

**SITUATION OF FOREIGN EMPLOYMENT AND  
REMITTANCE IN NEPAL  
A CASE STUDY OF MANGALBARE VDC, ILLAM DISTRICT  
NEPAL**

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**June 2013**

## **RECOMMENDATION LETTER**

This thesis entitled **“SITUATION OF FOREIGN EMPLOYMENT AND REMITTANCE IN NEPALA CASE STUDY OF MANGALBARE VDC, ILLAM DISTRICT NEPAL”** submitted by Mr. Bed Prasad Ghimire under my supervision for partial fulfilment of the requirements for the degree of Master of Arts in Economics. I forward it with recommendation for approval.

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## ***APPROVAL LETTER***

*This thesis entitled "SITUATION OF FOREIGN EMPLOYMENT AND REMITTANCE IN NEPAL : A CASE STUDY OF MANGALBARE VDC, ILAM" submitted by Mr. Bed Prasad Ghimire has been evaluated and accepted as partial fulfillment of the requirement for the MASTER OF ARTS in ECONOMICS by evaluation committee comprised of :*

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## Abbreviation

BOP	–	Balance of Payment
CBS	–	Central Bureau of Statistic
DOFE	–	Department of Foreign Employment
EPS	–	Employment Permit System
EU	–	European Union
FY	–	Fiscal year
GDP	–	Gross Domestic Product
GNI	–	Gross National Income
GON	–	Government of Nepal
FEPB	–	Foreign Employment Promotion Board
IMF	–	International Monetary Fund
JITCO	–	Japan International Trading Corporation Organization
JONBS	–	Journal of Nepalese Business Studies
MOF	–	Ministry of Finance
MOL	–	Ministry of Labor
NLFS	–	Nepal Labor Force Survey
NRB	–	Nepal Rasta Bank
NLSL	–	Nepal Standard Living Survey
PSU	–	Primary Sampling Units
SLC	–	School Leaving Certificate
SSU	–	Secondary Sampling Units
U.K.	–	United Kingdom
U.S.A.	–	United States of America
UAE	–	United Arab Emirates
US\$	–	United State Dollar
VDC	–	Village Development Committee
WB	–	World Bank

## **CHAPTER – I**

### **INTRODUCTION**

#### **1.1 Background**

Remittances consist of goods or financial instruments transferred by migrants living and working abroad to residents of the home economies of the migrants. It is limited to transfers made by workers that had stayed in foreign economies for at least one year. Stayed transfers from migrants that are self employed are excluded (IMF, 1999)

##### **1.1.1 Overview of migrant and remittance in World**

As per world wise data, in the year 2011, income generated through foreign employment is approximately 53,131 million Us Dollars through global. The world wide remittance income to GDP ratio is equal to 0.7 percent. Officially recorded remittance flows to developing countries are estimated to grow by 6.5 per cent over Us Dollars 351 billion in 2011, with India again topping the chart with Us dollars 58 billion, followed by China (Us Dollars 57 billion), Mexico (Us Dollars 24 billion) and the Philippines (Us Dollars 23 billion). Similarly other large recipients are Nigeria, Egypt, Pakistan, Bangladesh and so on. In its report, the world bank notes that the true size of remittance flows, including unrecorded flows through formal and informal channels, is believed to be significantly larger. (WB 2012)

As a percentage of GDP, the top recipients of remittances in 2011 were Tajikistan (47 per cent), Liberia (31 per cent), Kyrgyz Republic (29 per cent), Lesotho (27 per cent), Moldova (23 per cent), Nepal (22 per cent), and Samoa (21 per cent). Worldwide remittances, including those to high-income countries are estimated to grow to Us Dollars 685 billion in 2015. According to World Bank, remittances to developing countries are expected to rise eight per cent in 2013 and 10 per cent in 2014 to reach Us Dollars 534 billion in 2015. For South Asia, remittances in 2012 are expected to total Us Dollars 109 billion an increase of 12.5 per cent over 2011. East Asia and Pacific region, is estimated to attract Us Dollars 114 billion, an increase of 7.2 per cent over 2011; While Middle East and North Africa (MENA) is expected to

receive Us Dollars 47 billion, an increase of 8.4 per cent over the previous year.(WB 2012)

### **1.1.2 Overview of migrant and remittance in Nepal**

Nepal is a small developing country with a very unique geographical setting .It is a land lock country surrounded by India in South ,East and West and by china in north .It covers an area of 54,326 sq. miles runs along 500 miles from the East to the West and 80 to 150 miles from north to south . The most important assets of the country includes the land with the wide climate and attitudinal variations the perennial rivers and the Himalayas. The total population is 2, 66, 20,809 according to the population census, 2011 .The population of Nepal is increasing annually at a rate of 1.35 percent. According to the Nepal labor force survey, 2008 about 73.9 percent people depend on agriculture. The subsistence agriculture is implying low productivity.(karki 2011)

Foreign employment is a traditional "Lahure" pattern in Nepal for 176 years when we observe to the period from 1814 to 1990. In terms of number and education, its characteristic has been in change but it is very limited to the countries including the British and India. The economic policy could not response it with economic aspects. Therefore, it seems to be a non-policy preference and response. The remittance was important but not thought as at present. It was limited in the household economy. Lack of generalization, limited its scope and its contribution to national economy was very insignificant. Therefore, it was not well discussed about it. Therefore it could not receive specific attention. (Bista, 2008).

Remittance income in developing countries has become a life line for economic development. By remittance we mean sending income in terms of money or goods in home by the migrants or the workers who have their earnings outside their home countries. Nowadays, this source of foreign income has been growing rapidly in each year in developing countries. Since long time in Nepal, many migrants have been transferring their incomes through the unofficial channels. Today, due to the establishment of different agencies like western union, international money express

(IME) etc in several district headquarters of the country, the remittance flow has become popular for transferring cash or money in time to the recipients. However, it is difficult to calculate the exact size of remittance flow in Nepal due to the emergence of unofficial channel even though it has recorded in balance of payment account. In this regard, it is estimated that unrecorded flows through informal channels are believed to be more than 50 % of the recorded flows in developing countries. (Ratha, 2005)

Remittance as major component of current account plays a vital role in increasing the current transfers in balance of payment. The basic factor of determining current transfers is grants, worker remittance, pension and other including excise refund also. Initially, the share of remittance was found 1.74 % in mid –July 1991. This share increased sharply (9.38%) after the period of mid July 1991 and eventually reached to 12.03 % in mid-July 2005. On an average, the share of remittance to GNP was 11.03% during the review period from mid-July 2000 to 2005 due to the increased trend of Nepali worker going to Malaysia and Gulf countries for employment (MOF 2006). During that period, the grants and pension also increased by 7.72 % and 58.06 % respectively. Thus, from this analysis it is clear that the remittance income has become an important contributor (64.72%) to the transfers in balance of payment of Nepal. (JOMBS, 2006)

## **1.2 Statement of the Problem**

Emigration of Nepalese people for recruitment in the foreign armed force has been the first ever recorded emigration of Nepalese population. Growing population has increased labor force and lack of employment opportunities within the country have been the reason behind the recruitment to the foreign migration. In the recent years, the war of globalization has induced the Nepali youth for better living standard, which is the important pull factor for emigration. But unemployment, food scarcity, is the strong push factors. Similarly, existing conflict due to the political instability is also being the cause of it. About 450,000 Nepalese enter into the job market every year (labor survey 2008), but hardly one fifth get jobs in the country or are self employed. There is no option for Nepalese other than to go to abroad for employment.

Because of the high rate of unemployment, Nepalese people are interested to go outside of the country for seeking job either being student or as a labor.

Unemployment is one of the most challenging problems of our country. This study tries to show the importance of remittance in Nepalese economy. Some economist says that Nepalese economy is based on the remittance business. It is the second source after the agriculture which plays vital role in GDP. Remittance can contribute for the economic development if it is mobilized in productive field.

The major portion of the remittance is used for meeting household consumption and paying off loans borrowed to go abroad. Only very few migrants use remittance in direct productive sector like agriculture and manufacturing. Major investment is on education of the children, re-involvement of the remittance for the migration and for lending money. very small investment is directed for small business and trade. On this ground, this study is designed to address the following research question related to overseas employment and remittance:

- What is the trend of overseas employment and remittance?
- What is the pattern of remittance use?
- Does the remittance have positive economic impact?
- How much remittance invested in productive sector?
- What are the policies and programs of the government for enhancing foreign employment?

### **1.3 Objectives of the Study**

The general objective of this study is to analyze the impact employment and remittance on Mangalbare VDC of Ilam district. The specific objectives are:

- To review the situation of foreign employment and remittance of Nepal.
- To identify the structure of foreign employment in Mangalbare VDC.
- To examine the use of ramittances in Mangalbare VDC.

### **1.4 Significance of the Study**

Overseas employment has reduced the share of poverty and unemployment to a certain extent. The life style of the household who succeeded in going for overseas employment has changed. But they have not been able to utilize and invest the whole remittance in the productive sector. Therefore investment and utilization of the remittance has emerged as a major problem in the field of overseas employment. And

the government has also encouraged the private institute to run skill development program to address increased demand of Nepalese workers in overseas countries as well as to make them capable to increase their salary and wages.

This study sketches the outline of the condition of foreign employment in Mangalbare VDC. So it is not only useful to those who want to know about the condition of foreign employment in Mangalbare VDC but also to those who are keen interested to know about the situation of foreign employment of our country as a whole. This study will provide a significant insight to the different agencies of the society which plays a key role for the development of the society. Similarly, it clearly states the economic status of the people of that society before and after the flow of remittance.

Considering the huge, 231.7 billion (NRB, Current Macro Economics Situation: August 2010) amount of remittance coming into Nepal from foreign labor migration and its important role in the Nepalese economy, it is hoped that this study will provide some understanding as to the factors contribution to the prospects, potentialities and promises from the foreign labor migration and the problems and issues constraining the effective management and monitoring of the labor migration for the benefit of the migrant and their household as well as the nation. Therefore, it is expected that this study will assist in formulating appropriate policies rules and regulations to make foreign labor migration as an important economic policy and planning for development of these areas.

This study differs from the previous study because it inclusively studies the situation of foreign employment of different ethnic group, culture, creed and religion. It reflects the situation of foreign employment in Mangalbare VDC in relation to economic condition, flow of remittance, utilization of the remittance, human development condition and the condition of economic activities as a whole.

### **1.5 Limitations of the Study**

Although there is a need of analyzing overall trend, impact of remittance on the whole economy, due to lack of time resource, money availability of data constraints, this study has confined within limited things, which is known as the limitations of the study. The limitations of study are as follows:

- Study area covers only Mangalbare VDC of Ilam district
- Emigration for permanent settlement has not been the subject of the investigation in this study
- Most of the analysis is based on primary and secondary data. So any distortion of the reality from this study may be due to the biasness of the respondents.
- This study only concerns in overseas for foreign employment but not concern in India & China.

## **CHAPTER-II**

### **REVIEW OF LITERATURE**

The present research aims to analyze the inflow of remittance and its utilization as well on an economy which is entering inside the country. For this purpose, a review of related literatures in this concerned area is must, which will help to get clear ideas, opinions and other concepts. This chapter emphasize about the literatures which were concerned in this connections. Therefore, in this chapter conceptual framework given by different authors and intellectuals of this area, books, journals, research work and previous thesis related to labour migration and inward remittances are reviewed. Moreover foreign employment issues and inflow of inward remittances are reviewed and attempt has been made to present them properly.

#### **Theories Regarding International Labour Migration**

There is no single, well-developed theory of international migration. In view of this state of the art and the recent growth in transporter population movements, the International Union of Social Scientists in Population (IUSSP) has formed a Committee on South-North Migration, which is systematically examining international migration theories, their assumptions, supporting evidence, and policy implications.



Among the various models attempting to explain why international migration begins, five major approaches can be discerned:

- Neoclassical economics: macro theory (arguably the body of theory most familiar to World Bank staff) views geographic differences in the supply and demand for labour in origin and destination countries as the major factors driving individual migration decisions. Among the assumptions of this model are that international migration will not occur in the absence of these differentials, that their elimination will bring an end to international movements, and that labour markets (not other markets) are the primary mechanisms inducing movements. Government policy interventions affect migration by regulating or influencing labour markets in origin and destination countries.
- Neoclassical economics: micro theory focuses on the level of individual rational actors who make decisions to migrate based upon a cost-benefit calculation that indicates a positive net return to movement. In this approach, human capital characteristics that raise the potential benefits of migration, and individual, social, or technological factors that lower costs, will lead to increased migration. Differences in earnings and employment rates are key variables, and governments influence migration through policies that affect these (e.g., through development policies that raise incomes at the point of origin, decrease the probability of employment at destination, or increase the costs of migration).
- The new economics of migration views migration as a family (i.e., group) strategy to diversify sources of income, minimize risks to the household, and overcome barriers to credit and capital. In this model, international migration is a means to compensate for the absence or failure of certain types of markets in developing countries, for example crop insurance markets, future markets, unemployment insurance, or capital markets. In contrast to the neoclassical models, wage differentials are not seen as a necessary condition for international migration, and economic development in areas of origin or equalization of wage differentials will not necessarily reduce pressures for migration. Governments influence migration through their policies toward

insurance, capital, and future markets, and through income distribution policies that affect the relative deprivation of certain groups and thereby their propensity to migrate.

- Dual labour market theory holds that demand for low-level workers in more developed economies is the critical factor shaping international migration. To avoid the structural inflation that would result from raising entry wages of native workers, and to maintain labour as a variable factor of production, employers seek low-wage migrant workers. In this model, international migration is demand-based and initiated by recruitment policies of employers or governments in destination areas. Wage differentials between origin and destination areas are neither necessary nor sufficient conditions for migration. The options for government policy intervention to affect migration are limited--short of major changes in economic organization in destination areas.
- World systems theory focuses not on labour markets in national economies, but on the structure of the world market--notably the "penetration of capitalist economic relations into peripheral, no capitalist societies," which takes place through the concerted actions of neo-colonial governments, multinational firms, and national elites. International migration is generated as land, raw materials, and labour in areas of origin is drawn into the world market economy and traditional systems are disrupted. The transports, communications, cultural and ideological links that accompany globalization further facilitate international migration. In this view, international migration is affected less by wage or employment differentials between countries than by policies toward overseas investments and toward the international flow of capital and goods.(Russell-1995)

## **2.1 Global context**

### **2.1.1 Concept of foreign employment and remittance**

Foreign Employment can be define as the form of the dependent relationship of an employee on an employer outside the territory of the country where the employee pursues activity according to employer's instructions at the time and in the place determined for that purpose by the employer for the remuneration agreed upon in advance. Similarly, Remittance is the process of sending money to remove an

obligation. This is most often done through an electronic network, wire transfer or mail. The term also refers to the amount of money being sent to remove the obligation. On the other words it is the process of sending money, cheques etc to a recipient at a distance or money or its equivalent sent from one place to another.

“Pursuant to employment regulations, foreign employer means a legal or natural entity with its registered office outside the territory of the Czech Republic, with no permanent business presence in the Czech Republic, where such entity posts its employees to the Czech Republic to implement a commercial or other contract entered into with a domestic legal or natural entity. The posted employees are in an employment relationship with this foreign employer and, after they complete the job for which they have been posted by that employer to the Czech Republic, they return to the employer’s registered office. Compliance with the requirements associated with the posting of employees is the responsibility of the legal or natural entity to which the foreigner will be posted by the foreign employer.” (mpsv.cz)

"India received the highest remittance in 2013 compared with any other country in the world,"(Asia outlook, 2013)World Bank data also points to the fact that India receives the highest remittance, followed by [China](#) (\$51 billion) and Mexico (\$22.6 billion), [Philippines](#) (\$21.3 billion) and France (\$15.9 billion).(indiatimes)

Though there was a slight dip in remittance from 2008 to 2009, it bounced back in 2010 to a level higher than in 2008. Kerala and Punjab are currently among the states which receive the highest remittance from overseas residents. Didar Singh believes the increase in remittances has much to do with a great degree of faith in the Indian banking system, coupled with a lack of faith in US banks. "Remittance may be in a number of forms, such as domestic consumption, property, health and education. This is real money that is very much a part of the local economy, and is not money that is simply parked in a bank," he adds. Just how much do the 27 million global desis, scattered across 190 countries around the world, contribute to the Indian economy? World Bank figures show a dramatic increase of almost 162% in the remittance that India receives from overseas Indians over the last eight years. While India received nearly \$21 billion from overseas Indians in 2003, the figure jumped to \$55 billion in 2010.(Indiatimes)

The present paper revisits the debate and attempts to reach some consensus on the use of remittances from overseas by origin communities. Supporting evidences are gathered from the primary data collected from a sample of 402 (201 each from the States of Punjab and Tamil Nadu in India) semiskilled and unskilled migrant laborers, working in Lebanon. The country is undergoing an ambitious reconstruction programme after a protracted period of war and civil strife that lasted from 1975 to 1991. The importance of the present study is twofold: 1) No study on Indian migrant workers has been undertaken in Lebanon in the past to the best of knowledge of researchers, 2) The study provides a comparison of remittance utilization patterns of Punjab and Tamil Nadu households, the two states located in extreme northern and southern parts of India, with a contrast in their socio-economic and cultural backgrounds. The study utilizes a multivariate regression model to estimate the factors affecting remittance utilization by family recipients at the origin using an Index of Remittance Use constructed giving suitable weights for different uses of remittances, as dependent variable. Although the results on remittance use patterns broadly tallied with those found all over the world, there was little evidence of remittances being frittered away on wasteful consumption. Remittances were mainly utilized for living expenses, debt repayment, marriage expenses, and improvement in housing /purchase of land for house or buying a new house and furthering emigration of other family members. In a few cases, however, part of remittances was invested in agricultural land and equipments as well as small business ventures to augment the family income. The remittance use pattern was mainly dependent upon three factors, namely; i) Socio-economic background of the migrants; ii) mode of financing the emigration; and iii) duration of stay in host country. (<http://iussp2005.princeton.edu/papers/52493>)

World Bank,(2008) states that, Remittance constitute workers remittance, compensation of employees and migrant transfer, migrant remittances are defined broadly as the monetary transfer that a migrant makes to the country of origin. International migrant remittances are the second largest source of external finance in developing economics, next to foreign direct investment international migrant remittances received by developing countries are estimated to be approximately us & 167 billion in 2005 and have doubled in last five years.

(IMF, 1993), As stated in the BOP manual (9th edition), states workers remittance cover current transfer by migrants who are employed in new economics and considered residents there. A migrant is a person who comes to on economy and stays or in expected to stay for a year or more. Workers remittance often involved related persons. Persons who work for and stay in new economies for less than a year are considered nonresidents; their transactions are appropriate mainly to the component for compensation of employs.

Stark and Bloom(1985); in American Economic Review, studied international migration in the case of Mexico to the USA and found empirical evidences that the initial relative deprivation of household in their village reference group plays a significant role in migration controlling for initial absolute income and the expected income gains from migration they showed that the prosperity of household to participate in international migration is directly related to the household initial relatives deprivation.

## **2.2 National Context**

### **2.2.1 Foreign employment and remittance;-**

Gurung and Adhikari,(2004), concluded that, in their article ”The New Lahures”, After democratic movement in 1990, it has become easier to obtain travel documents and passport. The increasing flow of information and the liberalization in travel led to a surge in the migration of Nepali citizens for employment. Again, because of the political conflict since 1995, the trend of foreign employment has dramatically increased. This situation has compelled Nepalese youths to look for overseas employment. This conflict has also resulted in increased flow of migrants from the mid west to India.

As per the information from Department of Foreign Employment, a total of 58710 Nepali workers are found to have gone to different countries for foreign employment by second trimester of FY 2011/12. Large number of people is estimated to have gone to third countries via India through unauthorized means taking advantage of open boarder with India. A separate Foreign Employment Department was established on 31 December 2008 which has been carrying out foreign employment related activities. An Employment Permit System (EPS), Korea Section

is established in the Department while a separate Japan International Trading Corporation Organization(JITCO)unit has been formed in fiscal year 2009/10, for sending workers to Japan. A total of 250829 are male while this number stood at 354716 until the end of previous fiscal year of which 344310 are male and 10416 are female.

Economic Survey (2011/12) states that the Nepali youth groups are attracted to foreign employment due to dearth of adequate employment opportunity in the country. The number of Nepali workers going for foreign employment is growing every year. According to various reports, large numbers of Nepali workers have gone for foreign employment without securing government permission as well. Based on the official and unofficial records as of now, more than 3 million people have gone for foreign employment. The foreign employment has supported in bringing economic prosperity in rural Nepal and reducing poverty. The contribution of foreign employment to reducing unemployment situation and poverty and enhancing Nepalese economy should be considered significant. The foreign Employment Act, 2008 has already been issued and enacted for promoting the business of foreign employment while safeguarding the rights and interests of workers and foreign employment entrepreneurs by making it a safe, well managed, and dignified profession.

Bista, (2008), presents in his book entitled "Nepalese Economy and Development", In recent years, the growth of out flowing for overseas employment opportunities is estimated. Therefore state and structure of foreign employment is found encouraging and diversifying. By country wise Nepalese labor legally go to overseas employment for more countries like (Saudi Arabia, Qatar, UAE, Baharain, Kuwait, Hong Kong, Malaysia, Korea etc). Traditionally and leally India is another dominating country absorbing large size of labor. In addition Nepalese are working in developed countries like USA, UK, EU, Japan etc after higher education.

JONBS, (2006)states that, Initially, remittance in Nepal was introduced with "Gurkha" remittance "the Gurkhas" were renowned for good qualities of soldiers. That is why British India formally recruited Nepalese youth as a regular army, which later divided into British and Indian army. Nowadays, Nepalese going abroad are not only for armies but also spread all over the world for work and mostly they are

concentrated in gulf areas in civilian front (Kshetry, 2003). Any Nepali to go for work legally, he/she needs to get permission from the department of labor under the ministry of labor and transport of the government of Nepal. From the official report of the labor department it is known that 107 countries are at the government list where Nepalese are allowed to go for work. But still some people are found going abroad without permission and working in the government restricted areas too. Because of this trend, data on foreign employed workers are not available in exact form. Majority of those who have left home for overseas job are eager to earn foreign currency by hardworking to support their families.

Sapkota (2009), in his researches presented their analysis on the remittance market in Nepal. The presentations and a policy note are very informative. This blog post draws in information from their analysis. Around two to five millions Nepalese workers are working abroad. Officially recorded new migration increased dramatically during the last decade, from 36,000 in 1999/2000 to 229,000 in 2007/08. On official estimates of stock of Nepali migrants range from 400,000 in Malaysia, 300,000 in Qatar, 60,000-70,000 in South Korea, and two to five million in India. 125,000-275,000 Nepali migrants are estimated to be working in United Arab Emirates (UAE), of which half are in construction, hospitality, tourism and security. An estimated one-third of male population is working abroad. It constituted 17% of GDP in 2008(\$2.3 billion). Remittance has also had large multiplier effects on sectors such as construction, cement and furniture. Migration plays a crucial role in reducing poverty between 1994 and 2004. The WB estimates it to contribute between one-fifth to one-half of the decline in poverty. Within South Asia, remittance as a share of GDP is highest in Nepal.

Seddon,( 2003) The major portion of the remittance is used for meeting household consumption and paying off loans borrowed to go abroad (Seddon et al., 1999; NRB, 2001). Remittances are used for meeting daily necessities like food, clothing and payment of debt and interest. The survey done by department of women development under ministry of women, children and social welfare, on employment of women (2003) found that families were living out of remittance money. And remittance was helping to prevent more people from falling below poverty line. Use of remittance for the improvement of the living standard is referred to by several

studies (Seddon, 2003 & NRB, 2001). Improvement in living standard includes housing improvement; higher expenditure on food, on personal items, domestic, equipment and other consumer durable.

Nepal Standard Living Survey( 2010/11), 56 percent families in Nepal have received remittance income in one year. The average household receipt is estimated at Rs. 80436 at current prices. Calculation of average remittance receipt per person comes out to Rs. 9245. of the numbers receiving such remittance, 58 percent is from within the country, 19percent from India, and 23 percent from others countries. The number of families receiving remittance has been rising last 15 years. The first survey showed that only 23 percent families had receive remittance while the recent third survey showed 56 per cent are receiving remittance. The share of remittance to household income in 1995/96 was 27 percent, which has gone up to 31 percent by FY 2010/11. For instance, the share of remittance received from India has come down to 11 percent with a decline of 24 points in the last 15 years, whereas the share of remittance received from countries other than India has increased to 69 percent from 22 percent in the same period.(NSLS)

Shrestha (2005) in his report titled "Foreign Remittance : A Panacea for Nepalese Economy" has states that remittances can generate a beneficial impact on the economy through various channels, such as saving, investment, growth, consumption and income distribution. Remittances have relaxed the foreign exchange constraints of the country and strengthened its balance of payment (BOP) position.

Pant (2005) in his report titled "Remittances and Development in Developing Countries" has states that remittance is 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 remittance is 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 remittance increases the income and reduces 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 macroeconomic 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.

Nepal Rastra Bank (2001) conducted research on different issues relating to foreign employment and remittance economy of Nepal. The study has covered the ten districts of four development regions through a sample survey. It furnished information on the migrants from the social, economic gender and regional perspectives. According to this study, more than 70.0 percent were laborers and they earned on average from Rs. 10,000 to Rs. 25000 per months. They report revealed that only about 20 percent of the migrant workers sent their earning through the banking channel. The study revealed that the additional household income from the remittance in used exclusively the consumption and very little was invested for the productive purposes. The study of NRB further should that those migrant workers who returned from their job only about 16.0 percent have been able to use their money for income generating activities.

### **2.2.2 Review of Thesis**

Karki (2011), states that in his thesis 'Foreign Employment and Remittance' A case study of Goldhap VDC, Jhapa. The main objectives of his thesis are to analyze the inflow of remittance and to examine an utilization pattern of remittance by using the systematic sampling Method and simple statistical tools. He states that, Historically Nepalese people established their business and work with neighboring countries like Tibet china and India. In Lichhavi period promoted Nepalese arts and popularity by Bhirkuti in China and many artists designers worked there. Artist Areniko invited by Kublie Khan for to constructing temples and stup as in China. Their histories show that at that time Nepalese were working in neighboring countries and send the earned amount to their motherland. At that period, Nepal was rich for culture, arts heritages and also economically in Malla regime too. Nepalese carried on the job continuously focusing trade between the neighboring countries.

Bhattarai, (2010), conducts the thesis “Study of Foreign Employment and Remittance” to identify the major issues and challenges in foreign employment by using the descriptive or qualitative data analysis method. He shows that the human resources are very powerful resources, so the migration of youths for foreign employment is the panic situation for economic development of the country. This indication of active youth migration for foreign employment is not good sign for the overall development of the country. However, the developing countries like Nepal where labor market stock is a problem. Thus exporting in return for remittance poses an attractive component of development strategy. Similarly, in his study Nepal has opened foreign employment for 107 countries in the world. In 75 countries where Nepalese have been gone for the foreign employment. There have been 1429423 Nepalese employers were gone by labour permit (last Ashad 2066). And there have been 25 million Nepalese processed for foreign employment by the open boarder without any permit, which is nearly 10 percent of whole population. Among them foreign labors 71 percent untrained 27 percent semi trained and 2 percent are trained.

Subedi, (2010) conduct the thesis entitle ‘Overview of Foreign Employment and Utilization of Remittance’. The objectives of the study are to examine the utilization pattern of Remittance and to compare the economic status of migrant household before and after receipt of remittance. She uses the primary and secondary data and simple statistical instruments. The main conclusion of this study is the major sector of employment for Nepalese workers were security, building construction, Hotel as well as manufacturing sector. One the other hand, the major portion of the remittance is used in unproductive sectors like consumption, Real state, paying loan and social spending. But some portion of the remittance is used in productive sector like education, business agricultural sector etc. Remittances have emerged as one of the premier sources of foreign exchange in Nepal. Recent years they have been one important avenue of support for family members remaining at home. It seems migrant workers is an effective tool for poverty reduction. Though freeing employment is boon to the economy, the facilities are inadequate to back of the increasing trend of migration.

## **2.3 Review on Legal Provision in Nepal**

### **2.3.1 Acts and policies**

The foreign employment Act 2064 BS (2008) is enacted and enforced for promoting the business of foreign employment while safeguarding the rights and interests of workers and foreign employment entrepreneur's by making it a safe, well managed and dignified profession. As per the provision of the act, a separate foreign employment is established on 31 Dec. 2008 under the ministry of labor and transport management to look after foreign employment related activities, after its establishment, the department has adopted number of policies like rigorously curbing foreign employment related funds in collaboration with the private sector, ensure that conditions of contracts are enforced through effective monitoring in coordination with diplomatic mission abroad and see whether employees get the job and wages as stipulated in the contract. In addition, it is also responsible to make the employment agencies pay compensations to the persons made to return being stranded in foreign countries, strictly enforce the system of imparting orientation training before leaving for foreign employment and arranging necessary facilitation to the outgoing and returning workers at the international airport.

## **CHAPTER-III**

### **RESEARCH MATHODOLOGY**

The methodology section of this study has been divided into eight different sections. The sections are Selection of the Study Area, research design, population, sample design, Population and Sampling frame, Sample Section Procedure, Tools for Data Analysis, Data Processing, and Method of Data Analysis.

#### **3.1 Selection of the Study Area**

This study focus on Mangalbare VDC in Ilam District. Which is located in western parts of Ilam Bazaar or district headquarter. Selected VDC is one of the VDC among the 48 and one municipality of Ilam district. The VDC includes nine wards and according to VDC profile (2010), Within the nine wards, the total number of population and number of households are 6799 and 1514 respectively.

#### **3.2 Research Design**

Mostly quantitative and some qualitative information are collected to observe the situation of foreign employment and remittance in the Nepalese context. The information are obtained from primary as well as secondary sources. The information and type of data collected for the Study in cross-sectional.

#### **3.3 Population and Sampling frame:-**

We take the population as all households those whose at least one family member engages in foreign employment with in the VDC. Similarly, we concenter household as a sample frame those who are working in abroad currently and has been came back from foreign employment.

#### **3.4 Sample Section Procedure**

It has been not possible to take details survey of whole migrant household due to the Limitation of time and other sources. So the sample units of all 9 wards of the VDC are considered. In where 1514 total households and the total population are 6799 according to survey of VDC profile 2010. Among the total population 745

people were migrants for foreign employment and they consider in 448 families . But in this study have been taken only 63 households as sample size among the migrant household from VDC of the study area. To take sample, each ward identifies as strata and sample are selected non- proportionally but equal number from each wards. The respondent of sample from each ward is as follows in the given table.

**Tabale;3.1**

**Sample selection procedure**

<b>Ward no.</b>	<b>Total no. of population</b>	<b>Total no. of HHs</b>	<b>No. of HHs for foreign employment</b>	<b>Sampled HHs</b>
<b>1</b>	<b>1596</b>	<b>379</b>	<b>105</b>	<b>7</b>
<b>2</b>	<b>811</b>	<b>187</b>	<b>50</b>	<b>7</b>
<b>3</b>	<b>889</b>	<b>170</b>	<b>49</b>	<b>7</b>
<b>4</b>	<b>673</b>	<b>154</b>	<b>51</b>	<b>7</b>
<b>5</b>	<b>682</b>	<b>143</b>	<b>46</b>	<b>7</b>
<b>6</b>	<b>620</b>	<b>135</b>	<b>44</b>	<b>7</b>
<b>7</b>	<b>540</b>	<b>123</b>	<b>38</b>	<b>7</b>
<b>8</b>	<b>543</b>	<b>119</b>	<b>35</b>	<b>7</b>
<b>9</b>	<b>472</b>	<b>104</b>	<b>40</b>	<b>7</b>
<b>Total</b>	<b>6799</b>	<b>1514</b>	<b>448</b>	<b>63</b>

**3.5 Data Collection Method**

The direct personal interview with remittance receives or sender's family members have been taken for the study by the field survey. The structure and semi-structural Questionnaires have been included for such respondents to collect the information. The questionnaires are based on economic status, utilization of remittance receiver family. Some information has been taken from the topic related organization are on The basis of studies objectives.

**3.6 Tools for Data Analysis**

Simple quantitative tools have been used analyzes the collected information and data to fulfill the requirement of the study. Also following steps will be use to analysis the data:

- Collected data have been processed by tabulating data by preparing table.
- Cartographic techniques have been used to describe the table in this study.
- Some statistical tools like percentage, average ratio can be used to analyze Data

### **3.7 Data Processing**

After the competing field work all the information filled up questionnaire them which presented in the master sheet, that identified the respondents number and the variable related. Some variable have been described after editing and cross checking. For this, it has been taken scientific calculator and computer.

### **3.8 Method of Data Analysis**

The data collected from primary as well as secondary sources were regrouped and reclassified to analyze. After that these information were analyzed by constructing necessary tables. The quantitative data are presented by simple mathematical tools like percentages, frequencies, ratio, pie chart and average to examine the objective set above.

**CHAPTER- IV**  
**SITUATION OF FOREIGN EMPLOYMENT AND REMITTANCE IN**  
**NEPAL**

**4.1 National scenario of foreign employment**

NRB, (2004), Quarterly Economic Bulletin presents the report that, the remittance of foreign employment has been contributing to the Nepalese economy as well as household economy for many years. The tradition of foreign employment also has a long history in Nepal. Most of Nepalese used to go abroad to maintain their livelihood and this process is still going on. The remittance of foreign employment has improved economic condition of many household in both rural and urban areas of Nepal. The remittance has not only been contributing to house hold economy but it has also been the main source of the foreign exchange earning in Nepal.

MOF,(2009/10), As per the details available from the foreign employment department, 1,227,166 people had gone to different countries for foreign employment by the end of fiscal year 2007/08. By the first eight months of fiscal year 2009/10 such number reached 1,620,370 with addition of 219,965 and 173,239 in FY 2008/09 and 2009/10 respectively. Although statistics on the number of people visiting abroad through unauthorized means taking undue advantage of open boarder with India is unavailable, such number is assumed to be significant. It is however, estimated that the number of overseas employment seekers traveling without labor authorization is estimated to be equal to those authorized.

The department of foreign employment, government of Nepal granted final approval 2, 17,164 people for foreign employment in 2008/09. This number has surged by 35.4% to 2, 94,094 in 2009/10. In 2009/10, the number of people granted

permission for the employment in Malaysia stood at 1, 13,933 which is substantial rise of 240.7% in comparison to the previous year. Of the total number of people granted permission for foreign employment, approximately 38.55% find their way to Malaysia followed by Saudi Arab, Qatar and United Arab Emirates. While Qatar served as the major overseas employment destination for Nepal up to 2008/09, Malaysia secured the top position in 2009/10.

#### **4.2 Present scenario of foreign employment and remittance**

Nepali youth groups are attracted to foreign employment due to dearth of adequate employment opportunity in the home country. The number of Nepali workers going for foreign employment is growing every year. According to various reports, large numbers of Nepali workers have gone for foreign employment without securing government permission as well. Based on the official and unofficial records as of now, more than 3 million people have gone for foreign employment. As per the Nepal Living Standard Survey 2010/11, 56 percent families in Nepal have received remittance income in one year. The average household remittance receipt per person comes out to Rs 9,245. The share of remittance in total income of families is on increase. The share of remittance to household income in 1995/96 years 27 percent, which has gone up to 31 percent by FY 2010/11.as per the information from the Department of Foreign Employment, a total of 58,710 Nepali workers are found to have one to different countries for foreign employment by second trimester of FY 2011/12. A separate Foreign Employment Department was established on 31 December 2008 which has been carrying out foreign employment related activities. An Employment Permit System (EPS), Korea Section is established in the Department while a separate Japan international Trading corporation Organization (JITCO) unit has been formed in fiscal year 2009/10, for sending workers to Japan. A total of 250,663 workers have gone for foreign employment until the second trimester of the current fiscal year. Of this total number , 14,343 are female and 235,829 are male while this member stood as 354,716 until the end of previous fiscal year of which 3244,310 are male and 10,416 are female. The total number and country-wise distribution of workers gone for foreign employment is given below.



**Table; 4.1**

**Present numerical Country-wise Foreign Employment scenario of Nepalese migrant workers**

Country	Total no. as of FY 2007/08	Total no. as of FY 2008/09	Total Number as of FY 2009/10	Number as of FY2010/11			First eight Months of FY 2011/12			Grand Total
				Male	Female	Total	Male	Female	Total	
Malaysia	429240	464310	578292	104520	1386	105906	56983	1182	58165	742363
Qatar	351536	427711	483651	102653	313	102966	74348	590	74938	661555
Saudi Arab	232863	296380	359780	70960	156	71116	47721	99	47820	478716
UAE	151283	183441	216629	42553	1911	44464	37099	2880	39979	301072
Kuwait	13906	16197	24452	9392	5795	15187	7793	7790	15583	55222
Bahrain	11682	15299	19533	4441	206	4647	4158	385	4543	28723
Oman	3970	8217	11502	2385	57	2442	2081	271	2352	16296
South Korea	6587	9475	12007	3727	1	3728	1930	9	1939	17674

Others	26099	38596	47976	3669	591	4260	3716	1137	4853	57089
Total	122716	14596	17538	34430	1041	35471	29582	1434	25017	23587
	6	26	22	0	6	6	9	3	2	10

Source: Economic Survey 2011/12

### 4.3 Remittance Income

Remittance inflow recorded a notable growth of 34.7 percent to Rs. 217.76 billion in the FY 2068/69 compared to a 12.3 percent growth of 161.61 billion in the same period last year. Likewise, while grants rose by 28.8 percent, pension income fell by 8.6 percent. Compared to the same period of the previous year, net transfer income rose by 29.7 percent to Rs. 256.88 billion. Current account has been in surplus with due credit to improvement in services account and transfer income.

Table; 4.2

#### Remittance Income

Fiscal year	2062/6 3	2063/6 4	2064/6 5	2065/66	2066/6 7	2067/6 8	2068/69 *
Rs. In billion	97.69	100.4	142.68	209.70	231.73	253.55	217.77
Annual percent change	49.0	2.5	42.5	47.00	10.5	9.4	-
Ratio to GDP	14.9	13.8	17.5	21.2	19.4	18.5	-

Source: Economic survey 2011/12 (\* first eight months data.)

### 4.4 Size of Remittance by Source

The proportion of all households that receive remittance is 56 percent in Nepal. The average income transfer in the form of remittance is Rs 80, 436 (in nominal terms) per recipient household. Per capital nominal remittance when the whole population is considered stands at NRs 9,245 (Household survey 2011).

NLSS III estimates that total amount of remittances in the country at NRs 259 billion in nominal terms. Internal source account for 20 percent for this amount. Gulf countries (especially Saudi Arabia and Qatar) together account for 26 percent, Malaysia 8 percent, India 11 percent, and the remaining 35 percent is accounted for other countries is given below

**Table; 4.3****Number Size and Share of Remittances Received by Source**

Source of remittance	No. Of Remittance received	Mean amount of Remittance received(Rs)	Total amount of remittance received(Rs)
India	919	29,499	29,197,865,119
Malasia	223	93,474	21,776,508,833
Saudi Arabia	221	108,561	25,770,996,309
Qatar	322	115,794	41,327,887,124
United Kingdom	70	164,842	7,719,576,662
Other country	446	224,609	82,362,803,100
Other	3	16,547	46,795,183

*Source; Household survey 20114.5 Use of Remittance Received*

The two most reported used of remittance received are; “for daily consumption” and “for repaying loans”. About 79 percent of the total remittances received by the households are use for daily consumption while 7 percent is used for loans repayment. Other uses are – to acquire household property (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”.

**Table; 4.4**

**Statistics of Remittances and Transfers**

<b>Description</b>	<b>Nepal Living Standards Survey</b>		
	<b>1995/96</b>	<b>2003/04</b>	<b>2010/11</b>
<b>Percent of all households receiving remittances</b>	<b>23.4</b>	<b>31.9</b>	<b>55.8</b>
<b>Nominal average amount of remittance per recipient household (NRs.)</b>	<b>15,160</b>	<b>34,698</b>	<b>80,436</b>
<b>Share of total amount of remittances received by household</b>			
From within Nepal	44.7	23.5	19.6
From India	32.9	23.2	11.3
From other countries	22.4	53.3	69.1
<b>Share of remittance in total household income amount recipients</b>	<b>26.6</b>	<b>35.4</b>	<b>30.9</b>
<b>Nominal per capital remittance received for all Nepal (NRs.)</b>	<b>625</b>	<b>2,100</b>	<b>9,245</b>
<b>Nominal total amount of remittance received(million NRs.)</b>	<b>12,957.8</b>	<b>46,365.5</b>	<b>259,088.5</b>

*Source; Household survey 2011.*

**4.6 How Nepali migrant workers go for work at abroad?**

According to the FEA 2007, a Nepali can go to abroad for work in two ways; through the institutional basis and on the individual basis. In the former case, the recruiting agencies manage all the formalities required to send a worker in a foreign country while in the latter case, it is the individuals who manage all the requirements. Drawing in the discussion with authorities of DOFE, those who go through the individual basis, they would be responsible themselves for the nature of work, working hours, salary and other social benefits. Those who go through the institutional basis are entitled to claim the FEBP if the said working condition is not met in the destination country. However, in both cases, if the workers die in the destination country or have to be rescued, FEBP will manage for it. Table 3.2 shows the distribution of foreign labour migrants in the FY 2011/12 by sex, according to ways of going to foreign employment. A total of 35,057 persons left for seven major destination countries. (Qatar, Malaysia, Saudi Arab, UAE, Kuwait and South Korea). Overall, 30.5 percent went through individual basis while the rest 69.5 percent, went through institutional basis. Proportionally more females over males went through individual basis. For example, of the 21,305 females, nearly 70 percent went through individual basis while the comparable figure for male is merely 28 percent. Thus, it seems that more females are at risk of exploitation, trafficking in the process of foreign employment.

**Table; 4.5**

**Distribution of Foreign Labor Migrants by Ways of Going to Work, Nepal, FY 2011/12**

	Number			Colum%			Row%	
	Male	Female	Total	Male	Female	Total	Male	Female
Individual basis	99,381	14,879	114,260	28.1	69.8	30.5	26.5	4.0
Institutional basis	254,336	6,426	260792	71.9	30.2	69.5	67.8	1.7

Total	353,747	21,305	375,052	100.0	100.0	100.0	94.3	5.7
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Source; [Http://www.dofe.gov.np/innerpage.php?page\\_id=102](http://www.dofe.gov.np/innerpage.php?page_id=102)(Accessed on September 19, 2012).

Majority of migrants going for foreign employment to Qatar appears to be through individual basis. This holds especially for males. In case of females, it is Kuwait where an overwhelmingly majority went through individual basis (82%). Data also reveal that a few migrants went through individual basis in Malaysia, Bahrain and South Korea. On the other hand , among the 260,792 migrants who went through institutional basis , majority went to Malaysia (37%), followed by Saudi Arab (26%), Qatar (17%) and UAE (13%)

#### 4.7 Levels and Trends of Foreign Labor Migrants

**Fig. 4.1**

#### **Trends of Foreign Labour Migrants, Nepal (Number of Migrants in ‘000)**

Source; *trafficking in persons national report 2011*

The above figure shows the levels and trends and trends of foreign labor migrants since early 1990s to the FY 2011/12 drawing data from Department of Foreign Employment (DoFE). Labor migration prior to 1990 was almost entirely directed to India, mainly because of a long historical tie between Nepal and India and open border between two countries. In adopted early 1990s, Nepal adopted liberalized economic policy –deregulation, privatization of enterprise and linking Nepal’s economy with the global economy through labour migration. Initially, the key destination countries were of and Middle East and South East Asia. By this FY 2011/12, the Government of Nepal has opened 108 countries comprising of all the continents.

Department of Foreign Employment (DOFE) maintains data for those who go via Nepal by taking labor permit. thus, the DOFE data do not cover the foreign labour migrants who go via India. As presented in figure 3.1, the number of foreign labour

migrants in the FY 1992/93 was merely 3,065 which increased to 55,025 in FY 2000/01. From the year 2001/02, the number of foreign labour migrants exceeded one hundred thousand till FY 2005/06 and by FY 2006/07 it reached to more than two hundred thousand annually. By the FY 2010/11, The number reached to more than three hundred fifty four thousand and by the FY 2011/12, it reached to 385000- suggesting that each year the number of foreign labour migrants has been increasing rapidly in Nepal. In the FY 2011/12, it is reported that, on the average, a total of 1,7000 persons took labour permit daily from the Department of Foreign Employment



## **CHAPTER-V**

### **STRUCTURE OF FOREIGN EMPLOYMENT AND UTILIZATION OF REMITTANCE IN THE STUDY AREA**

In this chapter the data, the data were collected during the field survey, which present by using simple statistical tools such as tables line graph , diagram and so on .The basic–Economic information of migrants and their households are presented in this chapter.

#### **5.1 Brief introduction about Mangalbare VDC**

Mangalbare VDC is a beautiful place lies in western part of Ilam district. It is surrounded by Santidhada and Sangruma in eastern, Dushani and Akatapa in west, chamita in north , Jitpur and Dusani VDC in south. It covers 30.18 sq.km that lies at the altitude between 720 to 2055 meter high from the sea level. Spatially the VDC is located between the longitudes of 87<sup>048</sup> to 87<sup>051</sup> east and latitudes of 26<sup>055</sup> to 26<sup>059</sup> north.

The total population of this V.D.C. is 6,799.It's total literacy rate is 86.04% among them 39.74% and 46.70% are literate male and female respectively. Hindu, Baudha, Kirata and Christine are the religions of this V.D.C. In terms of race there are Brahman, Kshetri, Rai , Newar, Limbu , Tamang ,Sherpa, Bishwakarma and Mukhiya. All of them have different languages such as Nepali,Rai Limnu and Tamang .Farming and livestock are the main occupation of the people .They grow potatoes, corn ,paddy , millet ,ginger, cardamom, tea, vegetables and fruits. (Ilam at glance 2067)

#### **5.2 Age Composition of Migrants**

In this section, age description of migrant workers has been analyzed which helps to Know how many people have been gone to foreign country among these age groups.

**Table 5.1**  
**Age Composition of Migrants**

Age group	Number of respondents			Total percentage
	Male	Female	Total	
<b>Below 25</b>	<b>13</b>	<b>4</b>	<b>17</b>	<b>26.98</b>
<b>25-30</b>	<b>28</b>	<b>3</b>	<b>31</b>	<b>49.21</b>
<b>30-35</b>	<b>9</b>	<b>0</b>	<b>9</b>	<b>14.29</b>
<b>Above 35</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>9.52</b>
<b>Total</b>	<b>56</b>	<b>7</b>	<b>63</b>	<b>100</b>

*Source: Field survey 2012*

**Fig. 5.1**

*Source: Based on table 5.1*

Out of total migrants workers only 63 households, we take as sampled households; out of then halve of the migrants workers are fall under the age of 25 to 30 years old (that is 31). Out of them, approximately male migrant's workers are nine times more than female. Similarly second largest percentage hold by the age of below 25 years

old, it covers the 26.98 percentage of total workers, where male workers are about three times greater than female workers. On the same way, the age groups from 30 to 35 and above 35 years are 14.29 and 9.52 respectively. Following this two age groups female migrant's workers are absence because of family responsibility and male dominant society.

### 5.3 Gender Description of foreign Employment

In this section gender description of migrants' workers has been included and the following table, which helps to know how many people are male and female workers are gone for foreign employment.

**Table 5.2**  
**Gender Description of Foreign Employment**

<b>Gender</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Male	56	88.89
Female	7	11.11
Total	63	100.00

*Source; Field survey 2012*

**Fig 5.2**

Source: Based on table 5.2

The above table shows the gender descriptions of migrants, out of the total migrants 88.89 percent of them are male and only 11.11 percent of total workers are female. It means only few number of females have gone for foreign employment. This trend shows that most of the migrant workers are male because main responsibilities of family and also shows there is male dominated society

#### 5.4 Marital status of foreign Migrant workers

The marital statuses of foreign migrant workers are present in following table and chart. This chart shows, how many migrant workers are having marriage or not.

**Table 5.3**

#### **Marital Status of Foreign Migrants**

Marital status	No. of Respondents			Total percentage
	Male	female	total	
Married	24	1	25	39.68
Unmarried	32	6	38	60.32
Total	56	7	63	100.00

Source: Field survey 2012

**fig 5.3**

#### **Marital Status of Foreign Migrants**

*Source: Based on table 5.3*

Most of the foreign migrant workers in the study area i.e. 60.32percent of them are unmarried and 39.68 percent are married .out of married migrant workers, male workers are exactly 24 times greater than female workers. Similarly unmarried male migrant workers are approximately six times greater than female workers. If we analyze the ratio of married to unmarried workers under different sex, we get the ratio of married to unmarried of male workers is very high in comparison to female, but the ratio of married to unmarried female's workers is very low , that is only one married female worker out of seven female workers. This is because of male dominant society and lack of education on female workers.

### **5.5 Educational status of migrant workers**

In the following table educational status of migrants has been shown which illustrates the educational background of the migrant's workers. Here we take migrant worker as an illiterate those who are not able to write and read even his/her name only. On the other hand literate are able to read and write.

**Table 5.4**

**Educational Status of Migrants**

<b>Educational Background</b>	<b>No. of Respondents</b>	<b>percent</b>
Illiterate	2	3.18
Literate	21	33.33
Till SLC	30	47.62

Higher Education	10	15.87
Total	63	100.00

*Sources: Field survey 2012*

**Fig; 5.4**

*Source: Based on table 5.4*

In above table and chart show the educational status of migrant workers. Out of total respondents about 3 percent are illiterate that is 2 workers are illiterate over the 63. On the other hand, exactly one third of total migrant workers are literate. Above different educational status of migrant workers, higher percentage covered by till SLC workers that is equal to 47.62 percent. Similarly, only around 15 percent migrant workers are higher education holder. These data clarifies that illiterate and higher educated people are low interested to go to foreign countries for getting job but middle educated people are more motivated to go to foreign employment. This is because middle educated people are not interested to do lower level work and unable to do higher level work such as table work or managerial work.

### **5.6 Cast wise distribution of migrant workers**

In this section, we categorized the migrant workers according o the cast. Te migrant workers are divided into different group on the basis of Hindu Religion such as Brahman, Kshetri, Janajati and Dhalit.

**Table 5.5**

#### **Cast Wise Distribution of Migrants**

<b>Cast group</b>	<b>No. of respondents</b>	<b>Percentage of respondents</b>
-------------------	---------------------------	----------------------------------

Brahman	14	22.22
Kshetri	18	28.58
Janajati	24	38.09
Dhalit	7	11.11
Others	0	0.00
Total	63	100.00

*Source: Field survey 2012*

**Fig; 5.5**

*Source: Based on table 5.5*

In study area, the highest percentage of respondents is janajati which is equal to 38 percent. Similarly second and third highest migrant workers are Kshetri and Brahman respectively. That is nearly 29 percent Kshetri and about 22 percent Brahman. The lowest percentage of migrant workers are Dhalit which is equal to 11.11 percent.

### **5.7 Situations of Nepalese Migrant Workers in Different Countries**

In this section, major destination of foreign migrant workers has been including which helps to know that how many people have gone to foreign country from the study area. Total number of country wise description of workers gone abroad for employment is given below.

**Table 5.6**  
**Country – Wise Employment Situation**

<b>Countries</b>	<b>Total number of respondents</b>	<b>Percentages (%)</b>
<b>Malaysia</b>	<b>21</b>	<b>33.33</b>
<b>Qatar</b>	<b>19</b>	<b>30.16</b>
<b>Saudi Arab</b>	<b>11</b>	<b>17.47</b>
<b>South Korea</b>	<b>4</b>	<b>6.35</b>
<b>Others</b>	<b>8</b>	<b>12.99</b>
<b>Total</b>	<b>63</b>	<b>100.00</b>

*Source: Field survey 2012*

Fig 5.6

*Source: Based on table 5.6*

From the above table, it is clear that the highest number of workers are worked in Malaysia which is equal to 21 out of 63 samples and it covered about 33 percent. Similarly the second largest numbers workers are worked in Qatar which is



equal to around 30 percent which is solidly less than Malaysia. On the same way, third, and fourth attractive destination countries of foreign workers are Saudi Arabia and South Korea respectively. At last other countries include UAE, American countries, European countries as well as Japan and so on.

It is clear that, most of the workers have gone to Gulf countries. Due to the unskilled and illiterate of migrants. So the main destination countries are Gulf countries for the foreign employment from the study area. Comparison with the national scenario, it seems that Malaysia has been taken the higher share a percent for foreign employment which is similar to study area's result.

### 5.8 Causes of foreign employment

There must be several reasons of seeking foreign employment; the reason might be economical, social, and political. They may be related to the acquired skill and other reasons. To find out the causes seeking employment the respondents were asked to identify the major causes to go for foreign employment, they gave more than one reason which are shown by the following table.

**Table 5.7**

#### **Causes for Going to Abroad for Employment**

<b>Causes</b>	<b>No. of respondents</b>	<b>Percentages out of total</b>
Unemployment	35	55.56
Burden of loan	2	3.18
To earn more money	7	11.11
Not appropriate to stay in own country due to conflict	13	20.63
Internally desire to go to abroad	5	7.93
Lack of sufficient food to eat	1	1.59
total	63	100.00

*Source: Field survey 2012*

**Fig 5.7**

*Source: Based on table 5.7*

From above table, the main causes for going to foreign employment is unemployment which is main issue and challenge of our economy. In the study area, more than halve percentage of people have been gone abroad for job due to lack of working opportunities in home country. Similarly, the second important cause is conflict and lack of appropriate environment to live in country. It's share approximately one fifth of total. It is clear that, about three- fourth of total respondents are compelled to go abroad for worked by the causes of unemployment and conflict. Now, the reaming causes are Burden of loan, to earn more money, internally desire to go to abroad and lack of sufficient food to eat which covers the percentage of total respondents are 3.18, 11.11, 7.93 and 1.59 percent respectively.

### **5.9 Agreement and Receiving Salary**

In this section we show the present situation of agreement salary before going foreign employment and really received salary in work place. Today's with many countries Nepal determined basic salary scale however somewhere and some time Nepalese migrant workers are compelled to receive salary lass than basic level. In following table and diagram analyzed the situation of agreement and receiving salary in aboard of the study area that is Magalbare VDC.

**Table 5.8**

**Agreement and Receiving Salary in Different Country**

<b>Countries</b>	<b>No. of respondents</b>	<b>No. of workers receiving salary with agreement</b>	<b>No. of workers receiving salary below agreement</b>	<b>Percentage of workers receiving salary below agreement</b>
------------------	---------------------------	---	--	---

Malaysia	21	9	12	57.14
Qatar	19	5	14	73.68
Saudi-Arab	11	3	8	72.72
South Korea	4	4	0	0.00
Others	8	5	3	37.5
total	63	26	37	58.73

*Source: Field survey 2012*

**Fig; 5.8**

*Source: Based on table 5.8*

The above table shows on an average about 59 percent Nepalese migrant workers receive salary below agreement before going foreign employment of the study area that means only 41 workers are to get labor compensation according to agreement in work place. All Nepalese workers are received employee compensation according to agreement in South Korea. Because of workers go there by EPS (employment permit System). From table, the high percentage of workers in Qatar receives employee compensation below agreement which is equal to approximately 74 percent. And same result found in Saudi-Arab. Similarly, 57.14 and 37.5 percent workers get salary less than agreement in Malaysia and Others countries respectively. An aggregate percentage of migrant workers receive and not receive salary according to agreement present in following pie chart.

### **5.10 Participation In training before migrant**

In this section we explain the participation of migrant workers in vocational training before going to abroad for foreign employment. Vocational training is a practical skills or knowledge related to work which is done in workplace. It is helpful for migrant workers for adjustment in working environment. How many migrant

workers are participated in training before going to abroad of study area? Show in following table.

**Table 5.9**  
**Participation in Training Before Migrant**

	<b>Number of respondent</b>	<b>Percentage (%)</b>
Trained workers	6	9.52
Untrained workers	57	90.48
Total	63	100.00

*Source: Field survey 2012*

**Fig; 5.9**

*Source: Based on table 5.9*

The above table shows that very few Nepalese migrant workers are get training before going abroad for employment. The field survey presents the out of 63 respondents only six migrant workers are participating in vocational training and orientation class. This number is nearly 10 percent out of total migrant workers. On the other hand remaining 57 or about 90 percent Nepalese foreign job seekers are gone abroad without any vocational training and orientation class. This result of Mangalbare VDC is similar to the national figure.

### **5.11 Expenditure for Foreign Employment**

A sizeable amount of money needs to be invested as a cost of foreign employment. The cost started from obtaining a passport, medical checkup, manpower agency, air fare, Visa expenditure, Traveling cost and others expanses and others expanses include internal traveling cost, supported cost, buying personal used goods and so on. The country-wise average cost of going abroad for employment as well as minimum and maximum range of expenditure are shown in following table .

**Table 5.10**

**Average Cost Paid and Range of Costs for Foreign Employment in Study Area**

<b>Country</b>	<b>No. of Respondents</b>	<b>Average Cost</b>	<b>Ranges of Cost</b>	
			<b>Minimum</b>	<b>maximum</b>
Malaysia	21	81904	50000	120000
Qatar	19	82631	35000	130000
Saudi-Arab	11	83181	50000	130000
South Korea	4	85000	80000	90000
Others	8	234375	75000	800000
Total	63	101904		

*Source: Field survey 2012*

In above table shows that expenditure of migrant's workers include payment on agents only and her passport and others expenditure are excluded. From the table the maximum range is paid by the migrants who go for foreign employment out of

Gulf countries like Japan, European countries and so on. The number of these migrants is less than the workers who go to the Gulf countries to earn money but the cost paid is seems a bit high of them. And for the Gulf countries the average cost of fees to go employment is seems as like as similar.

### 5.12 Source of financing

Most of the people of Nepal who want to go for foreign employment use several sources of financing. They are Loan, own income, borrowing from friends and relatives, selling fix assets and so on. Here loan is categorized in two sources, one is organized sources and another is unorganized sources. To find out of 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; 5.11**

#### **Sources of Financing for Foreign Employment**

<b>Sources of financing</b>	<b>Total amount (in NRs)</b>	<b>Percentage of total amount (%)</b>
Own income	420000	5.80
Having loan	2765000	38.25
Help from friends and parents	2845000	39.35
Selling fix assets	1200000	16.6.
total	7230000	100.00

*Source: Field survey 2012*

**Fig; 5.10**

*Source: based on table 5.11*

In the above pie chart shows the different sources of financing for foreign employment with percentage shares. The main source of financing is help from friends and parents which covers approximately 40 percent of total amount. About 38 percent of total expenditure amount, the migrant workers managed by having loan. The loan is received from organized as well as unorganized sources. Most of them used unorganized sources of loan. Similarly selling fix assets and own income present 16.6 and 5.8 percent respectively.

### **5.13 Average Earning in Different Countries**

Generally, in our country's people ware go to for aboard due to lack of employment opportunities in home country. But most of the people go there without any specific skills and training. Due to the lack of skills and training they compelled to bear unpleasant situation and they receive very low employee compensation compared to other countries' workers. In this section we explain the country-wise average earning of Nepalese employee in abroad.

**Table; 5.12**

#### **Country-Wise Average Earning**

<b>Country</b>	<b>No. of respondent</b>	<b>Average earning in last year (in Rs.)</b>
Malaysia	21	3,28,855
Qatar	19	2,96,150
Saudi Arab	11	3,04,850
South Korea	4	10,81,145
Others	8	7,90,000
total	63	4,21,000



*Source: Field survey 2012*

**Fig; 5.11**

**Country-Wise Average Earning**

*Source: Based on table 5.12*

In above, earning included all income of workers they gain salary with contract time as well as overtime income. Form above table, Nepalese's migrant worker in South-Korea, they receive hansom salary than others countries. In South-Korea on an average income of Nepalese workers are about Rs 10, 80,000 per year and per person's. Similarly second good place for Nepalese migrant workers is others countries. In reaming countries (Malaysia, Qatar and Saudi Arab) per year average income of workers have small difference out of three country Nepalese migrant workers average income in Malaysia, Qatar and Saudi Arab is 3, 28,855, 2, 96,150 and 3, 04,850 respectively.

**5.14 Use of money receiving from foreign employment**

In this section we analyzed the utilization pattern of money receiving from abroad. Normally people spend his money gain from foreign employment to repay the loan and daily household expenses. It also depends on duration of time. At early time of foreign employment they spend greater amount of his money either loan payment or daily household expenses. The details monthly expenditure pattern of migrant household explain in bellow table and chart.

**Table; 5.13**

**Use of Money Receiving From Foreign Employment**

<b>Headings of expenditure</b>	<b>Monthly expenditure amount</b>	<b>Percentage (%)</b>
Repay the loan	517000	22.54
Repairing works in the house	126515	5.53
Purchase land	618000	26.94
Daily household expenses	745000	32.48
Invest in business/	156336	6.81

occupation		
Invest in agriculture	68000	2.96
Other	62671	2.74
total	2293922	100.00

*Source: Field survey 2012*

**Fig; 5.12**

*Source: Based on table 5.13*

In above pie chart shows the monthly expenditure pattern of families those who at least one of family the member working in abroad. Out of different title of families' expenditure largest share is covered by daily household expenditure. Here the daily household expenses include this expenses which meet the daily needs of families such as expenditure on food, health care, education, calibration of cultural festival, clothing, entertainment and so on ( the pattern of household expenses present in following section). Similarly the second largest percentage of families' expenditure held on purchasing land that is equate greater than one fourth of total spending. On the same way, third is payment of loan which is equal to 22.54 percent. In agriculture sector the share of household spending is significantly very low that is approximately 2.96 percent. According to economic survey 2011/12, 73.4 % Nepalese people are involved in agriculture but expenditure in this sector is unexpectedly low. Repairing house and spending in business/occupation cover the share of 5.53and 6.81 respectively.

### **5.15 Consumption Pattern of Remittance of Households**

In this section household spending of family's are for food, clothing, health, entertainment and so on. According to above pie chart 32.48 percent of total family's expenditure is in daily household expenses. The different categories of household spending explain by following table and diagram.

**Table; 5.14**

#### **Household Expenditure Pattern**

Spending title	Spending amount (in NRs)	Percentage (%)
For food	395000	53.02
Clothing	155000	20.80
In health	102000	13.70
Entertainment	25000	3.36
Others	68000	9.12
total	745000	100.00

*Source: Field survey 2012*

**Fig; 5.13**

*Source: Based on table 5.14*

The above pie chart shows the daily household expenditure pattern of migrant families. Normally they spending his/her receive money from foreign employment for food, health, clothing and so on. Out of daily household expenditure, three forth they invest in food and clothing. More than halve of total daily expenses spending in food that is 53 percent. And approximately one fifth of total share covered by clothing. Due to the villagers they spend negligible amount in entertainment which is equal to about 3 percent. Similarly, the share of health care of foreign employee families is nearly 14 percent. At last others expenses includes expenditure in communication, paying electricity bill, fuel, education fee etc and its share is 9.12 percent.

## CHAPTER-VI

### SUMMARY CONCLUSION AND RECOMMENDATION

#### 6.1 Summary

1. The trend of foreign migration increases day by day for to employment in different abroad country.
2. The trend of Growth of Remittance also increases at a increasing rate, which directly gave the positive contribution of nation's GDP.
3. The main destination of Nepalese workers is gulf countries in out of this countries Malaysia first destination country of Nepalese migrants. Only few percent of the respondents had gone in to other countries, except Gulf countries.
4. The major push factors to go to abroad for employment purpose is unemployment, it holds more than halve percent in the study area. And others are conflict in home country, to earn more money and so on.
5. Out of total respondents, one third of total are in Malaysia and around 30 percent are in Qatar which is similar to the national figure.
- 6 Out of total respondent, about 10 percent respondents are participated in training before going abroad and remaining are gone abroad for foreign employment without training and orientation class.
7. The main source of financing for foreign employment are help from friends and parents and having loan. Both of them cover approximately 80 percent of total respondents.
8. In cast wise distribution of migrant, the highest attraction for foreign employment in Janajati out of total respondent similarly in comparison with total population in VDC Dhalit have higher ratio.

9. If we analyze education status of migrant workers, nearly 50 percent migrant workers have SLC educational qualification and very few that is only 3 percent migrants are illiterate and 15 percent are higher education holder.
10. Around half of total respondent are 25-30 years age group and one fourth are below 25 years old.
11. The average earning of the migrants workers is quite less in Gulf countries than other countries. The handsome salaries receive Nepalese migrant workers in South Korea and in Gulf countries they earn nearly equal amount.
12. For the process of foreign employment, the expenditure minimum and maximum range from 50,000 to 800,000 and overall average expenditure is 104,904.
13. In gender description of migrants in study area, male worker is tenfold greater than female workers.
14. To analyze the marital status out of total migrants 39.68 percent were married and remaining portion are unmarried.
15. The major portion of the remittance is used in unproductive sectors like day-to-day consumption, paying loan and purchase land. But some portion of the remittance is used in investment on agriculture and business.
16. The respondents of this VDC were not utilized in proper sectors their Remittance caused by the non-security and on availability of sizeable Investment funds for investing in productive sector of the economy.
17. The respondents of this VDC said that remittance have increased their Economy and social indicators after received remittance.
18. Out of total respondent, nearly 60 percentages of workers receiving salary below agreement with agent in home country before going abroad. In Comparisons with others countries the higher percent Nepalese migrant workers receive lower salary than agreement in Qatar,

## **6.2 Conclusion**

The study applies a survey method to analyze structure foreign employment and use of remittance in various sector as well as socio-economic dimensions of

migrant households. Nine words of Mangalbare VDC chosen and a survey is conducted in 63 households with equal number for each words.

A growing trend of remittances worldwide has drawn attention of both academia and policymakers in recent years. Remittance income is emerging as one of most significant and reliable sources of external finances for many developing countries. Not only in the macro levels has contribution of remittances been direct and stabilize in migrant sending households in micro-level as well. A significant number of people in developing countries are receiving remittance and spending in health, education and day-to-day consumption.

The advantage of migrant workers goes beyond the immediate monetary gains. The returning migrants increase the social capital through exposure to new technology, ideas, languages and people and produce intangible but important benefits to societies. Remittance money represents the most essential of family values, Hard work, thrift, sacrifice and hope for effective use of Remittance money which were lacking during the field survey conducted at various places.

International labor migration mostly in Gulf countries, Malaysia and south Asian and European countries as a new phenomenon of migration. in the context of Nepal, number of people are going abroad for work have been increased for the last few years, especially the organization of armed conflict in Nepal. Unexpectedly, foreign employment developed in such a way which has shifted from agriculture based economy towards remittance based economy.

Manpower agencies are almost unfair about their business dealing with the workers and their professionalism is questionable. The role of trade union organizations is also fund ineffective to address the issues of potential labour migrants in home country as well as in the country of destination.

### **6.3 Recommendations**

#### **6.3.1 Recommendations for Programmed Intervention**

Categorization of manpower companies is very essential at present context. Companies with better grade should be awarded or get incentive from the government that assist to promote their business in an organized way.

The incentive can be tax free, recognition of authorized manpower agency for a certain period of time and authority to handle the monitoring work of labour migrants in abroad. Specialization of man power companies is also very much essential. Government has to design such a policy which permits the man power companies to supply workers either in a single country or for specific work. Manpower companies should be reached extensively out of Kathmandu valley. This will help to avoid the involvement of local agents in different level and build up manpower worker direct contacts.

Nepalese trade union organizations through their district network can operate training or counseling centre focusing the need and rights of the migrant workers. Most of the respondents have not utilized their remittance and newly learnt skills at abroad, while returning at homeland, because of lack of technology, non availability of sizeable investment funds and lack of market etc. So, the policy should make to create good environment and provided sufficient technology as well as market.

The society has to change their attitude towards migrant workers especially the women migrant workers. Foreign labour occupation need to be established as dignified occupation

### **6.3.2 Policy Recommendations**

Nepalese government has adopted liberal economy and open democratic environment as its guiding economic and political strategy. In this regard, the policy formulated by the government should be guided on that.

Nepalese government's policy on foreign employment has not been adopted in an organized way. The term "Foreign Employment" in the Foreign Employment Act-2042 is defined as the employment to be obtained by a worker to abroad where as the nature of work and the people involved on it are not specified. The existence of Non Residence Nepalese (NRN), sex trafficking, refugees and undocumented workers in abroad are not included by our act. In this regard the policy should be defined the term in itself either in a broad or specific way. This will facilitate to identify the legal status of different forms of migrant people.



Government need to strengthen the capacity of trade union organizations to facilitate the counseling work among the potential migrant workers in the grassroots level and other welfare schemes in the national level.

Nepalese government should pay an especial consideration to the welfare of women migrant workers and all discriminatory laws/acts regarding the women involvement in foreign employment should be amended as per the guiding principle of the state Government should think to provide appropriate training for the potential labour migrants, so they could get well paid job and also develop their skills.

Government should provide the facilities of insurance to the migrant workers for the future uncertainty. The government policy should be made to give more opportunities to poor people of rural area as well as provide them funds for foreign employment

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# APPENDICES

**Questionnaire for Household survey 2012**  
**Central Department of Economics**  
**Tribhuvan University**  
**(For the purpose of M.A. Thesis)**  
**Foreign Employment and Use of Remittance in Nepalese Economy**  
**(A case study of Mangalbare VDC, Ilam District)**

1. Background Information Of Interviewer

- a) Name Title
- b) Age:
- c) Education:

2. Foreign Employee Information

- a) Name:-
- b) Address: - District    Ward no
- c) Age:-
- d) Sex: - (1) Male  (2) female
- e) Cast: - (1) Brahman  (2) K  ri   
Janajati
- (4)Dhalit (5) Other
- f) Education: - (1) Illiterate  (2) L  e  (3)   
SLC
- (4) Higher education
- g) Marital status: - (1) Married  (2) Unm

3. Destination Country of foreign employee:-
- (a) Malaysia  (b) Qatar  (c) Saudi Arabia
- (d) South Korea  (e) Others

4. How much time did you/he/s spend in abroad?
- a) 1 year  b) 2-3 year  c) above  yrs

5. What are the causes for going to abroad for employment?

- a) Unemployment
- b) Burden of loan
- c) To earn more money
- d) Not appropriate to seat in own country due to the conflict
- e) Internally desire to go to abroad
- f) Lack of sufficient food to eat

6. Sufficiency of Agricultures Products (Do you have enough food to eat?)

1.	Sufficient for less than 3 months	<input type="checkbox"/>
2.	Sufficient for 3-6 months	<input type="checkbox"/>
3.	Sufficient for 6-9 months	<input type="checkbox"/>
4.	Sufficient for 9-12 months	<input type="checkbox"/>
5.	Sufficient for the whole year	<input type="checkbox"/>
6.	Available for selling also after consuming	<input type="checkbox"/>

- 6.1 If agriculture production not enough to eat how do you fulfill the household expenses?

1.  By taking Loan

2.	By taking food grains from the neighbors	
3.	Help from the relatives	
4.	Other (Mention Details)	

7. What were the factors that you spent money in order to go to foreign country?

No.	Topic	Amount
1	Passport expenditure	
2	Medical expenditure	
3	Support expenditure	
4	Visa expenditure	
5	Traveling expenditure	
6	Others expenditure	
	Total	

8. What are the major sources of income for the family?

1.	Agricultural Products	
2.	Daily paid labour	
3.	Government services	
4.	Foreign Employment	
5.	Employment in the private sector	
6.	Trade and business	
7.	Other (Mention Details)	

9. What are the major monthly expenses of the family?

<b>Expenses Heading</b>		<b>Expenses in Rs.</b>
1.	Food	
2.	Fuel	
3.	Electricity Bill	
4.	Transportation	
5.	Drinking water bill	
6.	School Fees	
7.	Medicine and Health treatment	
8.	Payment of Interest on Loan	
9.	Other (Mention Details)	

9.1 What are the sources of family income to meet the above mentioned expenses?

<b>Income Heading</b>		<b>Income in Rs.</b>
1.	Occupation Business	
2.	Agricultural product selling	
3.	Daily paid labour	
4.	Government Service	
5.	Foreign Employment	
6.	Previous Saving	
7.	Loan	
8.	Other (Mention Details)	
9.	Total	

10. Sources of financing to go to foreign country?

No.	Topic	Amount	Common Interest
1	From own Income		

2	Having loan: a) From Bank b) From Merchant/Higher class people c) From Relative person d) From Public Institution		
3	Help from friends, parents		
4	From selling various things		
	Total		

11. Did you repay the loan?

a) Yes       b) No

12. How much money you receive from Foreign Employment monthly?

1.	Up to Rs. 20,000	
2.	Rs. 20,000 - 30,000	
3.	Rs. 30,000 - 50,000	
4.	Rs. 50,000 - 100,000	
5.	More than Rs 100,000	

13. How much money did you use to save per month

14. During the period of living abroad, how much money and other material did you bring when you returned back towards Nepal ?

S.N	Topic	Amount(in quantity)
1	Cash	
2	Jewellery / Luxurious goods	



	Total	
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15. Has any your family member been to abroad except you?

a) Yes                       b) no

16. Did you/ he/she participate in training before migrant?

a) Yes                       b) no

17. Did you get salary as the agreement did?

a) Yes                       b)

18. What are the sectors that you spent and invested money earned from foreign country?

S.N.	Expenditure and Investment	Amount (Rs.)
1	In Regular house expenditure	
2	For paying loan - daily consumption goods - To pay loan which was brought in order to go to abroad	
3	For repairing and building hhouse	
4	To buy small piece of land to build house	
5	To buy land	
6	In education	
7	In health	
8	In business	
9	In social service/ work	
10	Saved money	
	Total	

19. Did you invest money in any vocational field?

a) Yes                       b) No

19.1. If not, why ?

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- a) Not getting salary as the sign
- b) Due to the hard work
- c) Having no interest
- d) Others

23. Have you again made plan/thought to go to abroad?

- a) Yes
- b) No

14.1. If so, why?

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24. To be specific, what about changes seen before you went to abroad and after you returned back from abroad ?

- a) In economic condition
- b) In daily life spending
- c) In social status
- d) In skill development
- e) Other