard of living, around 59 percent of the respondents social attitude have increased due to remittance income and around 67.3 percent of the respondents increased their skills. But around 4 percent respondents said that economic status has been same, 39 percent have remain same standard of living, 35 percent said that social status have remain same and 33 percent said that remained same level of their skill after returning from the foreign employment.

The respondents of this VDC said that remittance have also done impact on their other indicators. It was said that around 76.92 percent respondents improved their condition of housing, 69 percent respondents improved their education of children, 65 percent improved their health of their family members, 66.34 percent improved their clothing situation and 51.92 percent of the respondents have increased cash available with them. But around 16.34 percent respondents have worsened health of the family members and 26 percent of respondents have worsened cash available with them. And around 19 percent of the respondents have same level of houseing, 31 percent respondents have same level of education of the children, 25 percent respondents have same level of their family members, 31 percent of the respondents have same level of clothing and 21 percent of respondents have same level of cash available with them.

As a summary, it can be concluded that the economic and social condition of all families who have involved in foreing employment have increased. It may be in both aspects i.e. economy as well as social but surely there is positive change in the status of the families of the respondents due to remittance income. Therefore we can say that remittance is playing vital role in reducing the level of poverty in the study area.

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APPENDIX-I
QUESTIONNAIRE

ROLE OF REMITTANCE IN Development

1. General Information:
 - a) Name of household head:
 - b) Age: Sex: Cast:
 - c) Education: Occupation:
2. What are the source of income of yours family?
 - a. Agriculture b. Business c. Government job
 - d. Private Job e. Foreign Employmentj f. Others
3. What was the source of family income before going abroad?
4. How was the status of your income before going to abroad?
5. In wish class do you belong looking at your economic condition of family?
 - a. Lower b. Medium-low c. Medium d. Higher
6. Ownership of houses:
 - a. Self owned b. Shelter on other house
7. Background of the migrated people:

Name	Age	Sex	Country	Period of stay	Monthly earning	Whether he is still their or returned back

8. What are the causes for going to aboard for employment by you on the basis of primary factor?

- a. Job not found in the country.
- b. To pay family loan.
- c. Conflict problems.
- d. To increase the family economics economic status.
- e. Internally desire to go to aboard.
- f. Due to the friends and relatives.
- g. Others.

9. What are the items for pre-departure expenditure?

No.	Topic	Amount
1.	Passport Expenditure	
2.	Medical Expenditure	
3.	Visa Expenditure	
4.	Aero plane Ticket	
5.	Other Expenditure	
	Total	

10. What are the methods for obtaining required sum of money for going abroad?

No.	Topic	Amount	Interest amount
1.	Family income		
2.	Having lone from a. Bank b. Merchant c. Relatives d. Public Institution		
3.	Friends		
4.	Selling various things (assets)		
	Total		

11. Information while in abroad:

- a. Time of stay due to agreement:
- b. Actual time of stay:

- b. Monthly salary due to agreement: d. Actual Salary got:
 - c. Monthly saving: f. What type of job did you do:
 - d. Did you change the job while in aboard?
 - e. Daily work hour due to agreement;
 - f. What is the maximum no. of hourse you worked daily?
 - g. Did you get any new skills there?
 - h. Can it be helpful to you here also?
 - i. Do you plan to go to abroad again?
12. What sort of problem did you face during the foreign employment?
13. How did you bring your earnings to Nepal?
- a. Brought money along with you
 - b. From Bank
 - c. From Hundi
 - d. From friend/relatives
 - e. Form other transfer institutions
14. What are the sectors that you invested money earned from foreign country?

S.No.	Expenditure and investment	Amount (Rs)
1.	In regular house expenditure (regular consumption expenditure)	
2.	For paying loan a. To pay old lone b. To pay recent loan (use for same purpose)	
3.	Real estate	
4.	Education	
5.	Health	
6.	Business investment	
7	Savings	
	Total	

15. Did you get any opportunity to invest money in our country?
 - a. Yes
 - b. little
 - c. No

16. In your opinion what is to be done promote foreign employment?

17. How can the remittance income be made more productive?

18. Were you able to pay the debt that you were having before going abroad?
 - a. Yes
 - b. No

19. Was the educational status of the children and other family members raised after getting the remittance income?
 - a. Tremendously increased
 - b. Satisfactorily increased
 - c. Little change
 - d. No change at all

20. How was the status of education of your family members before 6 years?
 - a. No. of literate
 - b. No. of illiterate
 - c. Up to IA
 - d. Well Educated

21. How is the present status of education of your family members?
 - a. No. of literate
 - b. No. of illiterate
 - c. Up to IA
 - d. Well Educated

22. Did the remittance income change the living standers of your family?
 - a. highly increased

- b. increased
 - c. very little increased
 - d. Not increased at all
23. To be specific, what about the changes seen before you went to abroad and after you returned back from abroad?
- a. In economic condition
 - b. In daily life spending
 - c. In social status
 - d. In skill development
 - e. Other to be mentioned
 - f. No changed before and now.
24. In which sectors have you spent your remittance income?
- a. Education
 - b. Health
 - c. Other household expenses
 - d. Development sectors
25. In which development sectors have you spent your remittance income?
- a. Establishing cooperatives
 - b. Schools
 - c. Health and Sanitation
 - d. Construction of local roots
 - e. Construction of holistic premises
26. How much amount of remittance have you spent in development?
27. How much amount of remittance have you spent in Education?
28. How much amount of remittance have you spent in Health?
29. How much amount of remittance have you spent in Household expenditure?