

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Generally migrant is the movement of people from one place to another place for different purpose. The term migrant worker has different official meaning and conations in different parts of the world. The flow of international migration has increased in recent years as a result of globalization. Economic conditions in developing countries have created the need for a new wave of migrant worker. The international distribution of labor is an integral component of the employment has characterized much of Nepal's immersion with modernity. According to UN definition "Migration is a form of geographical or spiritual mobility between one geographical unit and another, generally involving a change in residence from the place of origin or place of departure to the place of destination."(UN dictionary, 1956)

International labour migration has emerged as a major global issue that effects most nations in the world and ranks high on the international, regional and national policy issue. There are many positive aspects to cross-borders migration and through their labour, migrant worker contribute to growth and development in their countries of employment. Their countries of origin greatly benefit from these workers, remittance and the skills they acquire during their migration experience. Yet the migration process also poses serious challenges. Many migrant workers, especially low-skilled workers, face exploitative working conditions and enjoy only limited human and labor rights. Women increasingly migrating on their own and now accounting for almost half of all international migrants, face exploitative working conditions and enjoy only limited human and labour rights. Women increasingly migrating on their own and now accounting for almost half of all international migrants, face specific protection problems. With rising barriers to cross-borders labour mobility, the growth of irregular migration and the trafficking and smuggling of human beings constitute major challenges to the protection of human and labour rights.

World Bank (2006) published report on migration and remittance state that the growth rate of remittance had surpassed the growth rate of private capital flow and official development assistance (ODA) thus making remittance the second largest

source of external funding for developing countries after foreign direct investment (FDI). According to the World Bank (2008), the stock of emigrant population in Nepal is 2.8 percent of the whole population. A considerable portion of this population temporarily migrates as international workers. As is the case of many labour sending economics like Nepal gets the most direct and lucrative benefit of our migration in the form of remittance.

People are moving from one place to another since ancient period and the continuous movement has been an international phenomenon resulted due to the complex mechanism involving social, economic, psychological, political, institutional, and other determinants (Singh, 1998). People have moved from country in search of new resources and better opportunities. The history of labour migration from Nepal dates back to the period of unification, more than 300 years ago. A historical turn in the migratory pattern came with the restoration of democracy in Nepal in 1990. The democratically elected Government in 1992 embarked on a journey of economic liberalization and made official move to a market economy which also encouraged out-migration. In Nepal trend is more effective since the treaty of Sugali, 1816. After the treaty Nepali people started to migrate to India to be recruited in the British India army. Also some agriculture program carried by British India which attracted many Nepali Hills to work and settle there.

International labour migration has great impact on the socio-economic condition of the countries concerned (Shrestha, 2009). Human resource are the wealth of Nation and its role has explosion incitation towards foreign employment resulting in substantial growth of remittance economy (Dahal, 2004). Migration occurs because individuals search for food, sex, and security outside their usual habitation. It is believed that towns and cities are the creations of the human struggle to obtain food, sex and security. To produce food, security and human reproduction of its species, human beings must, out of necessity, move out of their usual habitation and enter in to indispensable social relationship that are cooperative or antagonistic. Thus the higher the technology of production of food and security and the higher the cooperative relationship among human species and the higher would be the push and pull factors in the migration and concentration of human beings in towns and cities.

According to the migration report by Government of Nepal in fiscal years 2013/14, even though Nepal has developed numerous policies and legislative rules governing labour migration, the gaps and loopholes in their implementations are adversely affecting the rights and safety of migrant workers going abroad for employment. The lack of easily accessible disaggregated and statically comparable data has hampered efforts to narrow the gaps, loopholes and strengthen the governance framework.

Although there were Nepalese from Kathmandu valley who used to go to Tibet for business, their number were limited. Therefore it was not of large scale and played very insignificant role in Nepali emigration phenomenon. In recent years, unemployed youths are going to the country adopted liberalization policy; the number of job seekers to the Arabian countries is increasing day by day.

According to the census report (2011), the most attractive destination countries for Nepali foreignlabour migration since 1993 has been Kuwait, Qatar, Saudi Arabia and the UAE. From 1993/94 to 2007/08, this country revived nearly 97 percent of all labour migration from Nepal. Malaysia which had no records of labour permits issued until 1997 experience a staggering increase from just 89 labour permits issued in 1997/1998 to 50,554 in 2007/08. As of 2013/14 Malaysia had become the destination country with the largest number of Nepali migrant.

Remittance income in the countries like Nepal has become a lifeline for economic development. By remittance we mean sending income terms of money or goods in home by the migrants or workers who have their earnings outside their home country. Now a day, this source of foreign income has been growing rapidly in each year in developing and low income countries like Nepal. Since remittance, the issue under study as commonly defined is a transfer of money by a foreign worker to an individual in his or her home country; it is basically related to the migration of workers from one nation to the next. Therefore the discussion on migration in this context is worthwhile.

Nowadays with the development of human civilization, there has been rapid growth in education, transportation and other resources which enforce to the youth for employment in many foreign countries. Almost all the under developed country including Nepal concerned with the main problem of unemployment. According to economic survey 2013/14, in Nepal, effort have been made towards making both the

domestic and international labour markets secured, dignified and organized. Despite annual entries of about 4,50,000 youths in Nepalese labour market employment opportunities couldn't be created to absorb those new entrants.

Nepal is a least developed country. Here economy is heavily dependent on agriculture engaging around 70 percent of total population of country. However cultivation system is traditional and subsistence. On the other hand growth rate of population is alarmingly high. Moreover industrial development is at its infancy. Because of these reasons unemployment problem is very high. In this context adults from rural and urban areas resort to seek for employment as their alternative income source in order to feed their family. Therefore in Nepalese context, remittance has become one of the major sources of foreign earning.

A total of 110 countries are opened for foreign employment by now. Seventy four percent of total foreign bound youth as a result of unavailability of employment opportunities in the domestic market are unskilled while 25 percent are semi-skilled and one percent is skilled likewise despite the annual entry of more than 4,50,000 labour force in the labour market, the unemployment growth rate is only 2.9 percent. The total number of 11,92,924 foreign bound worker with work permit in the 12th plan period, 61087 are women among the labour at the position approved 11 destination countries vacancies in five countries namely Saudi Arabia, South Korea, UAE, Qatar and Kuwait have been filled up while arrangement for secured housing have been made in four destination countries namely Saudi Arabia, Qatar, Kuwait and UAE (MOF, 2014).

At present out flow of skilled, semi-skilled and unskilled labour for foreign employment has been significantly and it's found diversifying and encouraging. The various record show that Saudi Arabia, Malaysia, Dubai, Korea etc are the main countries for Nepalese workers. Beside Nepalese workers are also working in some advanced countries like US, UK, Japan and few others. Various studies report show that large numbers of Nepalese workers have gone abroad for employment without security government permission as well legally and illegally 3.5 million people have gone for foreign employment (MOF, 2013).

1.2 Statement of the Problem

Foreign employment and remittance are important contributors to Nepalese economy. Many skill, unskilled labour are suffering the problem of unemployment, So many Nepalese youth are worked in different parts of world especially at gulf countries. Large scale of remittance is interning in national economy over last few years and demand for middle level manpower is very high in international labour market especially in the Gulf countries, Malaysia, South Korea, Hong Kong, Japan etc. The major factor attributing to large demand labour employment opportunities, low salary structure in the economy, insecurity in the rural areas because of insurgency and so on (Shrestha, 2004).

The contribution of remittance in the economy mainly depends on the productive use of remittance which increasing employment or the national income. Many study show that around only 20 percent is used for productive purpose like small business, investment in the industry, agriculture business and others 80 percent is used in consumption, repaying the debt, expenditure on social function. Therefore many studies show that remittances have greater negative impact in the economy including the unproductive expenditure and the demonstration effect of the migrant, domestic currency appreciation and inflation. Thus, although foreign employment and remittance is the main source of nation, it couldn't be stable until long time. The economic base of nation will be weak and depend on others countries until long time or increase dependency.

Labour migration is valuable asset in the Nepalese economy. Nepalese economy is largely depend on foreign employment to absorb the large number of skilled and unskilled labours. The main issue is how return migrant help to improve socio-economic condition of their home country as a locally and nationally. Nepali society is still agrarian and most of its labour force is in the agriculture sector, the economic scenario has influced many individuals to look at foreign employment as an alternative live hood strategy. As move and move Nepali citizens have migrated for foreign employment and returned their familiarity with the process and foreign destinations has expanded.

Although people are migrating from Nepal to different countries in search of employment opportunities, this ratio is seemed to be high in Shyangja district.

Remittance income is the major source of income of many households in Setidovan VDC of Shyangja district. People in study area have increased their consumption and changed their life style because of flow of remittance. Most of emigrant family improved their economic and social status and fulfill the basic needs. Thus this study tries to study about the socio-economic status of return migrants and how remittance fund is used. Therefore an attempt has been made to raise the issue of immigration from this VDC to the Arabian and others countries through this study as far as possible. In this context this study try to answer on following aspects.

-) Has labour migrant helped in improving the socio-economics status of the concerned families?
-) How do remittance funds use?
-) How much the remittance is invested in productive sector and what was the socio-economic condition of return migrants?

1.3 Objective of the Study

The general objective of this research is to know the socio-economic status of return migrants and use of remittance along with their skill in Setidovan VDC of Shyangja district. The specific objective of this study are as follows.

-) To study the socio-economic status of return migrant at household level in the study area.
-) To examine the utilization of skill and remittance of return migrant in the study area.
-) To identify the problems being faced by the migrant workers.

1.4 Significance of the Study

Migration of Nepalese youths for foreign employment increased rapidly especially after restoration of democracy and liberalization process in 1990. Remittance emerged as one of the premier source of foreign exchange. Emigrants workers contribution to the nation and to the family can be regarded as the backbone of the economic development of any family and accordingly of the nation. It could be instrumental to give a new lease of life to ailing Nepalese economy. However most of the remittance income is used in the unproductive fields like house building, land purchasing of

luxurious goods and consumption etc. So remittance income may not contribute to the long term development of the country.

Thus although remittance income is the main source of national development, it is not the reliable source for long term economic development. In this context this study will help for the return migrant to utilize their skill and remittance in productive sector and improve their socio-economic condition in the study area as well as other parts of the nation. This study also helpful for those who are directly and indirectly related to the emigrant for work abroad. Finding of this study has great significance to those youths who are planning to migrate in foreign country for earning and utilize remittance and skill in productive sector after return their own country. Further the study will be useful for the planner, policymaker, program designer as well as the researcher who intend to work in this field.

1.5 Limitations of the Study

This study analyzes the socio-economic status of return migrant and use of remittance only in Setidovan VDC of Shyangja district. So the main limitation of this study are as follows.

- This study concentrated only on a particular area of setidovan VDC of Shyangja, so it couldn't all the parts of the nation or it is micro level study.
- Although return migrants are involved in many sector, this study mainly analyze the socio-economic status of Return migrants.
- This study is mainly based on primary data, so it couldn't be taken detail information about the socio-economic status of return migrant.
- This study is based on sample survey.
- This study mainly focuses only emigration to Arabian or Middle East countries although migrating in different parts of the world.

1.6 Organization of the Study

The whole study is divided in to five chapters. Chapter one includes the introduction of the study, statement of the problem, objective of the study, statement of the problem, objectives of the study, significant ,limitation and organization of study. In

the chapter mainly present the way of labour migration and remittance at global, regional and national context. Research is done for what and what of this are the weakness of this research shows in this chapter Second chapter is review of literature divided as national and international .In this chapter includes this he review of related books, journals, articles, previous studies, thesis etc. Chapter three deals with research methodology. It contains study design, source of the data ,sample and sampling procedures, tools for data collection and the process of data collection in some detailed. Chapter four is related to the introduction of the study area which includes presentation, analysis and interpretation of data. Chapter five present problem faced by return migrant from pre-departure to return their home country. Chapter five is the findings and recommendation of the study. It further includes a brief summary of the whole study as well. Finally appendix and references follow this chapter.

CHAPTER II

LITERATURE REVIEW

The flow of international migration has increased in recent years as a result of economic liberalization and globalization. Labour migration from Nepal is increasing every year and so does the number of requirements agencies and agents. Governments of Nepal published a list of 110 countries for foreign employment until now. Many study show that return migrant are involve in different sector. Return migrant impact in social sector both positively as well as negatively. The contribution of Return migrant in GDP around 30 percent. Thus this studies analyze the socio-economic status of return migrant in Nepal in different perceives.

International Review

Patna (2005), concluded on his study Latin America and the Caribbean countries have estimated to receive the billions share of remittance in nominal terms with 29.6 billion in 2003 followed by south Asia with 18.2 billion. However the south Asia was the largest recipient of remittance receipt amounting to 2.5 percent of GDP in 2002. Till 2002, India was the top country in the world that received highest remittance and Mexico is the second since 2001. It has occupation all the developing countries. In 2002, Mexico received 11.0 billion followed by India at 8.4 billion.

Ruiz(2005), found that if the remittance relationship with per capital GDP is not statically significant, remittance do have robust positive impact on financial development. Employing an empirical methodology that controls for the relationship between remittance and financial development and a new remittance dataset for middle and low income economies only, the researcher found that remittance moreover thresholds analysis reveal that remittance appear to substitute for a welldeveloped financial system by promoting growth more robustly in those countries with weak financial system.

Ratha Shaw (2007), conducted on migrants and remittance. According to their study following conclusion were found. 74 million or nearly half of the migrants from the developing countries reside in other developing countries. However they believe that this estimate is likely to be low as the official data tend to undercount irregular migrants. Irregular migrants is probably even more common in South-South than

South-North migration because of the restrictions on immigration in many developing countries coupled with limited enforcements, the high cost of travel documents and unclear immigrations rules in the south.

Almost 80 percent of South-South migration is estimated to take place between countries with contiguous borders and most appears to occur between countries with relatively differences in income. In contrast while proximity can be important in shaping South- North migration, large income differences encourages migration over greater distances.

Estimates of South-South remittance range from 9 to 30 percent of developing countries remittance receipts or between 18 billion and 55 billion in 2005 depending on the allocation rule chosen to estimate bilateral flows the estimate is high .When the allocation rule is based on migrant stocks but low when it is based on officially recorded remittance of 188 billion to the south in 2005 the amounts will be higher if flows through informal channels were taken in to account.

Aitybetov (2006), found that approximately 10 percent of remittance were used as some form of investment in Kyrgyzstan and thus had a positive impact on the economy. The paper constructed a dynamic model to assess the macroeconomics implications of remittance in Kyrgyzstan. The model goes through consecutives phase where the impact of remittance on investment, consumption and imports respectively is analyzed.The culminates in the eventual regression of the impact of remittance on GDP growth in Kyrgyzstan.Remittances are found to produce multiplier effect.A USS 100 increase in income is found to lead to USS 230 increase in income.The multiplier effect is determined by the marginal propensity consume and marginal to investment. Therefore the results support the hypothesis that remittances positively to invest. Therefore the result supports the hypothesis that remittances positively influence the economy through its impact on aggregate investment in the economy.

Arunatilake,et al (2010), conducted a research in Srilanka and found that remittance from abroad have risen steadily over the years.They announced to USS 2.5 billion in 2007.Srilanka is struggling to strike a balance between maximizing the developments benefits of migration while protecting migrant worker and their families from the adverse impact of migration.On the macro front, remittance have provided a stable as well as the largest sources of foreign capital to the country. Remittance have also

provided significant balance of payments support to the country by offsetting the adverse impact of the trade deficit during time of crisis. Further there are indications that remittances inflows have improved national saving and lifted the level of investment rate of the country. A large proportion of households in the country receive remittance. The level of remittance received by migrants households appears to be significant being equivalent to 48 percent of main households income in the country.

Cuecuecha (2010), using panel data for the period between 2000 and 2007 from the Indonesia family life survey analyzed the effect of remittance on consumption and investment. The study established three significant findings. First by employing instruments variables to control for endogeneity and section bias the paper finds that remittances have the capacity of alleviate poverty in Indonesia. Second the study found that households receiving remittance spent more only on a food consumption item at the margin than would be the case without remittance. Third and most significant the study found that household receiving spent more on housing investment goods at the margin than would be the case without remittance.

Mathema (2010), has argued that especially since 1990 with the open market and globalization the world economy and demand for the software industries and domestic workers have created more employment opportunities for the labour of the developing countries. In addition the changing features of international foreign labour migration has also enhanced the increasing feminization of foreign labour and migration. It has resulted trend in the participation of women labour force. According to the world system theory international labour migration is the heart of the global capitalist market.

Sastry (2010), on his research about status of return migrant in New Orleans after Hurricane Katrina for the entire sample over the 14 months period found that housing damage was the major factors showing the return of displaced New Orleans residents, particularly among black residents and those low socio-economic status. This is consistent with previous studies that show that there were disparities in the effect of Hurricane Katrina by race and socio-economic status at multiple stages of the disaster, including the process of returning to the city among displaced residential segregation

that twentieth century concentrated rest black residents in lower lying section of the city.

World Bank(2011),according to the Fact book about latest migration and remittance, the top migrant destination countries are the United states followed by Russia,Germany,Saudi Arabia and Canada.The top immigrants countries relative to population are Qatar (87%), Monaco (72%),the united Arab immigrates(70%),Kuwait(69%) and Andorra (64%).Mexico-united States is expected to be the largest migration corridor in the world this year followed by Russia-Ukraine, Ukraine-Russia and Bangladesh-India.Hans Timer said in his book “Remittance lead to more investment in health, education and small business. With better training of migration and remittance trends policy maker can make informed decision to protect and leverage this massive capital inflow which is triple the size of official flows.”

Sayed et al (2012), conducted a research on remittance and this paper has employed annual time series data over the period of 1980 to 2009, johansen and jeuseliusco integration technique ,error correction model and sensitivity analysis have been performed to analyzed the long run, short run relationship and robustness of the result respectively. From the research the co integration results confirm that there exist significant positive relationship long run relationship exist between remittance and economic growth in growth in Korea while significant negative relationship exist between remittance and economics growth in China. Error correction models confirm the significant positive short run relationship of workers remittance with economic growth in Korea, while the results of china were insignificant in short run.Casualty analysis confirms unidirectional casualty runs from workers remittance to economic growth in both China and Korea sensitivity analysis confirms that the results are robust.

World Bank (2011), analyzes the potential use of remittance for credit in a financially under developed economy,fusing on Cuba.This study concluded that the several aspect of reforms of 2009-2010 apart from these in 1978 and 1993.The depths of the current reform implanted by the Cuban government are greater allowing for the largest number of self-employment of activates and legal non –state workers in Cuba’s history. The finding of this study is the individuals who migrate do not come from the poorest households, because international migration has a higher risk and

cost. The national remittance impact is a decrease in the Mexican rural households inequality level.

World Bank(2012), conducted a research on impact of remittance on financial development using both balance of payments statics for close to 100 countries over the period 1970-2002 and household survey based data for Mexico (2000) and El Salvador(1995,1997,1999,2001).From the research they showed that remittances funds received from migrant working abroad to developing countries have grown dramatically in recent years from US 18 billion in 1980 to over US 126 billion in 2004.They have become the second largest source of external finance for developing top remittance dependent economics of the world.

Arifeen(2013), presented a research paper on international organization for Management .This paper attempted to see the contribution of migrants remittance to Bangladesh socio- economic development both at macro and micro economic perspectives by using various relevant literature published by different organization. The macroeconomic base mainly focuses on Gross Domestic product (GDP) including foreign reserve and balance of payment, capacity of importing goods, etc. While the micro economy focuses utilization of remittance for family social security, consumption and investment at the household and community level.The research found that remittance through international migrants are relatively stable form of income. In the last thirty one years, increased remittance flow has been contributing to the economic development of Bangladesh. It is evident that remittance not only increased household income, but also has the potentiality to increase local and national economic growth .However some major challenges are considered as impediments to further socio-economic development of Bangladesh.

National Reviews

Shrestha(1981),in the survey conducted by him migrant households were questioned not only in the destination districts –Chitwan and Nawalparasi but also in the district of origin Shyangja and Lamjung.The study analyzed the relationship between landholdings and migration behavior of the households.Many Emigrants workers give the priority at first place to pay loan and then spent their money on the land.Basically migrant family buys some land from the saving of remittance. Thus from his study

many migrant house basically at Shyangja, Lamjung increase the quantity of land ownership than before.

Gurung (1983), in titled 'Internal and international migration Nepal' which was supported by the National commission of population, express that a number of institution and organization have carried out serves collecting data on migration in Nepal. Also this study express migration captures the dynamic phenomenon and the various forms of mobility it encapsulates. The contribution of foreignlabour migration industry has not been recognized, but it seems that it has also contributed greatly in terms of employment opportunities for other and in generating economics activities within the country. The contribution of Recruitment Agencies (RA) and Money Transfer Agencies (MTA) in terms of employment to people within the country is huge. From this study it is concluded that about 0.34 million jobs are created all over the country by these service providers, which is most equal to the number of migrant workers.

CBS (1997), using the data from 1995/1996 construct sample of 4,629 school aged children from 3,373 households, find out that young girls benefit relatively less from remittance but suffer less harm from households disruption when examining the impact on human capital formation.

Thapa (1989), examines the relationship between socio-economic factors and rural migration in Nepal. He analyzes migration decision making at an individual and households level to explore aspects of migration as an adjustment strategy. He has find out the consequences of out-migration and in-migration with respect to social and economics welfare of the households at origin and destination countries. He has used categorical date models to estimate the strength and direction of relationship between migration and socio-economic variables. The result indicates that an increase in the intensity of cultivation improves the terms of tenure the process of marginalization is characterized by an increase in share cropping rather than by increase in fixed rental or working arrangements.

Adhikari (1991), in his studies at the Nirmal Pokhari VDC of Kaski district about the cause of out migration, trend and to analyze the effect of migration on the income level. He found, economic condition of migrant family is improved than before. He found the annual income of 34.03 percent of our migrant was more than

Rs.12000. Some 8.33 percent of out-migrants earned Rs.3000 to 6000 per year. Such out of migrant had changed the land-holding of the people left in the village. Only 6 households owned above 30 ropanies of land before this out of migration started. But the number of families holdings land to this extent had been raised up to 13 percent. He found that poverty, fooddeficit, unemployment, migration and the trend of out-migration was always increasing.

Kumar(1998), explain that remittance are affected by the economic cycles of source and host countries. He defines remittance improve the balance of payment, raise national income, finance imports etc. which other capital flows tend to increase during favourable economic cycles and decline in period from remittance income. Still around 78 percent households improve their economic condition of housing.

Kansaker (2003), mentions that despite having a chapter on migration the census of 1920 and 1930 only recorded headcounts of male emigrants. The census of 1952/54 was the first attempt to use scientific statically means to collect data and was in consance with the objective of the United Nations to synchronies the population census methodology for comparative study. Studies on migration to fulfill the objectives of examining the demographic, Social, Economical and educational characteristics of emigrants, the role of remittance on local and national economy and the cause and implications of emigration from different perspectives. The study based on primary data collected through households survey incorporating the households with Pensioners of the Foreign army and households with non-pensioners and Secondary information collected from Census and Treaty documents, historical records, relevant literatures etc. has also been utilized for the analysis of the study.

Seddon (2003), examined the pattern of growth and the flow of remittance back in to Nepal. The proportion of migrants from poorer developing countries has become increasingly significant. Some 2-3 million new migrants now leave developing countries each year about half goes to industrial countries. By mid 1990's, remittance sent home by international migrants exceeded US 75 billion annually. In his studies also found, in case of Nepal at least ten times the officials recorded value enters the country private made by Nepali migrants, as remittances and possibly twenty times the recorded value.

Nepaune (2005), worked among Nepali migrant living in Delhi and looked mainly at their work areas and profession. In his worked, he finds origin of Nepalese migrant duration of stay in Delhi, number of women and child workers etc. Basically child and women work in India at household and industrial sector. Many number of Nepali worker work at in India at low salary.

Sharma(2005), has studied the labour migration to the Arab countries at a micro level from Jaidi VDC of Baglung district based on primary data which were obtained from field survey conducted by sampling method. He found that all migrants are young literate and main cause of emigration were unemployment, food decency, increased expenditure, lack of security and some family cause. On the other hand, availability of work, presence of friends/relatives, higher rate of salary and bright light were the pull factors of emigrations. The impact of emigrant both positive as well as negative upon economics, social and demographic dimension. The positive impact were higher earning, saving, give more attention to education and sanitation. The negative impacts were labour shortage in the village, negligence's of agriculture and mobility to urban areas. In the same way the domination of children and older population were some other negative impacts of the emigration in the study area.

Pant (2006), investigated the pattern of remittance inflow in Nepal and its impact in the economy. According to him, remittance create multiplier effects in the domestic economy producing employment opportunities and spurring new economic and social infrastructure and services, especially where effective structures and institutions have been set up to pool and direct remittance. The share of remittance in total current account receipts, excluding grants, soared from 27.4 percent in 2000/01 to 38.2 percent in 2004/05. While the share of remittance in total foreign exchange receipts was 28 percent, 25.9 percent and 31.5 percent in 2002/03, 2003/2004 and 2004/05, respectively, the corresponding share of exports was 26.2 percent, 24.4 percent and 28.8 percent.

Thus, this study made conclusion that remittance are potentially important stimulate to economic growth. In Nepal, during the last few years, remittance have been an important source of support for employment continues to rise, the corresponding growth of remittance has become a critical flow of foreign currency in to Nepal.

Regmi (2007), in his case study found that 69 percent of sample households improve education of their children from remittance income. Still around 78 percent households improve their condition of housing. From this study socio-economic condition is improve after migrant,

Dhital (2007), tried to asseses remittance current position and its role in the economy on this area to dig out the ground realities. She concluded that remittance gives positive multiplier effect in output if they are consumed and contribute to economic growth if they are invested productively.

Shrestha (2009), explains about the trend of foreign employment and remittance in Nepal. The demand for Nepaleselabour abroad has relieved the unemployment problem to some extent .He says remittance have been playing pivotal role by relaxing Foreign exchange constraint, increasing contribution to GDP and strengthening the balance of payment situation of the country .At last he summarizes his article, Government of Nepal and the concerned authorities must visualize and address the issue of foreign employment and remittance in Nepal the change perceives.

Silwal(2009),tries to explain the volume of remittance flow of labour sending countries has also increased co-respondingly. Labour migration and inflow of remittance have played important role in Nepal's economy. In his article analyze the volume and trend of labour migration and remittance and their impact in Nepal's economy which is heavily dependent on remittance from migrant workers.

He concluded that remittances are also used more for consumption purpose than for productive purpose investment. He suggested that the government should take measure to improve the quantity of labour by training on the one hand and induce remittance to channel remittances to productive investment on the other hand.

Dahal (2010), with the objectives to highlights the importance of youth and remittance in Nepalese economy and to suggest some measure to main stream youth and remittance evaluates the importance of youth and remittance as a key economic resource of Nepal. In this study, he concluded that the national authorities are not found to serious about the importance, flow and use of this resource in the economy.

Rai (2012), analyze the remittance flows at households level and share of remittance income as percentage of total income, contribution of remittance on educational expenditure at households level. From the findings of his case study, it can be concluded that remittance has positive impact on education. To improve living standard the main cause for foreign employment motivation. Thus more than three times students of remittance households are found to study in private school than that of remittance non recipient households.

MOF (2014), the external sector balance of Nepal mainly relies on remittance inflow and the level of imports for instants the stability of current account and overall BOP is dependent on higher remittance inflow and moderate imports, otherwise leading towards deficit. Though the country's economy is in immediate advantages position due to high remittance inflow, questions are being raised on its stability and sustainability.

Sharma (2015), has explained that Nepal generating a huge amount of National income through the remittance income earned through the unskilled human resource working abroad as a labour. In her study she found due to the lack of necessary awareness the culture of consumption is increasing. As a result little saving and investment has been frosted. She found manpower agencies and their brokers are taking maximum amount of money for the processing of the related work from migrants, to which only some portion of the amount is used in the concerned field. So she concluded that to get substantial economic effects of remittance and foreign employment, many things are yet to be done.

Thus after reviewing the various studies it shows remittance is the basic source of national economy. Nowadays the trend of foreign employment was increasing as a lack of the employment opportunities in Nepal. Many of the previous studies are related with impact of remittance in different sector such as education, investment, consumption etc but this study try to found out the socio-economic status of return migrant. To know the proper utilization of migrant's skills and their earnings in suitable sector this study about status of return migrant is helpful. Thus the study identifies the present work.

CHAPTER III

RESEARCH METHODOLOGY

The research design refers to the conceptual structure within the research is conducted. As the study covers all the wards of setidovan VDC of Shyangja district, the study area has been selected purposively. There are two main reasons behind selecting the area for study. First a large number of youth are migrated to different countries from this VDC as emigrant workers. Second this is the local area for the researcher. As many cases and issues are known to her, it is expected to explore the intended facts of the study in detailed.

Many of the youth immigrant workers in this area fulfill their family basic need through the remittance send from different countries. Most of the people in this area are involved in agriculture and precipitate income is very low. Due to the lack of alternative opportunities for employment with in their country they live their home land for foreign employment. When they use their remittance send from foreign country of their family, their living standard is improved than before. Thus labour migration improved the socio-economic status at their local area at some extent.

Setidovan VDC is one of the VDC located at the western part of Shyangja having 1 square kilometer from the district headquarter. This VDC is surrounded by VDC and Municipality to the East, Phaparthum and ChilaunebasVDC to the South and BangefaddkeVDC, to the west respectively. It has tropical climate. According to the Census Report of 2011, the VDC has 4454 total population (742 households) in which 51% is male and 40.38% are female. All wards are highly populated and population is increasing. There is high population pressure in Setidovan Bazaar, Rangethati and JugleBazaar. As agriculture is the main occupation, more than 90percent of total population are engaged and depended on agriculture for the fulfillment of the determined objectives; the study has gone through the following methodological strategies.

3.1 Research Design

This research design followed in the study is descriptive as well as explanatory. As both the qualitative and quantitative data have been used, qualitative data have been analyzed descriptively in a narrative style. The quantitative data have been analyzed

and interpreted using simple statically tools like percentage, mean, mode and are presented in different table's graphs, charts and diagrams.

3.2 Sources of Data

The research work has made use of both primary and secondary data. The source of those data is as follows.

3.2.1 Primary Source

The emigrant workers returned to the place of origin from the foreign work specially gulf countries have been taken as the Primary sources of the information for the study. For this 135(each 15 persons form the nine wards of Setidovan VDC) returned worker have been consulted.

3 .2.2 Secondary Sources

The researcher has studied, evaluated and assed all the related literatures and has picked the data up for the study as the secondary information. Related earlier studies, books, journals, article and all the other publication related to the subject matter have been taken as the secondary source of information. The researcher has also visited some website for the elicitation of require secondary information. Thus many previous study about the return migrant also helpful for the justify this study. Mainly the sources of secondary data are Central Bureau of Statics, VDC profile of Setidovan, Statical office of Shyangja district.

3.3 Sampling Procedure

The researcher has made use of the non-random method for the selection of the study/population.Purposive sampling is used to take data sampling in the study area. Only return migrant are taken for the study. So return migrant especially Arabian countries and other parts of world are taken for the required information. Among the return migrant 135 are taken for the selection of the study. The researcher has taken 15 informants from each nine wards of Setidovan VDC for the purpose of the study. Sample is taken from each ward according their total households.

3.4 Tools for Data Collection

Mainly the tools of data collection were interview, Key informants, Focus group discussion and observation. A comprehensive questionnaire has been designed and administered to the informants for the elicitation of require information in interview. The researcher has used Semi-structured interview, Check list, Key informant to collect other required information whenever seen necessary. Teacher, Political leader, Ward partinidhi, Social worker were Key informant for data collection. Focus group discussion also has been adopted in the informants group to collect some require information as well. In the same way 9 group of focus group in each every VDC around 120 people are involved. In the same way observation is also helpful to check their life style and facts. Again for the secondary data Library study technique, different useful website related to this subject is taken.

3.5 Process of Data Collections

- a) The researcher has gone through the stepwise procedure to gather the require information in conducting this study. First of all the researcher designed a comprehensive questionnaire and a semi-structured interview schedule it to all the selected informants from each wards of Setidovan VDC.
- b) In the process of data collection key informant, Observation, record of VDC is helpful.
- c) The secondary data have been collected from library study technique. All the data have been analyzed both qualitatively in a narrative style and quantitatively in simple statical tools.

3.6 Method of Data Analysis

After collection both primary and secondary data, present this data in suitable form. From primary data explain at a narrative style.

CHAPTER IV

THE INFLOW OF REMITTANCE AT HOUSEHOLD

During few years Remittance was one of the back bones in national economy in Nepal. The numbers of workers going abroad for employment continues to raise especially gulf countries due to high population growth many Nepalese are depend on remittance for fulfill daily needs. According to Economic survey 2014 the contribution or remittance in GDP is around 29 percent .This result shows their daily needs through the money send from foreign country. Thus like other underdeveloped country Nepalese economy depend on the Remittance. In the way of study, setidovan VDC of Shyangja district is located in hilly region and most of the people are involved in different government service and foreign employment. The census Report 2011 shows the total no of absent out of 742 houses of setidovan VDC, 446households have at least 1member out from their houses.

4.1 Socio-economic Status of the Informants

To analyze the objective proposed, 135 respondents were randomly selected from 9 wards of setidovanVDC of shyangja district taking 15 respondent from each ward. In each every VDC respondent are chose who have come back after staying few years in foreign countries .Respondent are select on the basis of Key informants like Teacher, Ward partinidhi,social worker and political leader .Among the Respondent some of them who have come back after staying few years in foreign country.

4.1.1 Gender wise Distribution of the Respondents

Gender wise distribution represents the number of male and female among respondent. In the way of field survey, the percentages of gender distribution in the study were 82.22 percent respondents were male and 17.78 were female. It indicate the number of male going foreign country is considerably high than female, female are only one –seventh in comparison to the male.

Table 4.1.2 Age Wise Distribution of the Respondents

Age group(in year)	Number	percentage
15-19	4	2.96
20-24	10	7.40
25-29	34	25.18
30-34	24	17.77
35-39	35	25.92
40-44	17	12.59
45 and above	11	8.14
Total	135	100

Sources: Field Survey, 2015.

Table 2 shows the age wise distribution of the respondents. From this table the highest number of respondent are between 25-29 years of age, in which 25.92 percent of them were participated .In the same way the second highest percentage of them was from 30-34 years of age, the most productive time of humans' life. More than 75% percent are from the highly productive age 21-40. As a whole most of the youth almost 80 percent Respondents were between 26-40 years of age. From this data we know many people spent their productive age in foreign country. Thus from this data we know age wise distribution of Return migrant, who spend their precious years in service of foreigners. Thus from this table below 25 and above 46 are less number because below 25 years of age still in foreign country and above 46 are migrate from their local area.

Table 4.1.3 Distribution of the Respondent in Terms of Cast/Ethnicity

On the basis of cast the number of return migrant are presented in following tables. Especially we classify to the respondent on the basis of their cast.

Cast/ethnicity	Number	percentage
Brahmin	40	29.62
Newer	14	10.37
Magar	8	5.92
Dalit	31	22.96
Tamang	5	3.70
Chhtri	27	20
Gurung	10	7.40
Total	135	100.00

Source: Field Survey, 2015.

Table 3 shows the cast/ethnicity wise distribution of the respondents. Majority of the respondents belong to Brahmin, Dalit and chhetri being around 70 percent and remaining about 30 percent respondents are from Gurung, Newar, Magar and Tamang respectively. Though the large number of people from setidovan VDC has gone foreign countries. Mainly those people are goes Arabian country that who were economically and educationally weak. Generally Dalit, Newar; Magar seems high in case of Arabian countries. Foreign employment did not attract to the people or certain cast or ethnic groups. More or less all the cast were migrated to foreign land with the hope of better opportunities.

4.1.4: Educational Status of the Respondents

From the field survey it is found that around 98 percent were illiterate and 2.22 percent were illiterate .Among the literate some have only basic education under S.L.C. and some have higher academic qualification even master's degree. Despite their higher degree they served and have been serving the foreigners due to lack of proper opportunities in the country. Some of the respondents expressed their dissatisfaction towards the government for not being able to create employment opportunities within the country. Some of higher academic respondents expressed the cause of migration is also due to lack of technical education. Only few number respondents who have highest academic qualification are satisfied because they qualified education and know about foreign culture. Again respondent who are illiterate are comparatively more satisfying in doing job in foreign land, because they didn't get wage in Nepal to fulfill daily basic needs but in foreign land they have also some saving after fulfill their basic needs. All illiterate respondents were gone in Arabian countries.

4.1.5: Educational Attainment of the Literate Informants

The structure of level of education is set as per the revised structure of National Education commission 1992.According to this commission, under the formal education there are primary level (class 1-5),lower secondary (class6-8), secondary(class9-10),Higher secondary (class 11 and 12) and above implies Bachelor degree, master degree,M.Phil.and Ph.D.

Tables 4.1.5: Educational Attainment of the Literate Informants

Educational status	Number	Percentage
Just literate	13	9.62
Primary education	28	20.74
Secondary education	42	31.11
S.L.C	13	9.62
Higher secondary/intermediate	23	17.03
Bachelor	10	7.03
Master	6	4.4
total	130	100

Source: Field Survey, 2015.

Above table present the educational status of the respondents. Out of 130 literate respondent 13 respondents are just literate. Among the migrant highest number of the respondent 31 percent were get secondary education. Around 21 percent respondent gets primary education. Thus after secondary and primary education, 10 percent S.L.C pass 7 percent Bachelor and only 4 percent were master degree completed.

4.1.6 Source of Education Attainment

In the way of educational attainment among respondent most of the respondent around 95 percent get education from formal source and only 5 percent were get education from informal source. Most of the respondent who get education from informal source is aged person above 40 years old. This result shows before some time people get education from different source like Guru, Temple, Baudhustup etc.

Table 4.1.7 Marital Status of the Respondents

Marital status	Number	Percentage
Married	110	81.48
Unmarried	18	13.33
Single	7	5.18
Total	135	100

Source: Field Survey, 2015.

Out of 135 respondent, majority 81.48 percent were married. Many married leave their country to fulfill basic needs and better future. Due to the lack of employment opportunities many respondent left their family, motherland for the betterment of the life. Around 13 percent were unmarried and 5 percent single. Many unmarried respondent were migrant because unsuccess in education, low economic status of the family. Among 7 single respondent most of the respondent were women who are divorce their husband. Thus the number of married person were high comparing with unmarried and single person among the respondent.

4.1.8 Occupational Status of the Respondent

Occupational Status	Number	Percentage
Self-employment in agriculture	49	36.29
Wage labour in agriculture	17	12.59
Wage labour in non-agriculture	15	11.11
Self-employed on business/trade	36	26.67
Service at non-government sector	6	4.44
Foreign employment	12	8.89
Total	135	100

Source: Field Survey, 2015.

4.2 Inflow of Remittance at Household Level

Nepalese youth living in different parts of the world for different purpose. In many European country and America lived Nepalese people mainly for to earn money and get education. In the same way in many gulf countries, East Asian countries, South Korea, South Asian countries a large group of Nepali youths are selling their labor

and earn money. In this country many Nepalese youth are work in different sector. Thus for the study taking selected respondent who are live in different parts of the world and the analysis is made as per the objectives.

Table 4.2.1 Countries of Working Abroad /Destination of Migrants

Countries of working abroad	Number	Percentage
U.K.	1	0.74
USA	2	1.48
China	1	0.74
Japan	5	3.70
Israel	2	1.48
South Korea	8	5.92
Kuwait	18	13.33
Qatar	37	27.40
Malaysia	23	17.03
Bahrain	5	3.70
UAE	18	13.33
Saudi Arabia	15	11.11
Total	135	100

Source: Field Survey, 2015.

Respondent were found to have come back from different 12 countries. According to the field survey among 135 respondents 27 percent sent from Qatar and around 17 percent from Malaysia. Kuwait and UAE are equal around 13 percent, 6 percent from Korea, 4 percent from Bahrain. USA and Israel is equal around 1.48 percent and less than 1 percent from UK and China. Thus from this finding most of the people have

gone to Qatar and second destination is Malaysia. From this figure most Nepali worker has gone to gulf countries. This result is due to easy access and low cost than other advanced countries. Only some skilled and higher academic qualified person were migrated in European countries like USA, UK, and Japan etc.

Table 4.2.2 The Causes for Leaving the Country

Causes for migration	Number	Percentage
Landlessness	3	2.22
Unemployment	51	37.78
Better wage	24	17.78
To pay family loan	16	11.85
Family pressure	20	14.81
Debt	13	9.62
Desire to foreign country	6	4.44
conflict	2	1.48
Total	135	100

Source: Field Survey, 2015.

There may be various motivations of seeking foreign employment for employee. The reason might be economic, social, political, acquired skills and various others. Among the multiple answer about motivate for foreign employment is around 37.78 percent is unemployment .Similarly better wage being the second 17.78 percent .Then family pressure being the third highest reason 14.81 percent and to pay family loan being the fourth reason of going foreign land. Similarly from the field survey, Debt 9.62 percent, desire to go foreign country 4.44 percent, Landlessness 2.22 percent and conflict 1.48 percent. Although there were many reason behind foreign employment it would be difficult for economy. So the government should step forward to solve it.

Table 4.2.3 Channels Used to Go for Foreign Employment

Channel used	Number	Percentage
Manpower agency	80	59.25
Local agent of manpower	32	23.70
Relatives/friends	10	7.40
Personal effort	8	5.92
Gov. Quota	5	3.70
Total	135	100

Source: Field Survey, 2015.

Majority of the respondent used Manpower agency as the channel for foreign employment with 59.25 percent. From the data remaining 23.70 percent through Local agent of manpower, 7.4 percent through Relatives and friends, around 5.92 percent through personal effort and only remaining 3.70 were Gov. Quota. Thus from the above data, many Nepalese youth used Manpower agency and second is Local agent of manpower due to village area.

4.2.4 Source of Fund to go for Foreign Employment

The sources of financing to go for foreign employment especially rural people of Nepal are presented as follows

Table 4.2.4 Source of Fund to go for Foreign Employment

Sources	Number	Percent
Family saving	20	14.81
Sales of land and property	16	11.85
Taking loan from bank	18	13.33
Borrowing with relatives/friends	54	40
Taking loan from money lender	29	21.48
Total	135	100

Source: Field Survey, 2015.

Table 4.2.4 shows that the most of the employee have borrowed from relatives/friends and loan from money lender 40 percent have borrowed with relatives and friends, 21.48 percent taken loan from money lender and remaining 14.81, 13.33 and 11.85 percent have used by family saving, taking loan from bank and sales of land and property respectively. Thus still the source of finance for foreign employment is money lender although interest rate from this source is high in rural areas.

Table 4.2.5 Period of Work Abroad

Period of work abroad	Number	Percentage
Less than one year	6	4.4
One year	3	2.22
Two year	15	11.11
Three year	29	21.48
Four year	50	37.03
Five year	23	17.03
More than five year	9	6.67
Total	135	100

Source: Field Survey, 2015.

Table 4.2.5 shows that most of the workers spent 4 year in abroad in abroad at in one timeline this field survey it is found that 37.03 percent of them have crossed four year, 21.48 percent of them 3 years, 17.03 have five year 11.11 percent have two years 2.22 percent have one year, 44 percent have less than one year and 6.67 percent have more than five years. From the field survey generally those people spent less than one year are unsuccess in foreign employment and spent more than 5 year people are other than gulf countries and some gulf countries where work and money is effective. Thus remittance from the migrants to the own country depends on duration they spent in abroad.

Table 4.2.6 Frequency of Visit for Foreign Employment

No. of times	Number	Percent
First time	74	54.81
Second time	52	38.51
Third time	7	5.18
More than third time	2	1.48
Total	135	100

Source: Field Survey, 2015.

The result from table 4.2.6 explain that out of 135 employed ,54.81 percent of them are first time in foreign land ,38.51 percent of them are second time,5.18 percent of them are third time and only 1.48 percent are more than third time. Thus the number of migrant visit first time rate is high and more than third time is low. Due to the lack of alternative source of income and other opportunities migrant worker use to go foreign country time and again. From this result most of the Nepalese People losing their productive age in foreign land.

Table 4.2.7 Mobilization of the Earned Money

Particulars of the money mobilized	Number	Percentage
Formal channel	83	61.48
Informal channel	34	25.18
Brought with self while returning home	6	4.44
Send through relatives/friends	12	8.89
Total	135	100

Source: Field Survey, 2015.

In the above table present the process of sending remittance to their home country by migrant workers. On the basis of medium, the remittance recipient data are collected by asking the return migrant. From the question among respondent most 61.48 percent directly sent their money from banking process like bank, money transfer agency whereas 25.18 percent used informal channels like Hindi, Friends, Agent of the manpower .In the same way 8.89 percent sent through friends/relatives and 4.44 percent brought with self while returning home .Especially those people brought with self who are unsuccessful in foreign employment and return their home country within 6 month. From the above result although large portion of remittance sent through banking process still informal channel used as a medium of remittance mobilized in this study area. When informal channel used as a money mobilization government lost their income and difficulties.

4.2.8 Average Expenditure of the Workers in Process of Going

The main destination of Nepalese workers (especially unskilled workers) is gulf countries and few skilled workers go other countries beside gulf countries like USA, UK, China, and Japan. Nepalese migrants also have to spend a lot of money while going abroad and the cost also differs as per country and their determining

conditions. From the question among different respondents average expenditure in different country on different particulars are as follows.

Table 4.2.8: Average Expenditure of the Workers

Country	Average cost
UK	22,00,000
USA	19,00,000
China	9,00,000
Japan	12,00,000
Israel	1,50,000
Korea	1,30,000
Kuwait	1,35,000
Qatar	90,000
Malaysia	1,20,000
Bahrain	1,30,000
UAE	1,15,000
Saudi Arab	1,00,000

Source: Field Survey, 2015.

Table 4.2.8 shows that average monetary cost of going different country has different cost. Generally monetary cost for advanced countries is high than gulf countries. In this table for UK the average monetary cost is Rs. 22,00,000, USA Rs 19,00,000, China Rs 9,00,000, Japan Rs 12,00,000, Israel Rs 1,50,000, Korea Rs 1,30,000, Kuwait Rs 1,35,000, Qatar Rs 90,000, Malaysia Rs 1,20,000, Bahrain Rs 1,30,000, UAE Rs 90,000 and Saudi Arab Rs 1,00,000. The mentioned cost is including initial processing passport, Visa, Local transportation, Medical, Manpower fees and other miscellaneous expenditure. In this table low cost are especially for unskilled manpower in gulf countries and higher cost is for advanced countries where

workers are demanded only skilled. Although Korea being advanced country it cost is less due to the cost is determined by the Nepalese government.

Table 4.2.9 Average Monthly Earning by Work Abroad

S.N	Average monthly earning (in RS)	Number	Percentage
1	Below 10 thousands	4	2.96
2	10,000-20,000	20	14.81
3	20,000-30,000	28	20.74
4	30,000-40,000	31	22.96
5	40,000-50,000	23	17.03
6	50,000-60,000	10	7.40
7	More than 60000	19	14.07
Total		135	100

Source: Field Survey, 2015.

In the way of field survey, question asked about the monthly income among respondent average earning 10 to 60 thousand or more. In this way nearly 23 percent of the respondent earn only 30 to 40 thousands monthly whereas other 21 percent income was Rs 20 to 30 thousand. Earning Rs 40 to 50 thousands migrants was nearly 17 percent and 14.81 percent earn 10 to 20 thousand per month. After that around 14 percent earn more than 60 thousand and 7.40 percent earn 50 to 60 thousands. At last around 3 percent earn 5 to 60 thousand. Among the respondent much of the respondent around 23 percent earn 30 to 40 thousand and lowest 3 percent earn below 10 thousand at per month.

Table 4.2.10 Average Monthly Saving

Average monthly saving(in Rs)	Number	Percentage
Below 5000	6	4.44
5000-15000	18	13.33
15000-25000	24	17.77
25000-35000	30	22.22
35000-45000	29	21.48
More than 45000	28	20.74
Total	135	100

Source: Field Survey, 2015.

In the answer of the question “how much did you save per month?” respondent’s replies range from below Rs 5 thousand to more than 45 thousands? Most of the respondent 22.22 percent respondent monthly saving was in between Rs 25000-35000 and lowest around 5 percent respondent save below 5 thousand at per month’s 35 to 45 thousand was the monthly saving of 21.48 percent respondent whereas 20.74 percent respondent saving per month was RS 35 to 45 thousands. In the same way 17.77 percent people earns Rs 15 to 25 thousands and 13.33 percent earn Rs 5 to 25 thousands per month.

CHAPTER V

UTILIZATION OF REMITTANCE AND SKILL IN THE STUDY AREA

Remittance become's one of the economic foundations in Nepal. Most of the Nepalese people fulfill their basic needs from the money sent through different countries. In the way of foreign employment they earn money and skill what have they done in foreign country. Remittance can generate a positive effect on the economy through various channels such as saving, investment, growth, consumption and income distribution. At the community level remittance create multiplier effect in the domestic economy producing employment opportunities and spurring new economic and social infrastructure and services. Many earlier literatures shows that high amount of remittance is found to be used in unproductive sector in Nepal. The major portion of remittance is used for meeting household's consumption, paying of loan borrowed to go to abroad, real estate and purchaseof electronic goods. At this context, the present study has made an assessment on the utilization of remittance and skill at setidovan VDC Shyangja.

5.1 Utilization of Remittance in the Study Area

From analyze about remittance in the past trend were found using major portion of remittance in necessary households durables and consumables followed by repayment of loan and interest ,luxuries, festivals , social ceremony and so on.

Table 5.1.1 Utilization of the Remittance Money

Particulars of the money utilized	Number	Percentage
Necessary households durables and consumables	109	80.74
Luxuries households durables and consumables	42	31.11
Feast/Festivals/Social ceremony and entertainment	82	60.74
Loan and interest payment taken to go abroad	75	55.55
Loan and interest payment to fulfill family needs before planning migration	39	28.88
Purchase of land	27	20
Investment in trade and business	22	16.29
Lending for interest	17	2.59
Bank deposit	44	32.59
Miscellaneous expense	135	100

Note: The percentage exceeds 100 percent due to multiple answers.

Source: Field Survey, 2015.

Many Nepalese youth go in foreign country with different purpose. From the remittance first of all people fulfill their basic needs and after that used in different sector. At in Setidovan VDC most of the remittance money was used in necessary household's durables and consumables. Among the total respondent, remittance

money is not utilized only one sector, so respondent use their money in different sector. Among the total respondent 80.74 percent spent on necessary households durables and consumables, 62.22 percent spent on education of children.60.74 percent spent on feast ,festivals and social ceremony and entertainment ,55.55 percent spent on loan and interest payment taken to go abroad and 32.59 percent have bank deposit .In the same way 31.11 percent have spent on Loan and interest payment to fulfill family needs before planning migration ,28.88 percent have spent on luxuries households durables and consumables,20 percent purchase of land ,14.07 percent improved health of family members ,16.29 percent investment in trade and business,12.59 percent are lending for interest and all of the people use their some amount of money on miscellaneous expenses. Thus return migrant use their remittance in different sector according their necessities and interest.

Table 5.1.2 Benefit Received from the Work Abroad

Particulars of the benefit received	Number	Percentage
Improved quality of life	27	20
Improved economic condition	36	26.67
Learned new skill	22	16.29
Raised social status	7	5.18
Improved education of children	33	24.44
Improved health condition of the family member	7	5.18
Got no visible benefit	3	2.22
Total	135	100

Source: Field Survey, 2015.

During field survey, the most of the benefited sector from remittance was improved economic condition. Many migrant workers are higher economic position comparing their past conditions. The table presents the percentage of the respondents where 26.67 percent feel their economic condition is improved. Second benefited sector from remittance is improved education of the children around 25 percent. After that 20 percent improved quality of life, 16.29 percent learned new skill. Equal numbers of people 5.18 percent are benefited from improved health condition of family and raised social status. At last only few number 2.22 percent have no visible benefit from remittance. Especially those people have no visible benefits who are unsuccessful in foreign employment.

5.2 Use of Skill Learn in the Study Area

Nepalese people go in different countries for different work. Some people go in foreign country with skill and some are not. People both skilled and unskilled learn some ideas, technique at in different sector while working foreign country. Thus we analyze what type of skill they acquire and how they use in their own country.

Table 5.2.1 People Involved in Different Sector

Sector	Number	Percentage
Agriculture	23	17.03
Industrial	14	10.37
Household	5	3.70
Hotel	4	2.96
Salesman	13	9.62
Driver	7	5.18
Security guard	10	7.40
Education	6	4.44
Labour(unskilled)	53	39.25
Total	135	100

Source: Field Survey, 2015.

In the way of field survey most of the worker are unskilled work as a labour in foreign country 39.25 percent of Nepali worker work as a labour especially in gulf countries .Among the respondent who learn skill in foreign country 17.03 percent people learn skill in Agriculture,10.03 percent learn skill from industrial sector,9.62 percent learn skill from Salesman,7.40 percent learn skill from Security guard,5.18 percent learn skill from Driver,4.44 percent people get high academic skill,3.70 percent people learn skill from household and last 2.96 percent people learn skill from Hotel. Thus in this area must of the people learn skill from Agriculture and last only few number of few learn skill from Household sector.

5.2.2 Status of Use Skill Learn in Foreign Country

During study among respondent more than one third of the population are not used skill on their country and only 26.67 percent use their skill on their own country. People don't used their skill in own country because some have not any specific skills and some are not interested to use in their local area.

Table 5.2.3 Occupational Status of Skill Used Respondents

Occupational status	Number	Percentage
Agriculture	10	27.77
Furniture	2	5.55
Polty farm	5	13.88
Tourist guide	4	11.11
Bakery factory	1	2.77
Beauty Par lour	2	5.55
Carpenter	4	11.11
Hotel	2	5.55
Teaching	1	2.77
Open boarding school	1	2.77
Shop	3	8.33
Driver	1	2.77
Total	36	100.00

Source: Field Survey, 2015.

In the field survey the skill used labour, most of the people use their skill at in agriculture like Tomato, Orange, Adua, Cow, Goat and Buffalo farm. Among total 36 skilled used labour furniture, Beauty parlour and Hotel are equal percentage 5.55 percent people involved. In the same way bakery factory, Driver, Teaching and Open boarding school are equal only 1 member or 2.77 percent involved .13.88 percent people run their business on Hen farm, 11.11 percent people work as a carpenter, 8.33 percent people open the Karana Shop and fancy shop. Thus many skilled labour run their own business and some are work as a Daily wage. At last highest number 27.77

percent people involved in Agriculture which denotes the use of skill in productive sector.

Table 5.2.4 Creation of Other Employment Opportunity

Creation of employment opportunity	Number	Percentage
No more employment opportunity created	45	33.33
Created opportunity to family members	60	44.44
Created opportunity to people in society	30	22.22

Source: Field Survey, 2015.

In the answer of the question, ‘Have other families or individuals of your society influenced from your present Job and skill? Respondent answer was Yes and No both. From the answer of the question 33.33 percent people have no more employment created 44.44 percent of the return migrant created opportunity to family members and 22.22 people have created opportunity to people in society are involved in different sector.

Table 5.2.5 Supported Sector on the Running Business/Trade

Sector	Number	Percentage
Government	7	38.89
Private organization	2	11.11
Family	9	50

Source: Field Survey, 2015.

In the way of discussion, total business run form returned migrant are 18. Among the business supported sector are mainly Government, Private organization and family. Although there are three different sectors, large share of help is family. After that

38.89 percent help from government sector and 11.11 percent help from private organization. After that 38.89 percent help from Government sector and 11.11 percent help from private organization.

Table 5.2.6 Positive and Negative Aspect of Skill and Habit Learn in From Foreign Country at their Area

Impact on social change	Number	Percentage
Positive impact	77	57.03
Negative impact	35	25.92
Netural	23	17.03
Total	135	100

Source: FieldSurvey, 2015.

From the answer about positive and negative impact of habit and skill learn in foreign country, some have positive impact, some have negative impact and some have no effect. Generally under positive impact learn about foreign country are working skill, respect other feelings and religion, compromise some unusual discussion, labor's habit etc. and negative habit are smoking, drink, consumption unnecessary durables and consumables. Thus, response from respondent positive and negative impact is measure on above things. In this area, 57.03 percent have positive impact, 25.92 percent have negative impact and 17.03 percent have nothing impact.

CHAPTER VI

PROBLEMS ASSOCIATED WITH LABOUR MIGRATION

Thousands of skilled and unskilled Nepalese youths make their departure destination for foreign employment daily to secure their financial future. Different source and study show that the percentages of unskilled labour flying abroad are higher than the skilled labour. According to the Government of Nepal Ministry of Labour and Transportation Management (MOLTM) shows that 75 percent Nepalese worker are unskilled and 25 percent labour is semi-skilled. Out of them; around 80 percent are from 20-30 years age group and 75 percent are even not completed their school education (MOLTM,2010).Skilled Youths relatively have better job opportunities in foreign markets. However, unskilled worker have reportedly been facing several problems.The reality is that they have been doing low ranking job at lower salary.Some labours even have been facing several problems including loot deception and torture. Some physically and mentally torture suffer in foreign land to Nepalese people are presented as follows.

6.1.1 Problems and Risk Faced During the Period of Work

Many return migrant suffer from difference type of problems and risk in the way of foreign work at their destination countries. Mentally, Physically, Economic, Social and other different type of hazards suffer in the way of work. Due to the lack of adequate information regarding social, cultural lifestyle of destination country as well as lack of information regarding right and secularity many problem rise.

Table 6.1.1 Problem and Risk Faced During the Period of Work

Problems and Risk faced	Number	Percentage
False information about work and wage	39	28.88
Delay in greeting visa	29	21.48
False promise of good job	32	23.70
Overcharging of fees	15	11.11
Physically abuse	17	12.59
Harassment including rude behaviour of airline	9	6.67
Threat	13	9.62
Force to work	14	10.37
No overtime payment	17	12.59
Did not get salary in time and reduction salary	45	33.33
Breaking contract	14	10.37

Source: Field Survey, 2015.

Above problem have raised the risk in the working area. Many worker suffer from the problem about did not get salary in time. In the above study most of people around 33.33 percent suffer from the problem about did not get salary in time, 28.28 percent people suffer from false information about work and wage etc. In the same way 21.48 percent Delay in greeting visa and 12.59 percent have physically abuse. Thus as a whole many return migrant suffer from different type of problem in the time of foreign work.

Table 6.1.2 Status of Pre-departure Orientation Training

Status of pre-departure orientation/Training	Number	Percentage
No any training provided	30	22.22
Training on work provided	12	8.89
Training on wage and overtime provided	16	11.85
Training on society, culture and language	29	21.48
Training on laws of destination countries	4	2.96
Training on environment	7	5.18
Training on human right	12	8.89
Training on transit and destination airport	18	13.33
Total	135	100

Source: Field Survey, 2015.

From the study about training and skill learn among immigrant 22.22 percent are no any training, 21.48 percent training on society culture, 13.33 percent have training on transit and destination airport, 11.85 percent training on wage and overtime, 8.89 percent training on work and human right, 5.18 percent training on environment and last 2.96 percent have training on law of destination countries. Basically among the return migrant, return from South Korea and other developed countries take the training about work, culture rule and regulation etc. than other countries. Above study shows that still many people do not take any training before departure in foreign country.

6.2 Discrimination between Nepalese and non-Nepalese Workers

Labour discrimination is a major problem being faced by Nepalese workers in abroad. Due to lack of proper skills and Knowledge, Nepalese worker are generally paid low in comparison to other labours. Thus following table represents the discrimination to Nepalese worker in every aspect.

Table 6.2.1 Discrimination between Nepalese and Non- Nepalese Workers

Forms of Discrimination	Number	Percentage
Different wage and averment payment	40	29.62
Different hours of work	35	25.92
Different working environment	41	30.37
Biasness in Service facilities	15	11.11
Biasness in medical treatment	4	2.96
Total	135	100

Source: Field Survey, 2015.

Nepalese worker are bound to face several problem while working abroad. In the way of field survey about socio-economic status of return migrant every return worker express their feeling about discrimination between Nepalese and Non-Nepalese worker. Among the respondent most of the return migrant 30.37 percent were discriminate on different hours of work. In the same way among return migrant about discrimination 29.62 percent were different wage and overtime payment, 25.92 percent were different hours of work, 11.11 percent were biasness in medical treatment. Thus from the field survey all of the respondent suffer different type of discrimination at in abroad.

Table 6.2.2 Status of Getting Facilities as Per Promise

Promised Facilities	Status of Getting the Facilities	
	Yes	No
Job	81	54
Salary	85	50
Overtime Payment	40	95
Medical and Insurance facilities	32	103
Facility of Food	55	80
Living facility	60	75
Compensation	30	105

Source: Field Survey, 2015.

The table shows the fact that the promise with the workers were not kept seriously either in one or the other. Facilities were seized in all the issue: job, salary, overtime work, compensation, living facility etc. From the study about different type of facilities most of the return migrant give the answer No and only some worker give answer Yes.

Thus from the field survey most of the return migrant faced different type of problem while working abroad. To minimize and solve the problem at foreign work, worker must take pre-departure orientation and skill at their country. Thus to make safety for foreign work government, worker and other aspect must give care at this field.

6.2.3 Harm Felt From the Problems Faced

In the way of foreign work from different type of discrimination and problems return migrant faced the different harm faced by return migrant presented as follows.

Table 6.2.3 Harm Felt from the Problems Faced

Forms of Discrimination	Number	Percentage
Lost money	15	6.69
Lost property	16	7.14
Budern of loan	49	21.87
Killing of Social Prestige	38	16.96
Physical injury	5	2.23
Violence of human rights	2	0.89
Low earning	17	7.58
Psychological effect	68	30.35
No any harm	14	6.25

Source: Field Survey, 2015.

From the question about harm or discrimination among respondent,(30.35 %) have psychological effect,(21.87%) have burden of loan, (16.96%) have killing of social prestige, (7.14%) have lost property,(6.69%) have lost money. In the same way other type of harm for return migrant while live abroad are physical injury, Violence of human right. Among the respondent (6.25%) feel no harm while living at in abroad.

CHAPTER VI

SUMMARY CONCLUSION AND RECOMMENDATIONS

This chapter has presented the summary of the major finding conclusion and recommendation of the study. From the analysis about different aspect of return migrant, the major finding is presented in this chapter. Mainly this chapter explain about the situation of socio-economic status and use of skill and remittance at their local area especially Setidovan VDCof Shyangja district.

6.1 Summary of the Major Findings

The study about socio-economic status and utilization of skill and remittance at Setidovan VDC Shyangja aimed to explore the utilization of skill and remittance brought from abroad by the employee.Especially it aimed to analyze Socio-economic status and how they are use their skill learn at local area and foreign country in different sector.

To achieve these objectives,the research was carried out in the mixed of both qualitative and quantitative research design.Both the primary and secondary source of data were used in the study, in which 135 emigrant workers returned to the place of origin(Setidovan Shyangja) from the foreign work in Arabian and advanced countries were taken as the primary source of data. They were selected using non-random (purposive) sampling method.Questionnaire,Semi-structured interview schedule and Focus group discussion guideline were the major tools to collect data. As the collected data were both qualitative and quantitative in nature,the qualitative data were analyzed by describing in narration.Quantitative data were analyzed and interpreted using simple statistical tool like frequency distribution, Percentage etc. and presented in the tabular form.At last the major finding of this research is presented as follows.

- The sample size was 135 out of return migrant who were interviewed by questionnaire following purposive sampling method.
- The study found that 82.22 percent of the respondents were male and rest of only 17.78 percent wasfemale. It indicates that the number of female going abroad for work is considerably low.

- Based on the age of the respondent more than 50 percent respondent were youth (between 26 and 40 years age group), in which the highest percentage (25.18%) of them were from 26-30 years age group. As a whole the highest percent 25.92 percent between the age 41 and 45 years of age.
- Majority of the respondent around 70 percent belong to Brahmin, Dalit and Chhetri communities. Other Janajati like Newar, Magar, Tamang, Gurung communities have only 30 percent.
- In context to educational attainment, 97.78 percent of them were literate (even some of them having higher academic qualification) and only 2.22 percent of them were illiterate.
- The source of educational attainment among literate respondent 94.81 percent get education from formal source and only 5.18 percent from informal source.
- Among 135 respondents, majority (81.48) of them were married. The number of unmarried respondent was 13.33 percent and having 5.18 percent of them as single.
- As their employment concerned, they worked in 12 different countries. Among them most of respondent are Qatar 27.40 percent, then other countries following U.K, China are equal (0.74%), USA, Israel are equal (1.48%) Japan and Bahrain are equal (3.70%), Korea (5.92%), UAE and Kuwait are equal (13.33%), Malaysia (17.03%) and Qatar (27.40%).
- Among the respondent, for 37.78 percent of the respondent unemployment was the main cause of international labour migration. Other reason were better wage, family pressure, to pay family loan, Landlessness, Debt, desire to foreign country and conflict.
- The prime channel to go for foreign employment in selected respondent appears through manpower agencies with dominate 59.25 percent. In the same way 23.70 percent had used local agent of manpower following other 7.40 percent Relative /friends 5.92 percent personal effort and last 3.70 percent Govt. Quota.
- Most of the employees have taken borrowing from relatives/friends and loan from money lender to manage money for foreign employment. Forty percent have

borrowed with relatives and friends.21.48 percent taken loan from money lender.In the same way taking loan from bank, family saving and sales of land and property.

- Most of the worker, 37.07 percent have spent four year in abroad in one trip, whereas 21.48 percent of them three year, 17.03 percent of them five year,11.11 percent of them 2 year,16.67 percent of them more than five year,44 percent of them less than one year and last 2.22 percent of them spent on one year at a one trip.
- Due to the lack of alternative source of income and opportunity in home country first and second time of foreign country going rate is higher rate.Among respondent 54.81 percent meet the foreign country only one tilme,38.51 percent people have second time,5.18 percent people have third time and 1.48 percent people have more than three time.
- Out of 135 respondent ,61.48 percent of migrants use formal channel like bank, money transfer agency to send money to their family and 25.18 percent use informal channel ,8.89 percent sent through relatives and 4.44 percent brought with self while returning home.
- Average monetary cost of going different country has different. Basically for developed country's monetary cost for processing was high than other gulf countries except Korea.
- Based on their job the migrant workers earned ranging from below Rs 10 thousand to more than Rs 60 thousand per month, however most of the worker fall in the category of earns Rs 30,000-40,000.
- From this earning the average rate of saving was ranging from below 5 thousand to more than 45 thousands. Most of the worker saves per month 25000 to 35,000 per month.
- According to the skill and academic qualification different type of work done in foreign country. Most of the worker around 35 percent works as a labour and only few person works as skill sector. According their response they work 9 different

type of work like salesman, factory, security guard, Driver, Furniture, Agriculture, and Housekeeping etc.

- As the utilization of remittance is concerned the earned money was used in twelve different sectors. In this majority of the respondent (80.4%) were used the major portion of remittance in necessary households durables and consumables, Education of the children (62.22%) and social ceremony and entertainment (60.74%). This showed that remittance has raised the awareness and capacity of educating the children, which is obviously a positive aspect to be considered. Other sector of remittance utilization were loan and interest payment taken to go abroad (55.55%), bank deposit (32.59%) households durable and consumable (31.11%), loan and interest payment to fulfill family needs before planning migration (28.88%), purchase of land (20%), investment in trade and business (16.29%), health of family members (14.07%) and last Lending for interest is (12.59%). Thus earnings from labour migration have improved the quality of life and have increased the consumption rate as well. Although large portion of money enter from migrant worker, it is not utilized in productive sector. The earning from labour migration has improved the quality of life and has increased the consumption rate as well. Learning of the skill, employment socio-economic prosperity were other achievements obtained from labour migration.
- In the way of comparing economic status before and after migration, most of the workers economic condition is good than earlier and only few numbers of water economic condition was best and bad than earlier.
- In the way of analysis about the working involvement according their skill at in foreign country most of the worker involved in different sector as a labour. After that Agriculture and industrial is the second and third working sector for the migrant worker. At last only few people were involved at in educational and skill related sector.
- Among the respondent only 26.67 percent used their skill and remaining 73.33 percent were don't use their skill at their local area.

- Among the skill used worker 12 different type of sector they running their business,most of the people involved at in Teaching,Open boarding school and bakery factory.
- From the skill and their business, most of return migrant couldn't created employment opportunity and only few percent worker created employment opportunity at in family and society
- Return migrant, who start business at their local area family members were much supported and then government and private organization.
- From the evaluation about positive and negative impact from the skill learn in foreign employment for most of worker has positive impact and only few percent have negative and natural impact.From this analysis most of the people were benefited from the foreign employment.
- In relation to problems associated with labourmigration, no provision of pre-departure orientation to the migrant seemed problematic as (22.22%) of the migrant under study faced problems due to it. In the same way the number get Training on language,culture, environment are very few people than no take any training.
- There was discrimination between Nepalese and Non-Nepalese workers in the service and facilities.Some of such discrimination felt were different wage and overtime payment (29.62%), different hours of work (25.92%), different working environment (30.37%), business in service facilities (11.11%) etc.Similarly psychological effect (30.35%), burden of loan (21.87%) killing of social prestige (16.96%) lots of money (6.69%) and no any harm (6.25%) were also felt during the work.
- In case of the service facilities not all the workers had the promised facilities of job, salary, overtime facilities, medical and insurance,food,room and compensation.

6.2 Conclusion

Nepal is generating a huge amount of national income through the remittance earned mainly from the skilled and semi-skilled human resources working abroad as a

labour. The contribution of remittance in the economy crucially depends on the productive use of remittance or investment in the economy. However, this service sector is not well –managed mainly by the government of Nepal. Due to this many problems are there in the foreign employment system. When government couldn't manage efficiently in this sector the manpower agencies and their brokers/agents are taking maximum amount of money for the processing of the related work from the migrants. Broker takes maximum amount than net amount used in the concerned field. Many return migrant use their skill and money only at small amount. Although the culture of consumption is increasing by using the remittance, some return migrant use their skill and money at in productive sector. Although return migrant learn different skill while working foreign country very few percent of them use their skill. At in one side from the remittance and skill socio-economic status is improved at some extent, it have greater negative impact in the economy including the unproductive expenditure and demonstration effect of the migrants, domestic currency appreciation and inflation. Thus, from all sector foreign employment must make systematic effective and skill and remittance must be effective from the social and economic perspectives.

6.3 Recommendations

Recently, Nepalese balance of payments is favorable due to the contribution of remittance income. Although Nepal's political, educational sector was weak at last time, Nepalese economy conducting through the remittance. In order to make our economy strong enough to absorbing kinds of financial shocks, remittance income should be managed and potentialities within remittance inflows should be identified on time. Thus based on the above finding and conclusion of the study, the following are recommendations have been suggested for the future betterment of the study as well as the labour migration and remittance utilization system in future.

- Government of Nepal should create employment opportunities according to the skill and efficiencies in its nation. For this government provide more incentives benefits motivate for youth to do work at Nepal.
- Nepalese youth search of different opportunities at their country, if they couldn't get any opportunities then think about foreign employment as a last destination.

- Since most of migrant workers have gone to gulf countries, Malaysia, their destinations are congested and narrow. So the government of Nepal should adopt new policy to explore and identify other potential destinations.
- Due to the lack of required skill and knowledge earning from worker at abroad is least. To avoid that type of problem government of Nepal should adopt strictly policy about train the worker in the related work before sending them for work abroad. In the same way coordination between Government of Nepal and Manpower company provider the skill for unskilled Nepalese workers.
- To avoid the unnecessary consumption and expenditure at unproductive field government of Nepal should bring the policy and program to encourage and motivate the people towards saving and investment through micro saving program, credit program, saving bank etc. should be launched and practiced.
- Female participation at in foreign employment is least, so to increase the participation of female, Government of Nepal provide personal security guaranty to make safe. In the same way female participation should be increased at the safe land country for women like UAE, Qatar, Kuwait, Saudi-Arabia etc.
- To make cheap foreign employment, Government of Nepal should be strictly implement the without cost for foreign employment. Further the provision of soft loan in cheap interest by the bank should also be provisioned and managed by the government.
- Workers who are ready to go at foreign country must be know the basic things about this country like language, culture, religion etc.
- The migrant worker should be well-oriented before going to the work in abroad. The orientation should mainly focus on the development of habit of more saving, less consumption and more investment.
- For the proper utilization of the learnt skill and experience of the worker in their country Government of Nepal should assist the comprehensive plan program and policy should be made. As a result they should not go for labour migration after they returned.
- Provision of pre-departure orientation to migrants should be made compulsory so that they couldn't face any problems during their journey in course of labour migration.

- Return migrant who start their business, government of Nepal must give free tax,subsidy and other motivated program.
- Family relation should make strong at the time of leaving in foreign country through different way to avoid the social and personal problem.
- To avoid all type of problem from processing until return their home country, Government of Nepal should try to solve this problem by a diplomatic policy with the countries where Nepalese workers are in discrimination.