

CHAPTER ONE

INTRODUCTION

1.1 General background

Migration of human population is as old as human civilization. This is the process of human living by constructing and reconstructing cultural, social and economic life. When human population grew and they found difficulty in exploring resources by their limited knowledge and skills, people began to think about sketching the boundaries of certain territory to occupy resources, which has become the process of nation-state building. Such migrations occurred before the emergence of political boundaries and human migration was motivated by natural resources/obstacles. (NIDS and NCCR 2010)

The Nepalese started to seek work abroad and sent remittance back to their families in Nepal about 200 years ago. In the early 19th century, the first Nepalese men migrated to Lahore (in today's Pakistan) to join the army of the Sikh ruler, Ranjit Singh. Here they earn themselves and all those afterward employed abroad the nickname 'Lahure'. (Seddon et al 2001) The Anglo-Nepal war of 1814-1816 led the British to discover how brave the skill Nepalese soldiers were. The treaty of 1816 empowered the British to set up three Gorkha regiments in their army. (Shrestha 1990; Seddon et al 2001)

At the same time, civilian migration also expanded to other Indian sub-continent such as Darjeeling, Sikkim, Assam and Meghalaya in search of work in newly emerging tea estates. (Dahal 1998) By the end of the 19th century, for example, half of the population of Darjeeling in India was of Nepalese origin. (Shrestha 1990; Shrestha 1998) Many of the early Nepalese migrants to this region settled permanently and came to be known as Indian Nepalese. (Upreti 2002)

The British took some Gurkha regiments along with them and left some in India after independence. Since then Nepalese have been continuously recruited in the Indian Army and they are popularly known as Lahures. Till date, there are around 1.5 million Nepalese currently working in India both temporarily and permanently. (NIDS 2004) At the time of expansion of Nepalese in North-east India, some Nepalese also migrated to Bhutan and Burma and they settled there in due course of time. They

might be the first Nepali Diaspora in third country. There is a unique history of Nepalese Diaspora in Bhutan. Seventeen years ago, more than 105000 ethnic Nepalese origins, fled to Nepal following Bhutan's decision to revoke their citizenship and to expel them. They were Nepalese Diaspora in Bhutan. Migration to third countries (except India) began formally after the independence of India. Along with British-Gurkha regiments, Nepalese began to migrate to Malaysia, Singapore, Hongkong, Brunei, Fiji and recently United Kingdom. They went there for tenure military work. However, few of them and the families also settled in these countries. (NIDS and NCCR 2010)

Economic migration to the middle-east from South Asia and other parts of the world was spurred on by the oil-boom in the early 1970s. Foreign labour migration increased in Nepal, mostly to Gulf States, Malaysia and other South-east Asian countries after the establishment of Department of labour in 1971 and Ministry of Labour in 1981. (Pandit, 1998) After the democratic movement in Nepal in 1990, it became easier to obtain travel documents and passports. The economic emergence of the South East Asian and Gulf States, combined with an increase information flow and treat liberalization in Nepal, caused a rapid increase in labour migration and diversification of destination.(Thieme 2006)

According to Department of Foreign Employment 2012, Malaysia and Gulf countries of Saudi Arabia, Qatar, United Arab Emirates and Baharain remain major destinations for Nepalese migrant workers. The second largest concentration of Nepalese migrant workers in East Asia is in South-Korea. USA and UK have also emerged as new destinations for Nepalese. USA has immigration policy for Nepalese citizens through its Diversity Visa (DV) lottery and UK Government decided in 2004 to allow Ex-British-Gurkhas to settle and work in UK. . (NIDS and NCCR 2010) In term of official approval for foreign employment on individual basis, Europe and Africa is gradually emerging as a new destination for Nepalese migrant workers. These countries include Spain, Albania, Austria, Cyprus, Germany, United Kingdom, Iceland, Poland and Romania among others. (Kantipur 2010)

Foreign labour migration has maintained steady and strong trends among the Nepalese youths. There are more than 107 countries open for foreign employment for Nepalese men and women and more than 34 recruiting agencies have been facilitating Nepalese people for foreign labour migration. (DoFE, 2013) Although people

traveling overseas for work may use a variety of channels to secure their jobs and documents, foreign labour migration is basically in the hand of the private sector. Many Nepalese who go beyond south Asia for work make use of 'recruiting agencies', which mainly send laborers to countries in the Gulf. Obviously, such procedures are not applicable to those who go to India; where visas, passports or work permits are not required. Variety of channels prevails for migrant workers to go abroad, but the most common one is via private sectors popularly known as “manpower agencies”. Migrant workers mostly going to Gulf countries make use of these agencies. These agencies basically have contact in destination countries and the relevant government agencies in Nepal. It is through these agencies that Gulf nations procure labour. In this situation, it is estimated that only 5% of people entering Gulf countries do so illegally. (Gurung 2004)

According to National Population and Housing Census 2011, from every four household (25.42%, 1.38 million households) at least one member is absent or is living out of country. Total number of absent population is found to be 1,921,494. The highest proportion (44.81 percent) of absent population is from the age group 15 to 24 years. Gulmi has the highest proportion of their population being absent (staying abroad) with 58561 populations from 64887 households followed by Arghakhanchi with 39929 populations from 46826 households and Pyuthan with 36858 populations from 47716 households.

According to the Department of Foreign Employment 2012, 1.7 million Nepalese migrant workers left for overseas for foreign employment in the last six years since Nepal was transformed from a Hindu monarchy to the world’s youngest Federal Democratic Republic. This steady growth of foreign labour migration is shown below.

Table 1.1: Trend of Foreign Labour Migration in Nepal (2006 to 2012)

Fiscal Year	Number of Nepali labour migrants
2006-07	204533
2007-08	249051
2008-09	2199562
2009-10	294094
2010-11	354716
2011-12	384665
Total	1707024

Source: Department of Foreign Employment, 2012

According to the Department of foreign employment 2012, during the period between 2006 and 2011/12, the largest number of Nepalese (485909) had gone to Qatar followed by Malaysia (477908), Saudi Arabia (345393), United Arab Emirates (234336) and Kuwait (54716). A total of 384665 Nepali men and women migrated overseas for employment opportunity in Fiscal Year 2011/12. On an average, 32055 Nepalese are getting permission from Department of Foreign Employment for migrating overseas every month. This means on an average daily 1054 people are leaving Nepal for foreign employment. The following table shows the number of Nepalese men and women migrant workers who applied at DoFE through recruiting agencies and on individual basis.

Table 1.2 Foreign Labour Migration in FY 2068/69 (by Month)

Month	Male	Female	Total
Shrwan 2068	43149	2016	45165
Bhadra 2068	36020	1788	37808
Ashoj 2068	25387	1194	26587
Kartik 2068	44812	2364	47176
Mangsir 2068	17217	1561	18778
Poush 2068	19967	1789	21656
Magh 2068	24841	1775	26616
Falgun 2068	24215	1957	26172
Chaitra 2068	32214	1645	33859
Baishakh2069	26745	2378	29123
Jestha 2069	34255	2795	37050
Ashadh 2069	32885	1696	34581
Total	361707	22958	384665

Source: Department of Foreign employment, 2012

The outflow of Nepali migrant workers by month depends to a large degree on the labour market demand. In 2011, the lowest outflow recorded was during Nov15 to Dec 15 when 18778 Nepalese left for foreign employment. This is in the sharp contrast to the previous year when the 24614 Nepalese had left for the foreign employment for the same month.

The migration outflow in 2011/12 was limited to only 22 countries even as more than 107 countries are open for foreign employment for Nepalese men and women. Gulf countries and Malaysia are major destinations for Nepalese migrant workers. Qatar is believed to host a total of 485909 documented Nepalese migrant workers. A total of

105681 migrant workers left for Qatar in FY 2068/69. This is the highest number of migrant workers going to any country anywhere in the world. The second largest concentration of Nepalese migrant workers in East-Asia is in South Korea with 5627 Nepalese working there under a significantly reformed Employment Permit System (EPS). Other destinations in Asia include Japan with 1144, Afghanistan with 823, Israel with 574 and Lebanon with 243.

Table 1.3: Foreign Migrant Workers by Destination (FY 2068/69)

Country	Male	Female	Total
Qatar	104685	996	105681
Malaysia	96157	2210	98367
Saudi Arabia	80218	237	80455
United Arab Emirates	49959	4523	54482
Kuwait	12080	12495	24575
Baharain	5333	532	5865
Oman	2868	295	3163
South Korea	5315	312	5627
Japan	1036	108	1144
Afganistan	822	1	823
Israel	102	472	574
Lebanon	38	205	243
Others	3094	572	3666
Total	361707	22958	384665

Source: Department of Foreign employment, 2012

If the number of Nepali migrant workers in the Gulf countries is taken into account, they make the largest concentration in the region anywhere in the world. The Gulf region has continued to be the popular destination for Nepali migrant workers mainly because of the construction boom that has been revived in the Gulf countries.

Even as India hosts the largest number of Nepalese workers anywhere in the world, figures are not available because there is no system of visa or work permit between the two countries. Even data on the movement of the people in each of two neighbouring countries is not maintained. Most Nepalese work in India in manual jobs. The number of Nepalese migrant workers in India remains a guess estimate at best. A study found a total of 1.5 million Nepalese migrants in India. (NIDS, 2004) This included 1347000 male and 153000 female. There is no consistent estimation of

the number of labourers who migrate seasonally or for longer stays in India, but it is mostly agreed that the number is approximately 1.3 to 3 million. (Thieme, 2006)

1.2 Statement of the Problem

Nepal is one of the world's least developed countries in the South-Asia. About 74 percent household of the total population depends on subsistence agriculture. (CBS 2011) A huge number of Nepalese youths go abroad to work due to various causes. Foreign labour migration is nothing new to Nepal and the total stock of Nepalese national working overseas (excluding about 1.5 million in India) in different capacities estimated to be about 1.7 million. The reasons behind foreign labour migration are almost same in Nepal as in other parts of the world.

Foreign labour migration mostly in Gulf States, Malaysia and other South-East Asian countries is a new phenomenon of migration in the Nepalese context and that only have about 40 years' long history. Unexpectedly the foreign labour migration has developed in such a way, which has shifted the agricultural based economy towards remittance based economy. Nepal is among the top five countries with remittance amounting to 23 percent of the GDP following Tajikistan (35 percent), Moldova (31 percent), Tonga (28 percent) and Lesotho (25 percent) . Along with agriculture which contributes more than 30 percent of the GDP, remittance and service sector have emerged as major contributions to GDP. Remittance has contributed significantly to the reduction of poverty in the last 15 years. (World Bank 2011) Remittance has the major contributor behind the decline in people living below the poverty line from 42 percent to 31 percent. (CBS 2011) According to UNDP's 'Human Development Report 2010' remittance was one of the factors behind Nepal's remarkable success in human development in the last 40 years.

The facts and findings of different national as well as international organization show that the foreign labour migration has become an important factor for the socio-economic development of the society and nation. Although, foreign labour migration is being increased and remittance has been strengthened the national economy, there are various problems faced by the migrant workers both in home country and the country of destination. Unless addressing the problems of migrant workers from the policy level, solution is far behind. So it is necessary to conduct several case studies

and researches to make foreign labour migration as a socially recognized sector in Nepal with respect to its role in making Nepal a Prosperous nation.

This study aims to explore the different dimension of foreign labour migration through a case study of the village of eastern hill of Nepal. This study focuses on the following questions:

-) How is the status of foreign labour migration in the study area?
-) What are the reasons for labor seeking foreign labour migration? Why most of the rural youths are interested to foreign employment?
-) How remittances are being used in the study area?
-) What visible socio-economic changes are brought by foreign labour migration in the study area?

1.3 Objectives of the Study

The general objective of the study will be to analyze the practice of foreign labour migration in study area. The specific objectives of the study will be as follows:

- i) To find out the status of foreign labour migration in the study area.
- ii) To identify the causes of foreign labour migration in the study area.
- iii) To analyze the use of remittance in the study area.

1.4 Justification of the Study

Foreign labour migration is increasing rapidly as an important alternative of the employment among the youths in Nepal. Due to various causes Nepalese youths are being attracted towards the foreign labour migration. According to Department of Foreign Employment 2012, more than 1.7 million people of Nepal have gone to the overseas for employment through organizational approvals and about 1.5 million people have been working in abroad as foreign workers without documentation.

The status of foreign labour migration in the Dandabazar VDC is also high. About 530 people have gone to different countries to work as foreign migrant workers from this VDC at least once in his/her life . This population occupies the more than 17 percent of the total population. More than 63 percent households have got remittance in Dandabazar VDC. Some of them have gone to abroad for employment through organizational approvals and some of them through personal effort. The people of the

study area have been going overseas with or without documents. People have been working in abroad due to the different causes.

This status of foreign labour migration has directly affected on socio-economic aspects of the family living in the study area. There is no previous study about status of foreign labour migration and its socio-economic effects in the study area. It is necessary to find out the status of foreign labour migration in the study area as it has become not only the sources of income but has direct effect on social life of the people living in the study area.

This study attempts to find out the current status of foreign labour migration in the study area. This study also analyses the causes of seeking foreign employment and perception of people towards foreign labour migration. The study provides empirical evidence about the current status of foreign labour migration which would help to concerned authorities for the formulation of the policies to promote international labour migration and to safeguard the interests and welfare of foreign migrant workers. This case study will be one of the authentic and reliable literatures in the field of foreign labour migration.

1.5 Limitation of the Study

The limitations of the study are as follows:

- i) The study has been carried out only covering the small area i.e. Dandabazar VDC of Dhankuta district.
- ii) This study has focused on status and causes of foreign labour migration and change in socio-economic indicators of FMW living in study area.
- iii) The findings of the study may not be equally applicable to other areas except the study area.

1.6 Organization of the study

The first chapter is the introductory chapter. The study of theory of international migration and different case studies and researches carried out relating to foreign labour migration in national as well as international level are reviewed in the second chapter, which is presented under the title "Review of literature". The third chapter includes research methodology. The fourth chapter includes Socio-economic characteristics of people living in the study area. The fifth chapter includes the status

of foreign labour migration in the study area. The Sixth chapter is divided into three sections which provide the information about causes of seeking foreign employment, process of going foreign country for employment and use of remittance and change in households' socio-economic indicators. The seventh chapter, which is the last, is summary and conclusions.

CHAPTER TWO

REVIEW OF LITERATURE

Foreign labor migration has emerged over the last two decades as an alternative source of income and livelihood in Nepalese society. Although unjustifiably neglected previously a number of recent studies have contributed in bringing this topic increasingly into both public and academic debates. The literature review is grouped into theoretical base of foreign labour migration; international trend, causes and effects of foreign labour migration. For the purposes of literature review, various theories/ principles/ models of foreign labour migration and its effects are examined.

2.1 Theoretical Base of International Labor Migration

According to International Labour Organization, Labour migration is generally defined as a cross-border movement for purposes of employment in a foreign country. However, there is no universally accepted definition of labour migration. The United Nation defines “migrant as an individual who has resided in a foreign country for more than one year irrespective of the causes, voluntary or involuntary, and the means, regular or irregular, used to migrate”.

A variety of theoretical models have been proposed to explain why international migration begins, and although each ultimately seeks to explain the same thing, they employ radically different concepts, assumptions, and frames of reference. Neoclassical economics focuses on differentials in wages and employment conditions between countries, and on migration costs; it generally conceives of movement as an individual decision for income maximization. The "new economics of migration," in contrast, considers conditions in a variety of markets, not just labor markets. It views migration as a household decision taken to minimize risks to family income or to overcome capital constraints on family production activities. Dual labor market theory and world systems theory generally ignore such micro-level decision processes, focusing instead on forces operating at much higher levels of aggregation. The former links immigration to the structural requirements of modern industrial economies, while the latter sees immigration as a natural consequence of economic globalization and market penetration across national boundaries.

E.G. Ravenstein, (1885) was the first person to attempt forming migration theory. Ravenstein's "laws of migration" is also known as, push-pull factors of migration; still predominates as framework of migration analysis. Push factors are land tenure system, unfavorable form of trade, wide dispersion of poverty and income, pressure of rural poverty in income; pressure of rural poverty in general and so on. Pulls factors are employment, education and other facilities are opportunities known as bright light of the towns. On the one hand push factors push the migrants from their place of origin and on the other hand pull factors pull the migration to the place of destination.

M.P. Todaro (1976) states that migration is stimulated primarily by rational economic consideration of relative benefit which mostly financial. Decision to migrate is influenced by the difference between expected income between two places, the odds, probability of getting job in new area is inversely related to unemployment rate in the new area.

W.A. Lewis (1954) distinguishes subsistence sector and developed sector within the economy. The first is agro-based, underdeveloped or rural area and second is industrial, developed, urban territory. The prime reason for migration is due to wage differences. Unlimited supply of labor force prevailing at low wage rate are attracted into industrial sector until subsistence sector i.e. migration exists whenever wage differential exists and elimination of such differential causes to end labor mobility.

Stark, Oded (1991) states that that migration decisions are not made by isolated individual actors, but by larger units of related people- typically families or households-in which people act collectively not only to maximize expected income, but also to minimize risks and to loosen constraints associated with a variety of market failures, apart from those in the labor market. Unlike individuals, households are in a position to control risks to their economic well-being by diversifying the allocation of household resources, such as family labor. While some family members can be assigned economic activities in the local economy, others may be sent to work in foreign labor markets where wages and employment conditions are negatively correlated or weakly correlated with those in the local area. In the event that local economic conditions deteriorate and activities there fail to bring in sufficient income, the household can rely on migrant remittances for support.

Massey, Douglas S. (1989) mentions that migration is a natural outgrowth of disruptions and dislocations that inevitably occur in the process of capitalist development. As capitalism has expanded outward from its core in Western Europe, North America, Oceania, and Japan, ever-larger portions of the globe and growing shares of the human population have been incorporated into the world market economy. As land, raw materials, and labor within peripheral regions come under the influence and control of markets, migration flows are inevitably generated, some of which have always moved abroad.

Taylor, J. Edward (1986) states that migrant networks are sets of interpersonal ties that connect migrants, former migrants, and non-migrants in origin and destination areas through ties of kinship, friendship, and shared community origin. They increase the likelihood of international movement because they lower the costs and risks of movement and increase the expected net returns to migration. Network connections constitute a form of social capital that people can draw upon to gain access to foreign employment. Once the number of migrants reaches a critical threshold, the expansion of networks reduces the costs and risks of movement, which causes the probability of migration to rise, which causes additional movement, which further expands the networks, and so on. Over time migratory behavior spreads outward to encompass broader segments of the sending society.

2.2 Review of Previous Studies

2.2.1 International experiences

Over the past 30 years, immigration has emerged as a major force throughout the world. In traditional immigrant-receiving societies such as Australia, Canada, and the United States, the volume of immigration has grown and its composition has shifted decisively away from Europe, the historically dominant source, toward Asia, Africa, and Latin America. In Europe, meanwhile, countries that for centuries had been sending out migrants were suddenly transformed into immigrant-receiving societies. After 1945, virtually all countries in Western Europe began to attract significant numbers of workers from abroad. Although the migrants were initially drawn mainly from southern Europe, by the late 1960s they mostly came from developing countries in Africa, Asia, the Caribbean, and the Middle East. (Massey et al, 1993)

Historically periods of growing international trade and capital mobility has been accompanied by increasing-rather than declining- flows of international migration. It is estimated that around 60 million Europeans migrated to the labour-scare, resource abundant new countries (U.S., Canada, Argentina, Brazil and Australia) in the second half of the 19th and early 20th century. From 1870-1920 more than 26 million of migrants from all over the world went to the U.S. That period, up to the onset of World War I, known also by economic historians as the first wave of globalization, was also a period of rapid growth of international trade, boosted by a decline in transport and communication costs associated with the development of the railway system, steam-ship, electricity and the telegraph. More recently, during the second wave of globalization, an increase in international migration to the U.S. is observed in the 1980s and 1990s vis a vis previous decades. In fact, while there about 1 million migrants per decade in the 1940s and 2.5 million migrants in the 1950s, immigration rose to near 7.5 million migrant per decade in the last two decade of 20th century, say the 1980s (Salimano, 2001).

Ten years ago, when World migration Report 2000 was published at first, there were 150 million migrants. Now, the number of migrants has grown to 214 million, and the figure could raise to 405 million by 2050, as a result of growing demographic disparities, the effects of environmental change, new global political and economic dynamics technological revolutions and social networks. In response to these trends, any States are likely to need to invest in developing their migration management capacities. Already, many States report that they require assistance to develop the capabilities to respond to a diverse range of new migration challenges. Capacity-building does not necessarily imply an increase in public spending and resources; it can also refer to the elimination of outdated, inappropriate or inefficient systems, laws or policies. (IOM 2010)

Snapshot of International Migration Trend

-) *More than 215 million people, or 3 percent of the world population, live outside their countries of birth. Current migration flows, relative to population, are weaker than those of the last decades of the nineteenth century.*
-) *The top migrant destination country is the United States, followed by the Russian Federation, Germany, Saudi Arabia, and Canada.*
-) *The top immigration countries, relative to population, are Qatar (87 percent), Monaco (72 percent), the United Arab Emirates (70 percent), Kuwait (69 percent), and Andorra (64 percent).*
-) *The United States has seen the largest inflows of migrants between 2005 and 2010. There was a surge of migrant flows to Spain, Italy, and the United Kingdom, mainly from Eastern Europe as well as Latin America and North Africa.*
-) *The six Gulf Cooperation Council countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates) have also seen a significant increase in migrant flows in the past few years, mostly from South Asia and East Asia.*
-) *South–South migration is significantly larger than migration from the South to high-income OECD countries in Sub-Saharan Africa (73 percent) and Europe and Central Asia (61 percent).*
-) *Smaller countries tend to have higher rates of skilled emigration. Almost all physicians trained in Grenada and Dominica has emigrated abroad. Cape Verde, Fiji, Liberia, SãoTomé and Príncipe, and St. Lucia are also among the countries with very high emigration rates of physicians.*
-) *In 2010, worldwide remittance flows are estimated to have exceeded \$440 billion. From that amount, developing countries received \$325 billion, which represents an increase of 6 percent from the 2009 level.*
-) *In 2010, the top recipient countries of recorded remittances were India, China, Mexico, the Philippines, and France. As a share of GDP, however, smaller countries such as Tajikistan (35 percent), Tonga (28percent), Lesotho (25 percent), Moldova (31 percent), and Nepal (23percent) were the largest recipients in 2009.*
-) *Remittance flows to developing countries proved to be resilient during the recent global financial crisis—they fell only 5.5 percent in 2009 and registered a quick recovery in 2010.*

Source: Migration and Remittance Factbook 2011

2.2.2 Causes of migration

A study conducted in Philippines shows that one of the major reasons driving the trend of foreign migration for employment is the lower rate of increase in employment opportunities as compared to increase in population rate. Relatively modest economic growth has also contributed to widening wage differentials with advanced economies making foreign employment opportunities more attractive to Philipinos. (Burgess and Haksar 2005)

It seems from the foregoing analysis that the people of the neighbouring region of Nepal are motivated to adjacent Indian region by and large; to seek some kind of employment there and to find the possibilities of gaining means of livelihood have been quite high there in comparison to the place of their origin. There are different

motivational factors, playing vital role in emigration of Nepalese people in India. Insufficient agricultural products, lack of means of livelihood, poverty, social misbehaviour and ill-treatment by landlords and money lenders are major motivational factors which have led Nepalese to Pithauragarh of India. (Upreti 2002)

Although every migrant has his/her own story, they share common experience. All migrants felt compelled to go abroad because they couldn't earn a living in their home districts. Many cannot even satisfy their substance needs in far-west Nepal, because they do not have sufficient land and agricultural products to provide food throughout the whole year. Unemployment, seasonality of agricultural production, and limited access to financial capital for investments are major reasons for migration. Social discrimination, medical treatment and political instability in Nepal are other reasons why migrants go to Delhi. (Thieme 2006)

In the past, the Government of Nepal has adopted no specific policies to deal with foreign employment. In the 1740's, the process of unifying Nepal provoked large scale foreign migrations. Unification brought hardship to peasants and the poor in the form of curfew labour, over a consequence mass numbers of people migrated to India, where newly established tea states and the opening of land in Assam, Sikkim and Nagaland had made work available. While British rule in India was encouraging such immigrations, the Government of Nepal faced a shortage of labour and initially attempted to discourage labourers from seeking work abroad. (Gurung, 2004)

The major factors attributing to large scale out migration from Nepal which are high growth of labor force, high rate of unemployment, limited employment opportunities outside the farm sector, low salary structure in the economy and insecurity in the rural areas because of insurgency. (Shrestha, 2004)

The causes of Nepalese migration are limited employment opportunities in government and private sector. Underdevelopment of industries and rudimentary services sector provides limited number of jobs to ever increasing labor force. In the farm sector which conventionally used to absorb almost all the work force failed to do so because of low motivation for farm sector work. The entrepreneurs in this sector are not enthused to invest more either due to low returns or risk involved in this sector. Such events and lure of making quick money at least from legal means by

going overseas for menial work prompted to exit large number of workers from rural Nepal. (Kshetry, 2004)

2.2.3 Uses of Remittance

Remittance income is a major source of poverty alleviation in Somalia. Remittances have boosted consumption and investment among urban residents. Most Somali remittances, which range between 50\$ to 100 \$ are used for direct consumption by the households including education and health. It is widely accepted that most remittances are spent on consumption, followed by investment (on a much smaller scale). Consumption accounts for at least half of remittance spending, most likely up to two thirds. Studies on remittances in Somalia show that increasingly remittances are also used to fund new organization and development projects. (Hansen 2003)

About 89 percent of about 720000 foreign migrant workers regularly send remittances to their relatives and households in Tajikistan. Majority of the remittance income is used for consumption and investment in longer term sustainable activities is very limited which poses a serious threat to continued growth and sustainability of the economy. Commerce in Tajikistan is conducted on almost exclusively as cash basis and bank accounts are rare. Without any vehicle for accumulating savings, analysts fear most remittances are used for immediate consumption rather than investment. Home repairs are common, particularly given the aging infrastructure of the country. (Cavese 2009)

The two most reported uses of remittances received are: “for daily consumption” and “for repaying loans”. About 79 percent of the total remittances received by the households is used for daily consumption while 7 percent is used for loans repayment. Other uses are – to acquire household property 80 (5 percent) and for education (4 percent). Only a small percentage of the remittances (2 percent) is used for capital formation and the remaining (3 percent) is used for other purposes. Nearly 85 percent of the remittance from India is used “for daily consumption”. More than one half of remittances received from Malaysia, Saudi Arabia and Qatar are used “for daily consumption”. And for these three countries, more than one-fourth of the remittances received are used “for repaying loans”. (NLLS III 2010/11)

Remittances are important financial resources to the receiving countries at the micro and macro level. They increase both the income of the recipient and the foreign

exchange reserve the recipient's countries. Mostly remittances are used for basic subsistence needs and for daily needs such as food, clothing and housing. These three components make up a significant portion of the income of the recipients household. At an individual level remittances increase the income and reduce the poverty of the recipient's. Generally in the developing countries only a small percentage of remittances are used for saving and used as productive investment such as income and employment generating activities as buying land or tools, starting a business and other activities. However the money spent on better education of the children and health is believed to have a favorable effect on growth, which tends to help in output production. At the macro-economic level remittance provide significant sources of foreign currency and contribution to the balance of payment. Remittance also contribute to the expansion of communication services courier companies as well as money exchange services, which contribute to the expansion of economic activities and increase the employment opportunities. (Pant 2005)

2.2.4 Impact of International Labour Migration and Remittance

International migration and remittances have a strong, statistically significant impact on reducing poverty in the least developed countries (LDCs). It is estimated that on average 10 percent increase in per capita official international remittances of a country leads to 3.5 percent decline in the proportion people living in that country. (Adams and Page 2005)

There are more than 215 million international migrants in the world. Recorded remittances received by developing countries, estimated to be US\$325 billion in 2010, far exceed the volume of official aid flows and constitute more than 10 percent of gross domestic product (GDP) in many developing countries. Cross-country analysis and evidence from household surveys suggest that migration and remittances reduce poverty in the origin communities. Remittances lead to increased investments in health, education, and small businesses. At the same time, the loss of skills associated with migration can hamper development and delivery of basic services in sending countries. The Diaspora of developing countries can be a source of capital, trade, investment, knowledge, and technology transfers. (World Bank 2011)

Migrating outside Nepal or work is generally more remunerative than farming. Growing population pressure on land means that many rural households can subsist

on food they produce for less than six months a year. The remainder is fulfilled by the purchase of imported rice from Nepal's Terai belt or from India. The Income from foreign labour migration has helped to augment food security of a large majority of rural household. Not only that, foreign labour migration has played an important role in absorbing a growing labour force and relieved some of the pressure arising from 4.9 percent unemployment rates. (Gurung 2004)

The empirical evidence shows that remittances effect economic growth positively and significantly. Furthermore the remittances have a strong and statistically significant impact on poverty reduction in developing counties like Pakistan. So the importance of remittance inflows cannot be denied in terms of growth enhancement and poverty reduction that consequently improve the social and economic conditions of the recipient country. (Qayyum et al 2008)

Nepal experienced significant all-round improvements in economic and human development between 1995-96 and 2003-04. The incidence of poverty fell from 42 to 31 percent. Health and education outcomes improved, particularly for girls and people living in remote areas. The government devolved education, primary health care, rural road maintenance, and some veterinary services to the local level. These achievements are all the more impressive given that they took place in a politically difficult and conflict-ridden environment. The combination of internal factors (macroeconomic stability, economic and financial sector reforms, better public expenditure management framework) and external factors (increase in remittances flows from 3 percent of GDP in 1995-96 to 12 percent in 2003-04) resulted in these unexpectedly strong development outcomes. (CBS 2006)

The single most important aspects of emigrant workers are the remittance they send to the country. Transfer of technology and management skills as another positive aspect that emigrating workers usually bring into the country. Nepal has not been able to demonstrate such benefits distinctly. Mostly very few who have the experience of foreign job up to stay back and start their own enterprise based on work experience. Otherwise they are tempted to go overseas again. The changes in socio-demographic and management skills were another positive aspects that emigrating workers noticeably showed. Nation is devoid of the labor of prime age because of foreign employment. It has been distinct in the farm sector. Labor is becoming scarce in rural areas because of the able people leaving the rural area either for overseas jobs or for

urban work. It has mixed implications both positive and negative. The plus point is that as deforestation has been reduced there is large population pressure on forest based resources. Negative aspect of emigration was noticed from increased small plots of land as well as reduced productivity in rural agricultural farms. (Kshetry 2004)

On the basis of various related literature can give conclusion that foreign employment and remittance is one important component of national economy. They have focused that migration happens due to push and pull factors. So people are migrating one country to another country. Foreign employment helps to enter large amount of remittance into national economy. Remittance has positive impact on national economy as well as household economic conduction. So every nation should given more priority to these issues recently. However, there haven't been studies regarding a comparative study on foreign labour migration. This micro level study aims to fulfill gap of knowledge of status of foreign labour migration, causes of seeking foreign employment and use of remittance and change in socio-economic indicators through foreign labour migration in the study areas.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

This study has focused on foreign labour migration in Dandabazar VDC. It is a micro level study. This study has used structural as well as descriptive type of research design. The purpose behind this study is to explain the status and causes of foreign labour migration and use of remittance through description and analysis.

3.2 Universe and Sample Selection Procedure

In Dandabazar VDC, there are 606 households and total population is 3036. Altogether, 530 people from the study area, have gone to foreign country for employment at least once in his/her life. Out of these migrant workers 67 households are selected in different number according to number of migrant workers gone from different wards of this VDC by applying random sampling method. The list of sampled respondents and the map of the study area are given in appendix III and IV respectively.

This survey had conducted from 15th Oct 2012 to 10 Dec 2012 A.D. The selection of sample size is given in the following table.

Table 3.1: Sample size of household of Dandabazar VDC

Ward No.	Total Number of household	Total household engaged in FLM	Sampled households
1	123	64	9
2	112	50	8
3	78	38	7
4	50	36	8
5	21	19	4
6	49	44	7
7	49	36	8
8	52	43	8
9	72	55	8
Total	606	385	67

Source: Field survey, 2012

3.2.1 Basic social Characteristic of Respondents

Socio-economic characteristic such as caste/ethnic composition, size of family, age, material status of an individual determine the willingness and interest to participate in foreign labour market. For the purpose of the study the sample was classified into six

distinct ethnic groups such as Limbu, Magar, Rai, Dalits, Brahmin/Chhetri and Tamang. Other social characters considered important for these groups were family size, age and marital status. The information obtained by interviewing the respondent is presented in the following table.

Table 3.2 Average Family Size, Age, and Marital status of Respondents

Caste/ethnic group	No. of respondents	Average family size	Average age (years)	Percent of married
Limbu	19	5.15	28.31	89.47
Magar	14	5.14	26.71	85.71
Rai	12	5.89	27.66	91.66
Dalits	10	5.3	25.9	100
Chhetri/Brahmin	9	5	31.88	88.88
Tamang	3	5.66	26.33	100
Total	67	5.37	27.79	92.62

Source: Field Survey 2012

Above table shows that among workers seeking foreign employment from Dandabazar VDC was mostly dominated by Limbu followed by Magar, Rai, Dalits, Brahmin/Chhetri and Tamang. Average size of family for household is 5.37 members which is higher than national average (4.88). Rai and Tamang had higher family size than other groups. Average age of the respondent is 27.79 years. Dalits had lower average age than other groups. Most of the respondents were married. The percentage of married respondents was 92.62. Dalits and Tamang had highest marital status than other groups.

3.2.2 Educational Status of Respondents

Educational status is one of the most important factors for foreign labour migration. It is expected that people from lower educational status should seek foreign employment as they can't get job opportunity in the market due to lack of knowledge and skills. In this VDC respondents were classified into illiterate, literate, primary level passed, secondary level passed and higher level. The information obtained is presented in the following table:

Table 3.3: Educational status of Respondents from different Ethnic Group

Caste/ ethnic group	No. of respondents	Illiterate	Literate	Primary level passed	Secondary level passed	Higher education
Limbu	19	1	5	7	7	-
Magar	14	1	-	12	1	-
Rai	12	1	-	8	1	-
Dalits	10	4	2	4	-	-
Chhetri/Brahmin	9	-	1	3	4	1
Tamang	3	1	2	-	-	-
Total	67	8(11.94%)	10(14.92%)	34(50.74%)	13(19.40%)	1(1.49%)

Source: Field Survey 2012

Above table shows that the 59 or 88.05 percent respondents of this VDC who had participated in foreign labour market were literate. Among 67 respondents, 34 respondents were primary passed which was in majority with 50.74 percent. According to ethnicity, all the respondents from Chhetri/Brahmin were literate whereas Dalits literacy was low with 60 percent. There was only one respondent from higher level education group and he was from Brahmin/Chhetri category.

3.2.3 Economic Status of Respondents

Economic condition is one of the most important factors of emigration. It is expected that people from lower economic condition should seek foreign employment. But the cost of funding, foreign employment is quite high and poor people may not be able to afford it. In this VDC respondents were classified into lower, middle and high income group according to their living standard and facilities that they were enjoying. The information obtained is presented in the following table:

Table 3.4: Economic Condition of Sampled Household

Caste/ ethnic group	No. of respondents	Economic Condition		
		Lower income	Middle income	Higher income
Limbu	19	10	7	2
Magar	14	9	5	-
Rai	12	6	4	2
Dalits	10	10	-	-
Chhetri/Brahmin	9	7	2	-
Tamang	3	2	1	-
Total	67	44 (65.67)	19 (28.35)	4 (5.97)

Source: Field Survey, 2012

Above table shows that the 44 or 65.67 percent respondents of this VDC who had participated in foreign labour market were having lower income group. All of the Dalits were from lower income group. Most of the Magars, Chhetri/Brahmin and Tamangs were from lower and middle income group whereas Rais are from middle and higher income group. and Limbus were from all categories. There were 4 or 5.97 percent respondents from higher income group and they were from Limbu and Rai category.

3.2.4 Occupation of Respondents

Occupation is one important reason for migration. Under employment and low income encourage out migration. White-colour job with good income discourages out migration. To find out their occupational background the respondents were asked to identify their main occupation themselves into 4 categories. The responses are summarized in the table:

Table 3.5: Occupation of the Respondents of Different Ethnic Group

Cast/ethnic group	No. of respondents	Main Occupation			
		Agriculture	Government job	Business	Wage
Limbu	19	16	-	-	3
Magar	14	13	-	-	1
Rai	12	12	-	-	-
Dalits	10	5	-	-	5
Chhetri/Brahmin	9	5	3	1	
Tamang	3	3	-	-	-
Total	67	54 (80.59)	3(4.47)	1(1.49)	9(13.43)

Source: Field Survey, 2012

Above table shows that 54 or 80.59 percent respondents identified agriculture was their main occupation whereas 9 or 13.43 percent among 67 respondents were wage-labour and 55.55 percent of wage-labour was from Dalits category. 3 or 4.47 percent out of 67 respondents were engaged in government job whereas only one respondent said that his occupation was business came from Brahmin/Chhetri category.

3.3 Nature and sources of Data

For this study, both quantitative as well as qualitative data were used. The study was mainly based on primary data but secondary data was also entertained.

3.3.1 Sources of Primary Data

Primary data related to foreign migrant workers were collected through interview of each sampled household by using appropriate tools like questionnaire and checklist.

3.3.2 Sources of Secondary Data

Secondary data were collected through secondary sources like article, books, reports, journals, VDC profile and other related institutions.

3.4 Tools and Data Collection procedure

Data were collected from primary as well as secondary information sources. For the primary data, all the selected respondents of 67 household were interviewed and relevant information was collected through the medium of questionnaires. The questionnaire included open and close-ended questions. Personal interview was taken by the researcher and the questionnaires were filled. Checklist was also used to gather more information about causes of FLM and views towards FLM through life history method. The format of questionnaire and checklist are given in appendixes I and II respectively.

Besides primary data some required data related to the study were collected from secondary sources available from official and unofficial sources. The relevant data were compiled from publication of the national planning commission secretariat, Central Bureau of Statistics, Economic surveys, Annual publication of Nepal Rastra Bank, different records of department of labor GON and other periodical, journals, books, reports, magazines, seminar papers, reports of research centers.

3.5 Data Processing, Analysis method and Presentation

After the complete of field work, all the information of the filled up questionnaires and checklist were presented in a master table to identify the respondents' number and the variable related. These data were tabulated manually. Data processing was done with the help of a scientific calculator and computer. The data were analyzed in qualitative as well as quantitative form. Tables and other statistics were used to make comparisons of different groups of the respondents.

CHAPTER FOUR

SOCIO-ECONOMIC CHARACTERISTICS OF PEOPLE LIVING IN THE STUDY AREA

4.1 Geographical characteristics

4.1.1 Geographical location

The study area is one of the VDC among 35 VDCs of Dhankuta district. It lies in the south of Dhankuta district. It is bordered by Rajarani VDC in the east, Bhedetar and Faksib VDCs in the west and Khuwafok VDC in the north. All of them are the VDCs of same district. It shares its border with Patigaun and Yangsila VDCs of Morang district in the south.

Its land mass is extended from 26⁰22'14" N to 26⁰53'31" N and from 87⁰21'52" E to 87⁰25'22" E. It lies in the middle hill of Mahabharat range. Most of the rivulets have flown towards north direction as its most of the land has slanted to north. The lowest place of this VDC is Gairibari of ward no 9 with the altitude of 671 m whereas Dhojedanda of ward no 1 is situated 2250 m above sea level. Most of the land lies between the altitudes from 1200m to 1600 m above the sea level. (VDC profile, 2012)

4.1.2 Climate

It has moderate climate as its total land of this VDC lies in the Mahabharat range. It is cold in the north-faced land whereas warm in the south-faced land. Its average temperature is 19⁰c. It receives heavy rainfall during summer season as it falls under the tropical monsoon climatic zone. Its average rainfall in summer season is 150 cm. and it receives less rainfall in winter season.

4.1.3 Land

Dandabazar VDC occupies 1623.62 hector lands. Most of the land of this VDC is slope and terraced as other hilly regions. The varieties of land of the VDC can be divided into are *Kharka*, *Bensi* and *slopes*. Plain land can be found in *kharka* and *bensi*. For agricultural purpose terraced lands is used and most of the land is north faced. The soil is not as alluvial as in the Terai but it is suitable for vegetable and garden-farming.

The details of land and its use can be shown as follows:

Table 4.1: Use of land in the study area

Details of land	Land (in Héctor)	Percent
Cultivable land	701.27	43.19
Forest	830.35	51.14
Pasture area	16.84	1.03
Scrub area	7.55	0.46
Sandy area	8.83	0.54
Nursery area	1.79	0.11
Landslide area	35.46	2.18
Others	21.53	1.35
Total	1623.62	100

Source: village profile, 2012.

4.1.4 Flora and Fauna

Dandabazar VDC has a large variety of flora and fauna. The main plants found in this VDC include *Chilaune, Uttis, Katus, walnut, Chanp and Bamboo* etc. The fruits like *orange, pear, plump, guava, banana* etc. are common.

Birds are plentiful and the main species are *dove, crow, pheasant, woodpecker and cuckoo*. The reptiles like that of the mountain and Terai are also found. The wild animals like *cheetah, langur, jackal, deer, fox, hedge* etc. are also found in the jungles of Dandabazar.

4.2 Socio-economic characteristics

4.2.1 Households, Population, Sex and Family Size

The total number of household/family living in the study area is 606 and 3036 is its total population where the male population consists of 1567 or 51.67 percent and female consists 1469 or 48.38 percent. The sex ratio is 106.67 which is opposite to national level (94.2) shown by National Population and Housing Census 2011. The highest number of population lives at ward no 1 with 543 or 17.88 percent of total population whereas lowest populations with 114 or 3.75 percent of total population at ward no 5. The average family size of this VDC is 5.00 which is 0.12 percent more

than national level (4.88). The highest average family size is at ward no 8 with 5.8 and the lowest average family size at ward no 1 and 2 with 4.4.

Table 4.2: Household and Population of the study area by family size and sex

Ward No	Total households	Total population	Total population of Male	Total population of female	Average family size
1	123	543	285	258	4.4
2	112	489	245	244	4.4
3	78	423	220	203	5.4
4	50	285	143	142	5.7
5	21	114	62	52	5.4
6	49	260	133	127	5.3
7	49	259	138	121	5.3
8	52	301	152	149	5.8
9	72	362	189	173	5.0
Total	606	3036	1567(51.67)	1469(48.38)	5.0

Source: Village profile, 2012.

4.2.2 Population Composition by Five Years Age Group

The people of different aged groups live in Dandabazar VDC. The working age (16-60 years) population is 1866 or 61.46 percent of total population of Dandabazar VDC which is 4.46 percent more than national level (57%). The population below 16 years is 943 or 37.6 percent of total population of Dandabazar VDC whereas 227 or 7.47 percent total population is above 60 years.

The population composition by five years age group in Dandabazar VDC is given in the table.

Table 4.3: Population composition of the study area by five years age group

Age group	Male	Female	Total
0 - 5 year	152	123	275
6 - 10 year	157	149	306
11 - 15 year	179	183	362
16 - 20 year	171	169	340
21 - 25 year	152	150	302
26 - 30 year	133	123	256
31 - 35 year	103	104	207
36 - 40 year	102	117	219
41 - 45 year	93	68	161
46 - 50 year	70	65	135
51 - 55 year	63	61	124
56 - 60 year	64	58	122
61 - 65 year	41	38	79
66 - 70 year	30	20	50
71 - 75 year	26	16	42
Above 75year	31	25	56
Total	1567	1469	3036

Source: Village profile, 2012.

4.2.3 Household and Population Distribution by Caste

The study area is inhabited by different caste/ethnic groups. The population of Limbu people is in majority with 978 or 32.21 percent of total population of 3036 followed by Magars and Rais with 659 or 21.70 percent and 623 or 20.52 percent respectively. Thakur has the lowest population with 6 or 0.19 percent followed by Madwari with 11 or 0.36 percent and Yadav with 16 or 0.52 percent.

Table 4.4: Household and Population distribution of study area by caste

S.N.	Caste	Number of Household	Male population	Female population	Total population
1	Limbu	190	507	471	978 (32.21)
2	Magar	131	344	340	659 (21.70)
3	Rai	123	323	300	623 (20.52)
4	Chhetri/Brahmin	66	132	137	269 (8.86)
5	Dalits	61	175	145	320 (10.54)
6	Tamang	20	57	49	106 (3.49)
7	Newar	7	10	13	23 (0.75)
8	Madwari	4	8	3	11 (0.36)
9	Yadav	3	10	6	16 (0.52)
10	Thakur (Hajam)	1	1	5	6 (0.19)
Total		606	1567 (51.61%)	1469 (48.38%)	3036 (100%)

Source: Village profile, 2012.

4.2.4 Population Composition by Religion

The people living in Dandabazar VDC follow different religion according to their caste and interest. Majority of the population in this VDC is from indigenous/Janajati group but most of them follow Hinduism except Tamangs and some Rais. Hindus are in majority population with 481 or 79.37 percent of the total population but it is less than the national level (81.3%).The population of Christians is increasing in rapid pace and at second position with 68 or 11.22 percent of the total population whereas Buddhists have lowest population with 21 or 3.46 percent of total population of Dandabazar VDC.

The population composition by religion in the study area is shown below.

Table 4.5: Population composition of study area by religion

Ward no	Main Religions				
	Hindus	Buddhists	Kirants	Christians	Total
1	102	6	11	4	123
2	92	0	12	8	112
3	76	0	0	2	78
4	47	0	2	1	50
5	11	10	0	0	21
6	48	0	0	1	49
7	39	5	4	1	49
8	43	0	7	2	52
9	23	0	0	49	72
Total	481(79.37%)	21(3.46%)	36(5.94%)	68(11.22%)	606(100%)

Source: Village profile, 2012.

4.2.5 Population Distribution by Occupation

Different economic activities are being carried out by the people of Dandabazar VDC. More than 60 percent of the total working age population is engaged in agricultural sectors as our country is an agricultural country. Foreign labour migration is in second position with 14.89 percent and students are in third with 13.29 percent of total working age population. The wage labours are in lowest with population 11 or 0.58 percent of total working age population followed by unemployed and business with 0.69 and 1.17 percent respectively. Most of the people, who have migrated here,

are engaged in business sector and some educated people of Dandabazar work in governmental as well as non-governmental sector too.

The population distribution by occupation in the study area is given in the table.

Table 4.6: Population distribution of the study area by occupation

Occupation	Age group									Grant total
	16-24			25-45			46-60			
	M	F	Total	M	F	Total	M	F	Total	
Agriculture	92	145	237	211	347	558	159	169	328	1123(60.18%)
Govt. job	8	3	11	25	15	40	10	3	13	64(3.42%)
NGOs	8	11	19	21	46	67	13	8	21	107(5.73%)
Business	1	0	1	11	10	21	0	0	0	22(1.17%)
Students	1	121	116	1	5	6	0	0	0	248(13.29%)
FE	47	7	54	199	13	212	12	0	12	278(14.89%)
Wage labour	0	1	1	4	2	6	1	3	4	11(0.58%)
Unemployed	1	1	2	0	8	8	2	1	3	13(0.69%)
Grant total			562			923			381	1866 (100)

Source: Village profile, 2012.

4.2.6 Some Major Festivals

The study area is the habitat for the people of more than ten ethnic groups. People celebrate different festival according to their caste and religion. Although the indigenous people are in majority in population, more than 75 percent people follow Hinduism. That's why; most of the festivals celebrated here are influenced by Hinduism such as Dashain, Tihar, Saune Sankranti, Rakshya Bandhan, Maghe Sankranti, Fagu Purnima, Chaite Dashain, Ramnavami. These festivals are common for all people living in the study area.

Beside the festivals mentioned above, Limbu people perform Dhan Nach during marriage ceremony and fair. Similarly Hurra Nach of Magars is also famous among the people of Dandabazar VDC. Hurra Dance is performed mainly during Tihar festival from Laxmi Pooja to Kartik Purnima. This cultural dance of Magar is very much popular among the people of different castes living in the study area. Now a day's Hurra Dance is performed during Chhewar(cutting hair of male at first in his life) and marriage ceremony in Magar community. Rai people of this VDC perform

Dhol Nach during the marriage ceremony and fairs and Tamang people of this VDC celebrate Lhosar with great enthusiasm.

4.3 Physical facilities

4.3.1 Education facilities

Education facility in Dandabazar VDC is quite good. There are altogether 9 schools, consisting 7 primary, 1 lower secondary and 1 higher secondary. There is a primary school in each ward of this VDC, except ward no 5.

Most of the students have to travel no more than 1 hour for secondary and higher secondary level education. Most of the students can get education up to higher secondary level education within the VDC but they have to reach Dharan city of Sunsari district (about 29 km far away) or district headquarters of Dhankuta district (about 49 km far away) for higher education.

The literacy percentage of this VDC is 82.67 among the total population of 2913 except below 3 years age group (123). Only 505 or 17.33 percent people are illiterate where female consists 332 or 65.74 percent of total illiterate population of Dandabazar VDC. More than 38 percent people are literate without taking formal education. Only 0.16, 0.55 and 2.30 percent of total population have passed Master, Bachelor and Intermediate level respectively from this VDC.

The educational condition of Dandabazar VDC is given below in the table.

Table 4.7: Educational status of the study area

Details	Below 15 years		16 – 45 years		Above 45 years		Total		Grand total
	M	F	M	F	M	F	M	F	
Below 3 years	65	58	-	-	-	-	65	58	123
Pre primary	27	9	-	-	-	-	27	9	36
Primary	237	216	20	20	2	-	259	236	495
Lower secondary	97	109	70	57	3	2	170	168	338
Secondary	6	13	128	102	5	1	139	116	255
Intermediate	-	-	37	30	2	1	39	31	70
Bachelor	-	-	9	5	3	-	12	5	17
Master	-	-	3	2	-	-	3	2	5
Primary aged but out of school	36	35	-	-	-	-	36	35	71
Literate (never gone to school)	16	11	454	407	174	59	644	477	1121
Illiterate	4	4	33	108	136	220	173	332	505
Total									3036

Source: village profile, 2012.

4.3.2 Health facilities

Dandabazar VDC has only one Primary Health Center for the population over 3000. The primary health center is run by a community health assistant (CMA) and two auxiliary nursing midwife (ANM). It does not have enough medicine and other health facilities. People have to go to Dharan city of Sunsari district in case of fatal diseases. The ambulance service is not easily available. So the patient is taken to hospital by using stature or private motorcycle or public vehicle such as bus, tractor and land rover.

Tantricism or witchcraft is also practiced in this VDC, which is challenging modern medical service. Witch doctors see the patients and treat by sacrificing chicken, pig, goat etc with the belief of warding off the evil spirits and in the name of gods and deities.

4.3.3 Transportation facilities

Roadway is the main means of transportation available in Dandabazar VDC. All wards of this VDC are connected with each other by roadway. But the condition of the road is not good and many problems are occurred during rainy season as they are earthen roads. Bhedetar-Rajarani lokmarga the main roadway which touches the ward no 1,2,7,8 and 9 of this VDC, which is connected with the Madan Bhandari Highway in the west at Bhedetar, 7 km far away from this VDC.

Due to the availability of roadway, people have easy access to the market of Dharan city. Transportation facility has mainly benefited to the farmers of here as they are getting opportunity to sell their agricultural production easily with reasonable price. Similarly trade and business is also flourishing in this area due to the facility of transportation.

4.3.4 Communication facilities

There is dramatic and tremendous progress in the communication sector in Nepal within last 50 years. Dandabazar VDC couldn't be the exception of this tremendous progress.

People of this VDC are enjoying different means of communication such as post office, radio, television, mobile, telephone, email-internet and newspaper. Among the

different means of communication, mobile service, radio and television are being enjoyed by 84.15, 72.77 and 48.34 percent respectively of total household in Dandabazar VDC. But newspaper readers are very few, where 4 or 0.66 percent of total household read the newspaper daily.

The use of communication facilities in Dandabazar VDC is shown in the table.

Table 4.8: Use of means of Communication in the study area

Ward No	Radio/ Cassette	Television	Telephone /Mobile	Computer	Email/ Internet	Newspaper
1	109	99	115	4	2	0
2	76	41	103	1	1	0
3	54	26	66	0	0	0
4	35	25	45	1	1	0
5	14	12	19	0	0	0
6	34	24	49	0	0	0
7	35	18	49	2	1	1
8	37	20	47	0	0	1
9	427	28	66	3	0	2
total	441 (72.77%)	293 (48.34%)	510 (84.15%)	11 (1.81%)	5 (0.82%)	4 (0.66%)

Source: VDC Profile, 2012

4.3.5 Water supply and Electricity

Dandabazar VDC, being located in the hilly region, faces the problem of drinking water, especially in the upper parts of hills where some settlements are found above the water source. Pipeline water supply is available in all the wards except ward no 5, but not to all villages and people. About 66 percent of total household of this VDC is facilitated by pipeline water but it is also not reliable. They should depend upon natural sources of water like wells and springs during winter season. About 33 percent of total household of this VDC is totally depends upon natural sources of water like wells and springs.

The condition of water supply in Dandabazar VDC is given below:

Table 4.9: Water supply facility in the study area

Ward No	Source of water		
	Pipeline	Well/ spring	Total
1	37	86	123
2	92	20	112
3	77	1	78
4	50	0	50
5	0	21	21
6	46	3	49
7	32	17	49
8	49	3	52
9	20	52	72
Total	404 (66.66%)	202(33.33)	606 (100)

Source: VDC profile, 2012

Dandabazar VDC has good facility of electricity though there is no production of hydro-electricity in local level. The people of each ward of this VDC are enjoying this facility as well from last five years. Most of the people of this VDC use electricity for different purposes such as getting light at night, charging mobile, operating television and radio. Some people use to operate computers, cooking rice, operating refrigerator etc.

The consumption of electricity is low as there are no big factories or industries in the study area.

CHAPTER FIVE

STATUS OF FOREIGN LABOUR MIGRATION IN DANDABAZAR VDC

There is no written history of foreign labour migration in Dandabazar VDC. But many people have been recruited as police and army in India, United Kingdom and Singapore for a long time. This tradition is still in practice. Most of the families of ex-army and police have migrated to Dharan city of Sunsari district and few of them are living in this VDC. There is a local recruitment office (Galla) for selecting the youngsters to recruit them in British army and Singapore police, which proves that there is a long history of going foreign country for employment. Now a days, people from this VDC have gone to different countries of the world for employment and study.

5.1 Population of foreign migrant workers from the study area

Foreign labour migration has become an important economic activities of this VDC as more than 63 percent households of this VDC have got remittance from different countries and over 17 percent of total population of this VDC has gone to foreign country for employment at least once in his/her life up to 2012.

The total numbers of migrant workers who have gone to foreign country for employment at least once in his/her life from this VDC is shown in the table.

Table 5.1: Total foreign migrant workers from the study area

Ward No	Total household	Total household involved in FLM	Total population	Total FMW
1	123	64	543	73
2	112	50	489	59
3	78	38	423	53
4	50	36	285	72
5	21	19	114	24
6	49	44	260	51
7	49	36	259	66
8	52	43	301	61
9	72	55	362	71
Total	606	385(63.53%)	3036	530(17.45%)

Source: Field survey, 2012

5.2 Foreign Migrant Workers by sex

Both male and female are involved in foreign labour migration from Dandabazar VDC but the flow of female migrants in foreign labour migration is very low in the comparison of male migrant workers. Among 530 foreign migrant workers 515 are males which constitutes about 16.96 percent of the total population and occupies the 32.86 percent of total population of male of Dandabazar VDC. Only 15 females have gone to the foreign country for employment which constitutes the 0.49 percent of total population and occupies about 1.02 percent of total population of female of Dandabazar VDC. Similarly, male FMWs occupy about 97.16 percent and female FMWs occupy 2.83 percent of total population of foreign migrant workers (530) from the study area.

Table 5.2: Foreign Migrant Workers by Sex

Ward No	Total Pop. of Male	Total Male FMWs	Total Pop. of Female	Total Female FMWs
1	285	69	258	4
2	245	55	244	4
3	220	53	203	-
4	143	70	142	2
5	62	24	52	-
6	133	51	127	1
7	138	64	121	2
8	152	60	149	1
9	189	70	173	1
Total	1567 (100%)	515 (32.86%)	1469 (100%)	15 (1.02%)

Source: Field survey, 2012

5.3 Foreign Migrant Workers of the Study Area with Their Destination

People of Dandabazar VDC have gone to different countries of the world. They have gone there with or without document, through relatives or MPAs and high waged countries or low waged. More than 60 percent of total foreign migrant workers have gone to Gulf countries and Malaysia is in second position where 25.09 percent of total foreign migrant workers have gone from Dandabazar VDC. Beside Gulf and Malaysia, 12.07 percent has gone different countries of the world for employment. The number of foreign migrant workers of Dandabazar VDC according to their destination country is shown below.

Table 5.3: FMWs of the Study area with Their Destination

Ward no	Destination countries			Total
	Gulf	Malaysia	Others	
1	37	20	16	73
2	34	12	13	59
3	37	14	2	53
4	42	18	12	72
5	17	6	1	24
6	27	20	4	51
7	40	14	12	66
8	52	7	2	61
9	47	22	2	71
Total	333(62.83%)	133(25.09%)	64(12.07%)	530(100%)

Source: Field survey, 2012

5.4 Foreign migrant workers from different ethnic group

The people from almost of castes living in this VDC have gone to abroad for employment. The Limbus have highest number of foreign migrant workers with 175 or 33.01 percent among total foreign migrant worker (530) from Dandabazar VDC followed by Magars and Rai with 147(27.73%) and 104(19.65%) respectively. Nobody from Madwari, Yadav, Newar and Thakur are engaged in foreign labour migration. All of them have migrated and living here from last decades. They are engaged in business sector. The people of this VDC from different castes, who are involved in foreign labour migration, is as follows:

Table 5.4 FMWs from different ethnic group in the study area

Ward No	Ethnic groups involved in foreign employment						Total
	Limbu	Magar	Rai	Dalits	Chhetri/ Brahmin	Tamang	
1	41	2	10	1	14	5	73
2	8	-	26	6	3	-	59
3	3	9	49	13	-	-	53
4	57	-	9	1	-	-	72
5	10	1	1	2	-	10	24
6	39	-	9	-	3	-	51
7	6	35	-	14	6	5	66
8	11	38	-	11	1	-	61
9	-	62	-	-	9	-	71
Total	175 (33.01%)	147 (27.73%)	104 (19.62%)	48 (9.05%)	36 (6.79%)	20 (3.77 %)	530 (100%)

Source: Field survey, 2012

The people from different castes are engaged in foreign labour migration from Dandabazar VDC. On the basis of ethnic population, the Magars have highest percentage with 22.30 followed by Tamang and Limbu with 18.86 and 17.89. Dalits are in lowest with 11.5 percent among the total population of Dalits.

Table 5.5: Percentage of FMWs from different ethnic group in the study area

Caste	Total population	Total No of FMW	Percent of FMW
Limbu	978	175	17.89
Magar	659	147	22.30
Rai	623	104	16.69
Chhetri/Brahmin	269	48	17.84
Dalits	320	36	11.25
Tamang	106	20	18.86
Newar	23	-	-
Madwari	11	-	-
Yadav	16	-	-
Thakur	6	-	-
Total	3036	530 (17.45)	100

Source: Field survey, 2012

5.5 Numbers of Family Members Worked in Abroad

People of the study area are attracted more towards foreign labour migration. 385 households of the study area have at least 1 FMW which occupies about 63 percent of total household of Dandabazar VDC. The number of family members who have gone to foreign country for employment from same household is as given in table 5.4.

Table 5.6: Numbers of Family Members Worked in Abroad

Ward No	No of household engaged in FLM	Family members in a broad			
		Only one	Two	Three	More than three
1	64	47	16	1	-
2	50	39	7	3	1
3	38	26	10	1	1
4	36	15	9	10	2
5	19	14	4	1	-
6	44	25	14	3	2
7	36	19	9	4	4
8	43	30	11	2	-
9	55	24	24	5	2
Total	385 (100%)	239 (62.07%)	104 (27.01%)	30 (7.79%)	12 (3.11%)

Source: Field survey, 2012

Above table shows that among 385 household which are involved in foreign labour migration from the study area, from 239 or 62.07 households, only one member has gone to foreign country whereas two members of same household are involved in FLM from 104 households or 27.01 percent. From 42 or 10.90 percent households, three or more than three members of same households are involved in foreign labour migration.

CHAPTER SIX

DATA ANALYSIS

This chapter is divided into three sections. They provide the information about causes of foreign labour migration; process of going foreign country for employment, remittance, its use and change in socio-economic indicators of migrants' household.

6.1 Causes for Seeking Foreign Employment

This section provides the general information about the different causes for seeking foreign employment. There may be several reasons of seeking foreign employment. The reason might be economic, social or political. To find out the causes of seeking employment the respondents were asked to identify the prime causes to go for foreign employment. They gave more than one reasons as follows:

Table 6.1: Causes of Seeking Foreign Employment by Respondents

Cast/ethnic group	No. of respondents	Different Causes				
		Unemployment	Debt burden	Conflict	Social impression	Earn money
Limbu	19	17	6	8	9	3
Magar	14	11	8	5	7	4
Rai	12	10	4	4	4	3
Dalits	10	10	7	4	2	2
Chhetri/Brahmin	9	5	2	4	1	3
Tamang	3	3	2	2	2	1
Total	67	56 (83.58)	29 (43.28)	27 (40.29)	25 (37.31%)	16(23.88)

Source: Field Survey, 2012

** Due to multiple answers the total will be more than 100 percent.*

Above table shows that unemployment was the major cause for all respondents because 56 or 83.58 percent respondents told that there was no employment within the country. Second cause was family debt burden. Around 43.28 percent had gone to foreign employment because of family debt burden. Among the ethnic groups 70 percent of Dalit, 66.66 percent of Tamangs and 57.14 of Magar showed higher percentage of people debt burden than Brahmin/Chhetri (22.22%). Third reason was conflict, where almost 40.29 percent seek foreign employment to avoid conflict. About 37.31 percent told that they were involved in foreign labour migration due to

social impression which was the fourth reason. Lastly, 16 or 23.88 percent were engaged in foreign employment to earn money.

It was concluded that unemployment, family debt burden and conflict were the main causes to seek foreign employment.

6.2 Process of Going Foreign Country for Employment

This section provides the information about the skills of foreign labour migrants before going abroad; how they use different mediums for going abroad; how much money they spend in the process of going foreign country; and how they manage finance for it.

6.2.1 Status of Skill of Migrant Workers

Most important factors which helps to find the proper job and increases the purchase power of labour. Anybody, who is trained can earn more money and get better job than unskilled labour. Most of the Nepalese seeking foreign employment are said to be untrained. They do not have adequate skills due to which employed in menial work and are paid low. The status of skill development of individuals was asked in the interview. The responses received are presented in following table.

Table 6.2: Skill Status of Respondents before Going Foreign Country

Cast/ethnic group	No. of respondents	Unskilled Respondent	Skilled Respondents
Limbu	19	13	6
Magar	14	12	2
Rai	12	8	4
Dalits	10	10	-
Chhetri/Brahmin	9	6	3
Tamang	3	1	2
Total	67	50 (74.62%)	17 (25.37%)

Source: Field Survey, 2012

Above table shows that 50 or 74.62 percent of job seeker considered themselves as unskilled before getting foreign employment. Among remaining 17 or 25.37 percent had skills related to driving, caregiver and security. It shows that most of the foreign seekers were untrained and unskilled labour.

6.2.2 Medium Used to Obtain Foreign Employment

Individuals who want foreign employment needs to know the job, salary, the nature of contract and the cost for getting the employment opportunity. Generally government registered manpower agency (MPAs) are supposed to cater the needs for foreign employment seekers. Besides them individual contracts also play important role. The quality of job and costs are related to the medium used by the individuals. The cheating by agents and the torture are also related with the medium used. The medium used for going abroad was considered to be important and the respondents were asked to identify it. The responses are given in the following table.

Table 6.3: Medium Used to go for Foreign Employment by Respondents

Cast/ethnic group	No. of respondents	Medium			
		By MPA	By Government quota	By relatives	Self
Limbu	19	12	-	4	3
Magar	14	8	1	4	1
Rai	12	5	-	5	2
Dalits	10	7	-	3	-
Chhetri/Brahmin	9	7	-	2	-
Tamang	3	3	-	-	-
Total	67	42 (62.68)	1(1.49)	18(26.86)	6 (8.95)

Source: Field Survey, 2012

The table shows that among the respondents 42 or 62.68 percent respondents went to seek foreign employment through registered manpower agencies whereas only one or 1.49 percent had gone to foreign employment through government quota from Magar category. 18 or 26.86 percent respondents managed through their relatives and 6 or 8.95 percent respondents had sought foreign employment through own effort.

It is concluded that majority of foreign jobs seeker use MPAs as a medium to go foreign country for employment. Some use their relatives as medium and very few choose self effort.

6.2.3 Cost of Paid for Foreign Employment

A sizable amount of money needs to be invested as a cost of foreign employment. The costs starts from obtaining a passport, medical checkup, manpower agency commission, visa fees, air fare, cost of internal travel and hotel charge in Kathmandu at the time of processing the foreign employment. To find out the costs paid by the

respondents, they were asked to quote the total expenses in different categories. The summarized version of the cost paid by different groups is given in the following tables:

Table 6.4: Average Cost Paid for Foreign Employment by Respondents

Cast/ethnic group	No. of respondents	Cost paid for foreign employment (in thousands)		
		50 to 100 thousand	100 to 150 thousand	More than 150 thousand
Limbu	19	14	3	2
Magar	14	10	3	1
Rai	12	5	4	3
Dalits	10	8	2	-
Chhetri/Brahmin	9	6	2	1
Tamang	3	3	-	-
Total	67	46 (68.65%)	14(20.89%)	7(10.44%)

Source: Field Survey, 2012

Above table shows that 46 or 68.65 percent respondents had paid 50 to 100 thousands cost for foreign employment whereas 14 or 20.89 percent respondents were found to be paid 100 to 150 thousand as cost for foreign employment. Only 7 or 10.44 percent respondents had gone to foreign countries by paying more than 150 thousands. Most of foreign migrant workers who have gone to Gulf and Malaysia, they were found to be paid Rs.65 thousand to Rs 120 thousands but for other countries, they had paid 300 thousand to 700 thousand for employment.

It can be concluded that cost to be paid for foreign employment depend upon the destination country. Foreign migrant workers have to pay low cost in Gulf and Malaysia than the other countries.

6.2.4 Source of Financing

Most of the rural people of Nepal who want to go for foreign employment use several sources of financing the cost involved. They are loan; sales of property including land, internal saving as well as funds mobilize through friends and relatives. To find out the extent of sources used by the respondents they were asked to provide their source of financing the foreign employment. The information collected from the interview is presented in the following table.

Table 6.5: Source of Financing for Cost of Foreign Employment

Cast/ethnic group	No. of respondents	Sources		
		Loan	Support of parents /friends	Own saving
Limbu	19	10	7	2
Magar	14	10	4	-
Rai	12	8	4	-
Dalits	10	7	3	-
Chhetri/Brahmin	9	4	1	4
Tamang	3	3	-	-
Total	67	42 (62.68%)	19 (28.35%)	6 (8.95)

Source: Field Survey, 2012.

Above table shows that 42 or 62.68 percent respondents of the total sample size had borrowed loan to pay the cost of foreign employment whereas 19 or 28.35 percent respondents had managed cost of foreign employment from the support of parents or friends. Another 6 respondents or 8.33 percent used their internal family savings to pay the cost for foreign employment they were from Chhetri/Brahmin (44.44%) and Limbu (10.52%) categories.

It can be concluded that the cost of foreign employment is financed by borrowing and parents or friends support. Family saving was found to be used only by Brahmin/Chhetri and Limbu category.

6.2.5 Types of Job Performed in Foreign Employment

Since the skill of Nepalese workers is low most of them get employment in manual job. To find out the types of jobs performed the respondents were asked to give the type of work they did while being employed in foreign country. The response categorized into five different groups is given in the following table.

Table 6.6: Types of Job Performed in Foreign Country by Respondents

Cast/ethnic group	No. of respondents	Occupation					
		Construction labour	Security guard	House worker /care giver	Driver	Storekeeper	Armed
Limbu	19	12	4	2	-	-	1
Magar	14	9	2	2	-	1	-
Rai	12	7	4	-	1	-	-
Dalits	10	7	-	3	-	-	-
Chhetri/Brahmin	9	4	2	1	-	1	1
Tamang	3	1	2	-	-	-	-
Total	67	40 (59.70)	14(20.89)	8(11.94)	1(1.49)	2(2.98)	2(2.98)

Source: Field Survey, 2012

Above table shows that 40 or 59.70 percent respondents were found to be worked in building construction whereas only one or 1.49 percent respondent were engaged in driving sector who was from Rai category. Dalits were highly engaged in this work with 70 percent followed by Magars with 64.28 percent and Limbu with 63.15 percent. Tamangs were found to be worked in security sector with 66.66 percent followed by Rai and Chhetri/Brahmin with 33.33 and 22.22 percent respectively. Higher percentage of Dalit with 30 percent found to be engaged in houseworker whereas Chhetri and Limbu were found to be engaged in armed sector with 11.11 and 5.26 percent respectively.

It can be concluded that the major occupation of the Nepalese migrant workers are building construction and security guard and followed by other house-keeper/care-giver, store-keeper, armed and driving.

6.3 Remittance, Its Use and Change in Socio-economic Aspect

This section analyzes the income earned by respondents in foreign countries, the system that used by respondents to remit, ways of utilizing remittance in different sectors by respondents and their family members and changes occurred in some socio-economic indicators of respondents' households.

6.3.1 Income Earned Abroad

It is often heard that Nepalese workers get low paying jobs in overseas. So they earn less money than labourers from other countries. But income earned abroad depends on skill of workers, salary payment by company, working country, types of company, duration of stay etc. To find out the income earned by Nepalese labour in abroad the respondents were asked to give their monthly salary earnings. The responses are given in the following tables.

Table 6.7: Income Earned in Different Abroad by Respondents

Cast/ethnic group	No. of respondents	Average Monthly income (in thousands)		
		Gulf	Malaysia	Others
Limbu	19	17.61	16.66	86.66
Magar	14	17.33	15.66	70
Rai	12	18.71	17.5	127
Dalits	10	14.16	14	-
Chhetri/Brahmin	9	19.2	17.33	150
Tamang	3	16	15	-
Total	67	17.16	16.02	108.41

Source: Field Survey, 2012

Above table shows that the respondents who have done the work in other countries they have earned more income (per month 108.41 thousands in average) than the respondents of Gulf (per month 17.16 thousands) and Malaysia (per month 16.02 thousands). Gulf is in the second position from the view of earning money in abroad by foreign migrant workers whereas Malaysia is in the last position. The respondents of Dalits, who have done the work in Gulf countries, they have earned less income (per month 14.16 thousand in Gulf and 14 thousand in Malaysia) than other three ethnic groups but it is more than the income of Malaysia which was earned the same group. The respondents of Brahmin/Chhetri who have done the work in Gulf, they have earned more income (per month 19.2 thousands in average) than other five ethnic groups but the respondents of Rai who have done the work in Malaysia and other countries, they have earned more income (per month 17.5 thousands in Malaysia and 127 thousands in other countries) than other five ethnic groups.

It can be concluded that the respondent earned more income in other countries than Gulf and Malaysia. Gulf is better than Malaysia from the view of earning money.

6.3.2 System of Transfer Remittance

Income transfer depends on the availability mean of transfer institutions and facilities and their reliability. Formal channel used in bank, money transfer agencies etc. Uses of informal channels are hundi, friend/relatives and/or bringing back by own self. For finding out the channel used the respondent of this VDC were asked to identify the channel used. The respondents might have sent the remittances several times and they

might have used different channels at each time. They were asked to identify the different channels that they had used. The answer provided by respondents is presented by following table.

Table 6.8 Channels Used to Transfer Remittance

Cast/ethnic group	No. of respondents	Method used (in number)				
		Bank	MTA	Hundi	Relatives	Own self
Limbu	19	5	15	1	13	5
Magar	14	3	8	-	12	6
Rai	12	3	8	1	10	2
Dalits	10	-	6	-	3	4
Chhetri/Brahmin	9	5	9	-	4	4
Tamang	3	-	3	-	3	3
Total	67	16 (23.88)	49 (73.13)	2 (2.98)	45 (67.16)	24 (35.82)

Source: Field Survey, 2012

** Due to multiple answers the total will be more than 100%*

Above table shows that 49 or 73.13 percents respondents were found to be used money transfer agencies for transferring remittance whereas least number of respondents (2 person or 2.98 percent) had used hundi. Among 67 respondents, 45 or 67.16 percent respondents were found to be sent back the remittances with friends/relatives whereas 24 or 35.82 percent were found to be brought back remittances themselves on their return and 16 or 23.88 percent respondents had selected bank to transfer remittance. More than 50 percent respondents of Brahmin/Chhetri had sent their income by Bank but nobody from Tamang and Dalits had used bank for transferring remittance.

The use of several channels shows that the channel used by foreign migrant workers to remit depends on the availability of channels in the destination country. High number of formal channels, use of friends and relative as well as bringing back themselves shows that the foreign migrant workers have great concern of safety and reliability on those channels to transfer the remittances. It can be concluded that above 70 percent respondents of this VDC were used formal channel such as Bank, MTA.

6.3.3 Use of Remittance in Different Sectors

The use of remittances depends on the priority placed by the individuals on different uses, the size of the remittance, the time of availability, opportunity for investment and several other factors. Majority of migrant workers go abroad because of unemployment at home and poverty in the households. Generally the earnings made by them are not big. The cost of foreign employment is borne by borrowing. Keeping all these conditions in mind the respondents were asked to identify the uses of remittance that they had earned in abroad. Each individual spent the earnings in more than one uses. To find out the use of remittance by the respondents they were asked to list the use of the money in different heads. The answers given by respondents are presented in the following table.

Table 6.9: Use of Remittance in Different Sectors

Cast/ethnic group	No. of respondents	Different sectors of remittance used				
		Loan repayment	Household expenditure	Land purchase/housing	Saving	investment
Limbu	19	10	11	7	7	3
Magar	14	10	11	5	5	3
Rai	12	8	10	7	5	4
Dalits	10	7	8	1	1	-
Chhetri/Brahmin	9	4	8	7	6	5
Tamang	3	3	3	-	1	-
Total	67	42 (62.68)	51 (76.11)	27 (40.29)	25 (37.31)	15 (22.38)

Source: Field Survey, 2012

* *Due to multiple answers the total number of uses is more than the total number of sample size.*

Above table shows that 51 or 76.11 percent respondents were found to be used remittances for regular household expenditure whereas 42 or 62.68 percent used in repaying loan. In house construction/ land purchasing and saving, only 27 or 40.29 percent and 25 or 37.31 percent respondents respectively used their income. The respondents from Brahmin/Chhetri were in maximum number, who used their income in house construction, land purchasing, saving and investment whereas Tamangs and Dalits were in maximum number, who used their income in loan repayment and

regular household expenditure. Only 15 or 22.38 percent respondents had invested their income into productive sector.

Among 67 respondents, 52 or 77.61 percent respondents said that they didn't spend their remittance in productive sector. They were asked that why they didn't use their income into productive sector? More than 80 percent respondents said that they didn't have sufficient capital for investment, 10 or 19.23 percent respondents answered that lack of opportunity due to conflict was main cause for non-utilization of remittance in the productive sector.

It can be concluded that most of the remittance have been used to meet regular household expenditure and loan repayment. Land purchase, bank deposit are other uses of remittances. Very few respondents invest the remittances in direct productive sector which increases further production and employment.

6.3.4 Change on some socio-economic indicators

It is often believed that if somebody receives foreign employment, his/her socio-economic status will be improved. How the foreign employment and remittance changes on certain socio-economic indicators? Do they live in better house? Do they send their children to better schools? How the health condition has changed? Are their families better dressed? Are they protected from rural indebtedness at the time of need? These were very pertinent questions. Positive impact on them depended on size of income of respondents brought from foreign employment, family size, economic condition of family, before foreign employment, knowledge of respondents, culture of society etc. To find out the impact for an employment on socio-economic indicators the respondents were asked to respond on the changes brought by foreign employment. The answers provided are given in the following table.

Table 6.10: Change on some Socio-economic Indicators through Remittance

Indicators	Increased	Changed/ Decreased	Same/ No changed	Total
Average income	57 (85.07)	4(5.97)	6 (8.95)	67 (100)
Loan burden	4(5.97)	38(56.71)	25 (37.31)	67 (100)
Major occupation of family	-	29 (43.28)	38(56.71)	67(100)
Land ownership	27 (40.29)	2 (2.98)	38(56.71)	67(100)
Investment and saving	25 (37.31)	-	42 (62.68)	67(100)
Expenditure on Education	29 (43.28)	-	38(56.71)	67(100)
Food/nutrition sufficiency	36 (53.73)	-	31(42.26)	67(100)
Skill and efficiency	40 (59.70)	-	27(40.29)	67(100)

Source: Field Survey, 2012.

**Figure in the parenthesis indicate percentage*

Above table shows that 57 or 85.07 percent respondents answered that foreign employment improved in their average income whereas 6 or 8.95 percent respondents said that their average income remained same and 4 or 5.97 percent respondents said that their average income was decreased. Decreased in average income might have been resulted with high cost but low pay or short employment. Foreign employment increased the loan burden of 4 or 5.97 percent respondents whereas 29 or 43.28 percent respondents changed their major occupation. Similarly 27 or 40.29 percent respondents increased their land ownership whereas 2 or 2.98 percent respondent sell their land to repay the loan taken for foreign employment. Only 25 or 37.31 percent respondents increased in their saving and invested in some productive sector whereas 29 or 43.28 percent responded were found to increased in education expenditure and 36 or 53.73 respondents had improved in food/nutrition sufficiency. It might be the result of improvement of economic condition of the individuals who could afford boarding school for their children and had been increased in purchasing power and clothes after returning from foreign employment. More than 50 percent of total respondents learnt skill in abroad in different sectors.

It can be concluded that around 50 percent respondents of this VDC had improved in different socio economic indicators due to foreign employment. But around 5 percent had worsened and around 45 percent respondents had no changes in their socio-economic condition even after returning from foreign employment. In short, people who have returned from foreign employment have received some economic benefit and improved their financial, social and economic condition but it cannot be said it has improved their life tremendously.

CHAPTER SEVEN

SUMMARY AND CONCLUSION

7.1 Summary

The main objective of this study was to identify the trends and causes of foreign employment, system of remit and its use and views of people towards foreign labour migration in rural community in study area. Moreover the study tried to identify the past trend of foreign employment and remittance of Nepal, socio-economic characters of foreign employees, sources of financing and cost for foreign employment, change brought by foreign employment and remittance in socio economic status of the respondents in the rural community.

To fulfill the objectives of the study, Dandabazar VDC of Dhankuta district was selected and field survey was conducted during 2012. The sample size was 67 households chosen by single stage random sampling method and data were collected through questionnaire and check-list. Some secondary data were also used to study the status of foreign employment and remittance in this study. Data were analyzed by using simple statistical tools like mean, percentage and ratio.

7.2 Major Finding of the Study

From the study, following conclusions were drawn.

1. More than 63 percent households of this VDC have got remittance from different countries and over 17 percent of total population of this VDC has gone to foreign country for employment at least once in his/her life.
2. The main destinations of Nepalese workers are Gulf countries and Malaysia. More than 60 percent of total foreign migrant workers have gone to Gulf countries and Malaysia is in second position where 25.09 percent of total foreign migrant workers had gone from Dandabazar VDC.
3. The people from almost of castes living in this VDC have gone to abroad for employment except some castes/ethnic groups such as Newar, Madwari, Thakur (Hajam) and Yadav who are engaged in business sectors.

4. The Limbus have highest number of foreign migrant workers with 175 or 33.01 percent among total (530) foreign migrant worker from Dandabazar VDC followed by Magars and Rai with 147(27.73%) and 104(19.65%) respectively.
5. On the basis of ethnic population, the Magars have highest percentage with 22.30 followed by Tamang and Limbu with 18.86 and 17.89 percent respectively. Dalits have lowest percentage with 11.5 percent of total population of Dalits.
6. Major sector of employment for Nepalese workers are building construction (59.70%) and security (20.89%).
7. Maximum number of households(49.25%) have one family member working in abroad and from 5.97 percent of household, more than three family members have gone abroad and they are from Limbu, Magar and Rai categories.
8. The socio-economic characters of migrant workers was age group of 20-30 year, 92.62 percent married, 88.05 percent literate, 65.67 percent coming from lower income group and 80.59 percent coming from agriculture occupation.
9. Majority of the persons seeking foreign employment have come from low educational status. Mostly, Dalits are from low level. But some people with higher level education status also were participated in foreign labour market.
10. Major reasons to seek foreign employment include unemployment, family-debt burden and conflict. Social impression and earning money are other motivational factors for foreign labour migration.
11. As a medium to get foreign employment, 62.68 percent of sample households use MPAs. Others go abroad through relatives and personal initiative.
12. Majority (74.62%) foreign job seekers do not have skills before going abroad for employment and get unskilled labor jobs.

13. The foreign migrant workers who had gone to Gulf States and Malaysia, had paid 75 thousands as average cost whereas the foreign migrant workers had paid more than 150 thousands, who had gone to other countries.
14. About 62 percent of total foreign migrant workers had taken loan for managing cost for foreign employment. Few FMWs had gone foreign country by financing with their own saving.
15. The workers earned more income in other countries than Gulf States and Malaysia. It was average monthly income of Rs 108.41 in other countries and Rs. 17.16 thousand and Rs.16.02 thousand per month in Gulf and Malaysia respectively.
16. Above 73 percent respondents used formal channels (banks and MTAs) to send remittance. Informal channels like hundi, relative and friends and bringing back by themselves were other channels of remittances.
17. Most of the remittances had been used to meet regular household expenditure (76.11%) and loan repayment (62.68%). Land purchase, bank deposit are other uses of remittances. Very few respondents (22.38) had invested the remittances in direct productive sector.
18. More than 80 percent households of this VDC had not utilized their remittance due to lack of enough investment funds. About 19.23 percent couldn't utilize their remittance in productive sectors due to political conflict.
19. More than 50 percent households of this VDC have improved in their different socio economic indicators. But around 5 percent had worsened and around 45 percent households had no changes in their socio-economic condition through remittance.
20. Around 59 percent respondents learnt different types of skills in foreign country during employment but they couldn't utilize these skills in their home country due to lack of technology and opportunity.

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APPENDIX-I

ID No.

Questionnaire For Household Survey 2012
Central Department of Sociology/Anthropology
TRIBHUVAN UNIVARSITY
 (For the purpose of M.A. Thesis)
Foreign Labour Migration: trends, cause views and use of remittance
A case study of Dandabazar VDC, Dhankuta District

Thesis/Research Supervisor: Dr. Mukta Singh Lama
Researcher: Bhadra Bahadur Rana Magar
Name of Interviewee :

Section A: General Information (Socio-economic Information of Foreign Employees' Household)

S.N	Question	Coding	Skip																												
A1	Caste/Ethnic	Specify.....																													
A2	Religion	1. Hindu 2. Buddhist 3. Kirat 4. Christian Others (Specify).....																													
A3	Main Occupation	1. Agriculture 2. Labour 3. Service 4. Business 5. Factory worker 6. Others (Specify).....	*5																												
A4	How many members are there in your family?	Total no. of members 1. Male 2. Female																													
A5	Do you have sufficient production from farming to feed whole family throughout year?	1. Sufficient whole year 2. Sufficient for 8 months 3. Sufficient for 6 months 4. Sufficient for less than 6 months 5. Buying whole year																													
A6	Types of house	1. Wood house 2. RCC 3. Others(Specify).....																													
A7	Do you have any other alternative income besides from major occupation?	1. Yes 2. No	*8																												
A8	What type of income sources?	Specify.....																													
A9	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Annual income</th> <th colspan="2" style="text-align: left;">Annual expenditure</th> </tr> <tr> <th style="width: 30%;">Particular</th> <th style="width: 20%;">Amount</th> <th style="width: 30%;">Particular</th> <th style="width: 20%;">Amount</th> </tr> </thead> <tbody> <tr> <td>Agriculture</td> <td></td> <td>Fooding and clothing</td> <td></td> </tr> <tr> <td>Business</td> <td></td> <td>Education</td> <td></td> </tr> <tr> <td>Wages/job</td> <td></td> <td>Health</td> <td></td> </tr> <tr> <td>Foreign employment/pension</td> <td></td> <td>Ornaments</td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td>Other</td> <td></td> </tr> </tbody> </table>		Annual income		Annual expenditure		Particular	Amount	Particular	Amount	Agriculture		Fooding and clothing		Business		Education		Wages/job		Health		Foreign employment/pension		Ornaments		Other		Other		
Annual income		Annual expenditure																													
Particular	Amount	Particular	Amount																												
Agriculture		Fooding and clothing																													
Business		Education																													
Wages/job		Health																													
Foreign employment/pension		Ornaments																													
Other		Other																													
A10	Other Facilities																														
	Vehicle	1. Bus 2. Truck 3. Car 4. Motorcycle 5. Other.....																													
	Electric means of communication	1. Radio 2. Television 3. DVD/VCD 4. Music system																													
	Furniture	1. Cupboard 2. Almarih 3. Dinning table 4. Kitchen rack 5. Chairs																													

Section B: Questionnaire Related to Foreign Labour Migration

C.N.	Question	Coding	skip
B1	Age	.....
B2	Sex	1. Male 2. Female	
B3	Marital status	1. Married 2. Unmarried	
B4	Academic Qualification	.....
B5	Which country have/has you/he/she family member gone?	.....
B6	Why did you/he/she select that place?	1. Easy availability of work 2. Easy to entry 3. Higher wage rate Others (Specify).....	
B7	When did you/he/she go abroad?	1. ....months ago 2. ....years ago	
B8	By which process did you/he/she go through for foreign employment?	1. Man Power Agency 2. Advertisement 3. Government Quota 4. Relatives/Friends 5. Self Others (Specify).....	
B9	Why did you/he/she go over there?	1. Push Factors ----- 2. Pull Factors -----	→B10 →B11
B10	Push Factors are	1. Unemployment 2. Poverty 3. Political Conflict 4. Family Pressure 5. Indebt 6. Social Impression (Prestige) Others (Specify).....	
B11	Pull factors are	1. Better employment Others (Specify).....	
B12	How much did you/he/she pay for going foreign employment?	Rs.	
B13	How did you/he/she collect money for going foreign	1. From own income 2. Having loan ----- 3. Help from friends /parents 4. Selling land and other properties Others (Specify).....	→B14
B14	Where did you/he/she get loan from?	1. Bank 2. Cooperatives 3. Merchant/High class people 4. Relative person Others (Specify).....	
B15	What was the rate of interest?	Specify	
B16	How long have/has you/s/he been working there?	1. Months 2. Years	
B17	Did you/s/he have/has any job before going foreign employment?	1. Yes ----- 2. No	→B218
B18	What kind of?	Specify.....	
B19	Did you/s/he have/has taken any training before going foreign employment?	1. Yes ----- 2. No	→B20
B20	What kind of?	Specify.....	
B21	How do/does you/s/he do in abroad?	1. Labour 2. Technician 3. Store Keeper 4. Armed/Police forced 5. Security Guard 6. House worker/Care Giver 7. Cook/Waiter 8. Driver Others (Specify).....	
B22	Did you/s/he take any training in abroad?	1. Yes ----- 2. No	→B23
B23	What type of training did you/s/he	Specify.....	

	take/takes?	.....
B24	Are/is you/s/he applying any skill after returning that you/s/he knew in abroad?	1. Yes 2. No	
B25	How many times did you/s/he go for foreign employment?	1. 1 time 2. 2 times 3. 3 times 4. More than 3 times	

Section: C Questionnaire related to remittance and it's transfer and Consumption Pattern

S.N.	Question	Coding	Skip
C1	How much remittances have you send/received per month?	..... Per Month	
C2	How much remittance did you send/receive so far?	Rs.....	
C3	How did you spend your remittance income for?	1. Regular household expenditure 2. Loan repayment 3. Buy Land /Housing 4. Saving 5. Investment Others (Specify).....	
C4	Do you think have you invested your income on productive work?	1. Yes 2. No	C5
C5	Why did not you have?	1. Lack of opportunity 2. Lack of market access 3. Lack of sufficient capital 4. Lack of knowledge about investment Others (Specify).....	
C6	How did you remit?	1. Banking Process 2. Money Transfer Agency 3. Hundi 4. Friends/relatives 5. Self Others (Specify).....	
C7	Which remitting process do you think more secure and reliant?	1. Banking Process 2. Money transfer 3. Hundi 4. friends/relatives 5. Self Others (Specify).....	
C8	Had you ever cheated by remitting process?	1. Yes 2. No	C9
C9	Which process had cheated you?	Specify.....	
C10 Some socio-economic indicator before and after overseas employment			
	Increased	Changed/Decreased	Same/No change
Land ownership			
Loan burden			
Major occupation of the family			
Average income			
Expenditure on education			
Investment/saving			
Food/Nutrition Sufficiency			
Skill and efficiency			

Thanks for key information

APPENDIX-II

Check-list

ID No.

Check-list For life history 2012
Central Department of Sociology/Anthropology
TRIBHUVAN UNIVARSITY
 (For the purpose of M.A. Thesis)
Foreign Labour Migration: trends, cause views and use of remittance
A case study of Dandabazar VDC, Dhankuta District

Thesis/Research Supervisor: Dr. Mukta Singh Lama

Researcher: Bhadra Bahadur Rana Magar

Full Name of interviewee:

SN	Stage of life	Description
1		Childhood (birth to 12 years)
a)	Date and place of birth	...............
b)	Physical and household description	...............
c)	Academic qualification of parents	...............
d)	Parents' livelihood activities	...............
e)	Works should be done	...............
f)	Beginning of schooling	...............
g)	Best and worst things at childhood	...............
2		Adolescence to adulthood
a)	Important changes in parents livelihood	...............
b)	leaving school and its cause	...............
c)	Best and worst things	...............
d)	marriage and its type	...............
e)	Change in life after marriage	...............
f)	Factors influenced for foreign employment	...............
g)	Important experiences of foreign employment	...............
h)	Change in life after involving in foreign employment	...............
i)	Any other key events in life	...............

