

CHAPTER-I

1. INTRODUCTION

1.1 Background

The transmigration of human factor significantly increased at the beginning of the process of civilization. Invention of different machinery tools, increment of rapid industrial revolution especially in western countries had made much more requirement of labour forces and to fulfill this gap was supplied from the Asian, African and Latin countries. As shown by this, the reason for development is transmigration of human factor and labour forces globally

The various studies show that about 30 Million people are migrating annually for foreign employment. Moreover, the reason of Liberalization and Globalization concept has influenced the labor surplus countries for migrating their labour forces to overseas employment. However, here should be noted, "The nations of developed world are enjoying free movement of which is the real sprit of globalization, whereas in the south, most of the developing countries restrict the movement of their own people within their regions (Munir, 2005)."During the oil boom in the 1970s, the South Asia were able to supply cheap labour to meet the growing labour demands in the Middle east", (Singh, 2006:73). Since 3 – 4 decade in developed countries, the labour demand is rapidly increasing due to low birth rate and indifference to lower level work. In this context, the developing countries are trying to grab benefit by migrating their surplus labour for overseas employment.

Historical accounts suggest that the tradition of foreign labour migration in Nepal emerged since the early 19th century with the inception of the recruitment of Nepalese youths in British Army in India. Foreign labour migration for non-military purposes is a late mid-19th century phenomenon, mainly due to excessive taxation, oppressive production relations and impoverishment of peasantry.

After the restoration of multiparty democracy in the nation in 1990, the societal openness increased significantly. Due to the open world, all societal and economic

activities have crossed the national boarder. Science and technology have played vital and key role in the field of rapid development. In this scenario, we see that some government agencies, commercial banks, development banks, financial institutions, cooperative institutions, money transfer companies, manpower companies and other organizations are working in the field of remittance market. By the institutions arrangements, more than 107 countries are open for the foreign employment. According to the studied statistics, Gulf Countries have taken major share in the inflow of Nepalese workers, which stood 86 percent. It shows that the Gulf countries are major market for the Nepalese workers and its income. Moreover, it is known that skilled and efficient manpower is taking part in the other countries like US, Australia, Canada, UK, Germany, France and Japan etc. It is studied and estimated that we are receiving of the total remittances around 25 percent from India, 30 percent from Arabian countries, 20 percent from other countries and remaining portion is from the internal sources.

1.2 Significance of the study

In recent years, remittance emerged as one of the premier sources of foreign exchange through foreign employment that will have significant bearing on the economic development of Nepal, especially in the context of poverty alleviation, (Shrestha, 2004:403). So, remittance have been crucial in reducing poverty level in rural Nepal, and a significant amount of this money is invested in educating the children of remitter. Shanker Sharma Former Vice-Chairperson of NPC suggests that reduction in poverty in Nepal from 31 to 42 percent between 1995 and 2004 was a direct result of remittance flows to the poorest section of society. NLSS 2003/04 revealed that the impact of remittances on poverty has been positive, which showed that the poverty level defined in terms of absolute head counts, declined from 42 percent in 1995/96 to 31 percent in 2003/04.

Moreover, remittance has been existed as an important sources of foreign exchange to Nepal at both micro and macro level as the income of the recipient and the foreign exchange reserve of the country. Remittances generate positive multiplier effect in output if they are consumed and contributed to economic growth by productively manner. Experts still argue, however, that remittance money only supports direct consumption that very little is actually diverted to development oriented, job creating

investments. However, a study by the Bangladesh Institute of Development Studies claims that remittances in Bangladesh have had a multiplier effect of 3.3 percent on GNP, 2.8 percent on consumption and 0.4 percent on investments. An ILO report in 1999 also suggests that micro level social development projects could steer remittance towards more development-oriented channels thereby making their effects even more profound, (Singh, 2006:77).

Moreover, remittance can generate a beneficial impact on the economy through various channels, such as savings, investments, growth, consumption and income distribution. Remittance have relaxed the foreign exchange constraints of the country and strengthened its Balance of payment position (Shrestha, 2063:30). A 1999 World Bank report further suggest that remittance might actually be more effective than direct foreign aid. This is a stance supported by many others given the opportunity to earn; a worker will utilize the money he has in the most beneficial way within his means.

1.3 Statement of the Problem

Nepal's economic development is a challenging proposition and it is passing through a critical phase of low-level equilibrium trap circumscribed by poverty and stagnation. The economy, moreover, is facing an acute disguised unemployment. More than 50 percent people are living below the international poverty line (earning less than \$ 1 a day). These people are struggling to line in extremely wretched economic condition doing barter trade to meet their basic needs. Poverty is increasing in magnitude, intensity and complexity and it is also increasing on interregional and day-to-day basis (Dahal, 1998; Giri, 2005:1). Moreover, Nepal, a small agrarian economy in South Asian country having just per capita GNP of around US \$ 269, is one of the least developed countries; heavily depend on aid recipient economies.

International labour migration was however, given little attention in Nepal until recently. Prior to the 1990s, most of the studies of Nepal emphasized the importance of agriculture in the national economy and Nepal's plan documents deem agriculture to be the key to rural development. It is only after the 1990s that policy makers and academicians began to fully recognize the importance of paid employment both

within and outside Nepal. Accordingly for the first time data regarding migration were recorded in the population census of Nepal.

Moreover, after democratic movement in 1990, the increasing flow of information technology and the concept of globalization have become easier to obtain travel documents and passport. Again, because of the political conflict since 1995, the pace of foreign employment has dramatically increased as the situation has compelled Nepalese youths to look for alternative works abroad.

However, the increasing trend of overseas employment and inflows of remittances. Nepal still is unable to make capital formation process as required quantity. The large amounts of remittances are being wasted for different unproductive sector. The contribution of remittances on Nepalese economy has not yet exist properly. Still, Nepal government has not concentrated for giving training to Nepalese worker before going abroad on about proper utilization of remittances income. The creation of employment opportunity within the country and abroad is not interlinked. Government still could not execute any strong plan for self-dependent, industrially and economically sound, even if, all are in limited within the paper. As a result, there emerged calm situation in overall development due to improper and insufficient use of remittance, at the same time investment in productive activities are minimal. On this ground, the study attempts to address the following research question:

- Is remittances used in productive sector?
- In which sector, households are utilizing remittances?
- What are the positive and negatives affects occurred by labour migration in society?
- What are social and economic implications of remittance for the household sector?

1.4 Objectives of the study:

The objectives of the study were to get information about foreign employment, utilization of earnings, skills and experiences gained from foreign employment. The study has covered the following specific objectives:

- To analyze the current situation of the foreign employment and role played by remittances particularly in the field of consumption pattern of the household sector of Jhapa district.
- To provide viable recommendations for healthy development and enhancement of foreign employment.

1.5 Limitation of the study:

Almost all the studies have some sorts of limitation and this study is not an exception on this fact. So, this study has some limitations which as mentioned as follows:

- First, this study being academic and limited to time and resources, the study does not cover the all the aspects of consumption behavior of respondents. However, it focuses on some of its major important aspect.
- The sample population has been taken from few selected areas of Jhapa district not as a whole.

CHAPTER-II

2. REVIEW OF LITERATURE

In recent year, foreign employment and remittances are major economic mainstays for Nepal's economy. The concepts of remittance exist as one of the premier sources of foreign exchange through foreign employment to maintain sound economy. However, there is still insufficient documentation on scale and significance of this process. Estimation of migration figures suggests that the real numbers of migrants are several times higher than official statistics show. Since many years in Nepal, there are traditions of going abroad with purpose of business, better employment opportunity or secure establishment, but it is hardly to find on scale's literature in related migration era. Especially, Nepalese peoples are migrating to foreign countries with the purpose of better employment and earn good money but the government had not done effective and considerable statistical survey so far.

2.1 Migration

Migration is one of the dominant demographic variables along with fertility and mortality. It affects not only population size but also its structure and characteristics. Because of the complexity, migration is not easy to define. A generally accepted definition is that migration is the movement of population involving the change of place of abode or place of usual residence and the crossing of a defined boundary. Ghos defines migration means change of place of living for almost a long stable period. Migration has been defined by the population census of Nepal 2001 "a change of residence for 6 months or more either within the country or outside the country." According to the UN report "migration is a form of geographical mobility of population between one geographical unit to another.

"Most of the time, people migrate abroad in search for the emigrant and their families offered by foreign countries compared with the economic opportunities low wages, meager career prospect for highly educated people, significant country risk for national investors in the home countries are all factors that propel people to emigrate

abroad. In addition, there are no-economic reasons to emigrate such as war, ethnic discrimination, political persecution at home, etc (Solimano).

Revenstein (1985) was the first person to attempt forming migration theory. Revenstein's laws of migration is also known as 'push-pull' factors of migration, still predominates as framework of migration analysis push factors are land tenure system, unfavourable form of trade, wide dispersion of poverty and income, pressure of rural poverty in income, pressure of rural poverty in general and so on. Pull factors are employment, education and other facilities are opportunities known as 'bright light' of the towns. On the one hand, push factors push the migrants from their place of 'origin' and on the other hand, pull factors pull the migrants to the place of 'destination'.

Thompson (1955) feels that the desire to improve economic status is the main motive for migration and the desire to secure freedom from political oppression, the desire of religious freedom, personal maladjustment to family and community as the other motives for migration. In much international migration, poor peasants and for workers with the little or no land tend to predominate migration.

“It is the process of shifting people from one place to another, history of migration is as old as civilization. The nomadic tribes of the Stone Age used to migrate in search of food and safety, informing age people migrated in search of suitable land for cultivation and migration continued in various form in every period of history. In the modern time, people migrate in search of better living opportunities (Giree, 2001)

2.1.1 International Experience

Historically periods of growing international trade and capital mobility has been accompanied by increasing – rather than declining – flows of international migration. It is estimated that around 60 million Europeans migrated to the labour-scare, resource abundant New World countries (U.S., Canada, Argentina, Brazil and Australia) in the second half of the 19th and early 20th century. Form 1870-1920 more than 26 million of migrants from all over the world went to the U.S. That period, up to the onset of World War I, known also by economic historians as the first wave of globalization, was also a period of rapid growth of international trade, boosted by a decline in transport and communication costs associated with the development of the

railway system, steam-ship, electricity and the telegraph. More recently, during the second wave of globalization, an increase in international migration to the U.S. is observed in the 1980s and 1990s vis a vis previous decades. In fact, while there were about 1 million migrants per decade in the 1940s and 2.5 million migrants in the 1950s, immigration rose to near 7.5 million migrant per decade in the last two decades of 20th century, say the 1980s and 1990s (Solimano:4).

Box: Snapshot of International migration trends

- In 2005 there were 191 million international migrants in the world (person living outside their country of origin or citizenship) which includes those migrants for employment, their dependents, refugees and asylum seekers.
- ILO estimated that 86 million of the 175 million international migrants in the year 2000 were economically active migrant-workers, distributed as follows:
 - Africa: 7.1 million
 - Asia including Middle East: 25 million
 - Europe including Russia: 28.5 million
 - Latin America and Caribbean: 2.5 million
 - North America: 20.5 million
 - Oceania: 2.9 million
- Women constitute 49 percent of migrants worldwide and more than 50 percent in Asia, Europe, Latin America, North America, North America and Oceania.
- The US\$ 250 billion sent home by migrant workers is larger sum than all official development assistance and foreign direct investment
- Developing countries lose 10 to 30 percent of skilled workers and professionals through “brain drain”. Least Developed Countries are especially affected.
- The Philippines is the largest exporter of migrant labour throughout the world, the majority of who are women. Mexico is the second largest exporter of migrant labour throughout the world. The majority is male and leaves to work in the USA.

(Figures are from Facts on Labour Migration, ILO, 2006)

2.1.2 The Global Dimension of Female Migration

Many women are opting for foreign employment for self-subsistence or to support their families. Foreign employment has given opportunities for many women to build their career and contribute to national building. Foreign employment enhances their confidence, decision-making abilities and more than that, they are exposed to the outside world (MTM & UNIFEM, 2003; Shrestha, 2006:413).

Until the late 1970s, most writings on international migration either focused explicitly only on male migrants (usually conceived of as workers) or seemed to assume implicitly that most migrants were male. That assumption was particularly prevalent when attention was focused on economic aspect of international migration, because it was widely believed that the participation of women in international labour migration was negligible. A comprehensive global estimates of the extent of female migration

for the period 1965-1999, was released by the United Nations Population Division in 1998. Estimates at the country level were derived from the number of foreign-born persons enumerated by population censuses, complemented by information on the number of refugees.

2.1.3 Female Migration (New Revelation)

The UN estimate that the number of female migration have accounted for a very high proportion of all international migrants for a long time. Already in 1960, female migrants accounted for nearly 47 out of every 100 migrants living outside of their countries of birth. (See Table) Since then, the share of female migrants among all international migrants has been rising steadily to reach 48 percent in 1990 and nearly 49 percent in 2000.

Table 2.1: Percentage of female migrants among the total number of international migrants, by major area, 1960-2000

Major area	1960	1970	1980	1990	2000
World	46.6	47.2	47.4	47.9	48.8
More developed regions	47.9	48.2	49.4	50.8	50.9
Less developed regions	45.7	46.3	45.5	44.7	45.7
Europe	48.5	48.0	48.5	51.7	52.4
Northern America	49.8	51.1	52.6	51.0	51.0
Oceania	44.4	46.5	47.9	49.1	50.5
Northern Africa	49.5	47.7	45.8	44.9	42.8
Sub-Saharan Africa	40.6	42.1	43.8	46.0	47.2
Southern Asia	46.3	46.9	45.9	44.4	44.4
Eastern and South-eastern Asia	46.1	47.6	47.0	48.5	50.1
Western Asia	45.2	46.6	47.2	47.9	48.3
Caribbean	45.3	46.1	46.5	47.7	48.9
Latin America	44.7	46.9	48.4	50.2	50.5

Source: www.migrationinformation.org

For more than 40 years, female migrants have been almost as numerous as male migrants. In 1960 there were 35 million female emigrants and 40 million male migrants and 40 million male migrants, by 2000, although the total number of migrants had more than doubled, the gap between females and male remained about the same, 85 million female migrants versus 90 million male migrants.

2.1.4 Female Migrants Claim Larger Proportion in Developed Countries

Female migrants have generally accounted for a larger fraction of the migrant stock in developed countries than in the developing world. In 1960, 48 percent of all migrants

in developed countries were women or girls, whereas the equivalent proportion in developing countries was 46 percent. By 2000 the difference between the two had risen further since female migrants constituted nearly 51 percent of all migrants in the developed world and still accounted for about 46 percent of all international migrant in developing countries. The cause of these difference should be sought in the laws and regulation governing the admission of migrants in countries of destination and those governing their departure from countries of origin, in conjunction with the interplay of factors determining the status of women in countries of origin and countries of destination (Zlotnik, 2003: www.migrationinformation.org).

2.1.5 Developing Countries See Increase in Female Migration

In contrast, in the developing world, countries that major receivers of international migrants generally admit them exclusively for labour purposes and male migrants tend to predominate in labour migration flows. However, since the late 1970s, the participation of women in labour migration flows directed to developing countries has been increasing. The major magnets for female labour migration are located in Western Asia among the oil-rich countries of the Gulf Cooperation Council and in the countries of the Pacific Rim in Eastern and Southeastern Asia. In both of those regions, the proportion of women among all international migrants has been rising steadily since 1980. By 2000, the number of female migrants was estimated to have surpassed the number of male migrants in Eastern and Southeastern Asia (5 million versus 4.9). The 7.6 million female migrants in western Asia were estimated to constitute 48 percent of all migrants in that region.

In the Gulf countries already by 1975, the number of female migrants was significant amounting to 43 percent of the foreign population in Kuwait, 33 percent of that in Saudi Arabia, about 30 percent of that in Bahrain and 20 percent of all foreign migrants in the United Arab Emirates (Zlotnik, 2003).

In gist, the data amply demonstrate that globally, the number of female emigrants has been large and significantly increasing. The majority of female migrants are currently living in developed countries, particularly in Europe (29 Million) and Northern America (20 Million) (Zlotnik, 2003: www.migrationinformation.org).

2.1.6 In Nepalese context

Migration in search of employment and livelihood opportunities as well as permanent settlement is not a new phenomenon for Nepal. These have been constant mobility of people across the national border since the unification of Nepal as a country in 1768 AD. Much of these early migrations were the result of push factors like excessive tax burden, exploitative agrarian relation and political instability. The various studies show that Nepal had experienced for job migration since 1816 with drawing of Nepal's borders in 1816 through the Sugauli Treaty with British India, the Gorkhali hero Bal Bhadra Kunwar left Nepal to join the army of the Punjabi Sikh King Ranjit Singh. More, the Treaty of 1816 that allowed raising these regiments of Gurkha has contributed to a large number of migrations from Nepal to India. Although, the British India Company had already started recruiting Gorkhali warriors in 1815 from their Nepali prisoners of war, while major recruitment started following the 1857 Sepoy Mutiny.

Moreover, Nepalese armies had fought very bravely in favor of British India and being honesty in nature that made the East India Company had decided to recruit for British army and the n established 10 Regiments so far, especially from Gurung, Rai, Limbu, Magar and other Janajati youths of hilly district. As a result, their income level dramatically changed and financial position had become strong relatively to the others people from the same community. Then, the demonstration effect took place gradually.

According to historian K Mojumdar only 3838 Nepali soldiers returned home upon being discharged after World War I. with little to no economic development occurring in Nepal under the autocratic Rana regime, a significant number of Nepali workers proceeded to migrate to India with the establishment of the tea estates in north eastern India, a considerable number of Nepali workers immigrated and established communities of their own in the region. He further writes, "Nepali migration to India is a topic of significant importance to both nations, yet has been largely ignored. The open border and lack of passport requirements makes the task of keeping tabs on Nepali workers in India or Indian workers in Nepal extremely difficult (Singh, 2006:74). "For many areas in Nepal, particularly in the Mid-hill Zone, labour migration is a livelihood strategy with a long standing history and is thus deeply

engraved in the culture. Migration is a common solution to the problem of earning a living in an area with scarce employment opportunities and limited land resource. Migration in Nepal is a highly gendered process. Migrants are predominantly male. Women have the main responsibility for housekeeping and child rearing and are involved in agricultural work. Men are the main cash income earners and migrate in search of work. However, the number of women migrating on their own is increasing in Nepal (Sancharika Samuha & UNIFEM, 2003).

The first population census in Nepal was conducted in 1911. The result of the census from 1911 to 1942 was not published for public use. The census schedules of the 1911 census indicated no records on migration data. Migration data was collected for the very first time in the census of 1920 and 1930, and had recorded only male emigrants on the basis of employment outside the country in the form of (a) army service (b) other services like security guard, general labour, driver etc. later, the population census of 1952/54 had been launched in scientific manner to attempt study about migration. However, the studies had not completed. Micro level study was not at that period. The study referred migration for those who were stayed outside from the original place having more than six months. That study was limited and bounded in some village and district, which could not represent as a whole nation. Because of the scarcity of skilled manpower and various information and patterns of all streams of migration.

The census of 1952 – 54 recorded more than 157,000 Nepalese migrants workers in India. By 1991, the numbers had almost tripled to 589,000, according for more than 90 percent of entire force. However, a mid- 1980s report by PP Karan estimated anywhere from 1.8 to 3 million Nepali working in the public sector in India alone contributed US \$ 98 million in 1996. Although remittances from India have declined from 33 percent in 1996 to 23 percent in 2004, the still amounted to US \$ 161 million for 2003/04.

In 1971, the study of NEW ERA had the first time unified all statistic of international migration, later, published by NPC in 1984. That was the first modern research had been conducted about migration in Nepal. Due to the lack of comparable data for the analytical conclusion, it attempted only on interest in migration research.

The second comprehensive study was conducted in 1981 calculated a crude index of net migration rates from 1961 to 1971 and the study was surrounded on the statistic of migration, concerning between agriculture and income, resettlement project. That study could not have submitted the aspect of international migration. In the beginning of 1983, it was researched in 10 district of Terai and in Kathmandu valley for a comprehensive study. In that study, the data were collected on the base of questionnaires asked to 5651 households in the Terai and 2417 households in Kathmandu valley. It was the most important survey so far carried out n international migration in Nepal. In this study, the causes, impact, volume and characteristic of migration were included and the study examined both internal and external migration. Although, the studies had taken in 1983 by NPC but it had not included place of origin of the migrants. It indicated that ‘Pull’ factors of Terai are very important that Pull factors of hills. The magnitude and patterns between rural to rural and rural to urban migration has been shown in the study (Ale, 2004).

2.1.7 Size of Migrant Nepalese Workers

The number of people visiting abroad to look for foreign employment has been increasing annually due to the limited opportunities and existing conflict situation in the country. While, looking at the number of foreign migrants workers abroad, a complicated and confused picture arises because of the open Nepal-India border and proper lack of statistics. After the Nepal-British / India war of 1814 – 1815, the formal entrance of Nepalese citizens in foreign employment started, when 4,650 Nepalese were appointed to the British armed forces as a British-Gurkha regiment. In addition, a large number of Nepalese workers had migrated to India for employment in the tea estates of Darjeeling and forests of Assam by the second half of the 19th century (Singh, 2006).

Later on, Nepalese workers going to India for employment used to work not only as porters and gateman but also as the sex-workers. At present, the areas of foreign employment have been widened much more covering even the professional and skilled manpower in various countries. Although Nepal is one of the least developed countries, the pressure of the migrant workers from other countries is considerable. In addition to the large number of Indian migrants, migrant workers from Germany, Japan, China, Pakistan, The Philippines, Norway, England, Denmark, USA,

Bangladesh, Thailand, Russia, Holland, Australia, Switzerland, Malaysia, Italy, Kazakhstan, France, Ukraine etc are also working in Nepal (GEFONT, 1998).

According to GEFONT – Support Group in Japan, the total number of Nepalese is more than 5000 in Japan. Similarly, GEFONT Support Group in South Korea claims that there are more than 2000 Nepali migrant workers at present. Moreover, the FEONA-Hong Kong and GEFONT Support Group-Hong Kong estimate that the number of Nepalese workers exceeds 10,000 in Hong Kong alone. Informally it is estimated that Nepalese workers legally permitted to work 1200 in domestic service, 1000 in security works, 700 in hotels and restaurants and 500 in construction, but the number without permit may exceeds 5000 (GEFONT,1998).

In India, it is estimated that there are 6 million citizens of Nepalese origin. “Report on Internal and International Migration in Nepal” prepared by the National People’s Council in 1992 states that 274,968 Nepalese were in India in 1961. since then migration has increased. The All India Migrant Nepalese Association has asserted that 50 percent Nepalese in India are citizens of Nepal. In recent years, the move towards employment as agri-laborers in various Indian States, mainly in Punjab and Harayana is rapidly gaining ground. Therefore, when the total number of agri-laborers, service-workers, police and military personnel, porters, gateman and kanchha (hotel boys) working over India is taken into consideration, the claims of more than two million Nepalese in India may be a reasonable estimate. In this context, mention must also be made of the 1,530,000 Nepalese women engaged in the “Sex-Trade in Nepal: Realities and Challenges” by Gauri Pradhan (GEFONT). With the regard to the number of Nepalese sent abroad by foreign employment agencies, the statistical records of government agencies are wholly inadequate.

A glimpse at the official statistics for 2001 reveals that 3.3 percent (760,000) of Nepal’s total population (23 million) was absent from the country, the vast majority (89%) of this absent population being male. Since the 1980s the number of labour migrants overseas (i.e. outside South Asia) has increased significantly and accounts now officially for 22.4 per cent (HMG et al., 2002). The Gulf States and Malaysia are the most dynamic regions (see Table 2.2). According to latest 2001 census revealed that 762,181 lived abroad, which is about 77.6 percent of the total working population of the total 591,741 were in South Asia (mainly India) and 162,181 were in other

countries (14.5 percent in the Middle East). A recent estimate of Nepal Prabasi Sangh, A Nepalese Workers' Association in India, suggests that a total of 3 Million Nepalese workers are employed in India comprising both private and public sector. Recently it is estimated that in between 450,000 and 500,000 Nepalese are working only in various Countries in the Gulf. It is reported that daily on average 300 Nepalese are leaving the country for different destinations for foreign employment (www.labournepal.org).

Table 2.2: Number of Nepalese Living Abroad Per Region of Destination

Region of Destination	Number	Proportion
South Asia (India, Bangladesh, Bhutan, Pakistan, the Maldives & Sri Lanka)	591,741	77.6%
Middle East (Saudi Arabia, Qatar, United Arab Emirates, Kuwait, Bahrain)	110,826	14.5%
East/South-East Asia (Hong Kong, Malaysia, Japan, Singapore, South Korea, China, other Asian countries; Russia and other countries)	34,532	4.5%
Europe, America, Australia (United Kingdom, Germany, France, other European countries, United States, Canada, Mexico, Australia)	23,205	3.1%
Other	1,877	0.3%
Total	762,181	100%

Source: The Population Census, 2001

However, the 2001 official statistics show that 77 per cent of the total absent population goes to India. Migration to India is largely not documented due to the open border, which was officially recognized in the 1950 Treaty of Peace and Friendship between India and Nepal (Panday, 1999). Estimates of Nepalese working in India, therefore, range up to 3 million, which is six times more than official statistics state (HMG et al., 2002; Seddon et al., 2002; Thieme, interviews in Delhi with immigrant associations, March 2002).

Seddon et al. (2001), estimate that there are approximately 1.3 million Nepalese emigrants working in India. In India Nepalese immigrants, associations estimate the number of Nepalese as up to 3 million (Thieme, 2006). Following these estimations, the number of Nepalese in india would be about two to five times higher than official statistics show. For migration to Gulf States, official sources such as the national census speak of 110,000 migrants (HMG et al. 2002) in 2001 and the ministry of Labour and Trasport registered only slightly less than 104,000 migrants (Graner and

Gurung, 2003; Subedi, 2003). Estimates, however, suggests that between 200,000 and 400,000 persons are working in Gulf countries (Graner and Gurung, 2003). considering the estimations for India and the Gulf States, the percentages of the total population absent from Nepal would be between 6.5 and 14.7 percentage, compared to the officially recorded 3.3 percentage. Officially, the total value of international remittances was according to the NLSS 2003/04, 35.6 billion NRs. However informal remittance are estimate for 2001 between 40 and 42 billion NRs.

The number of foreign employment seeking Nepalese has been rising every year. Beside Malaysia and Korea, most of the workers are going to the Arabian countries to avail jobs. By the end of fiscal year 2004/05, the number of job seekers going for foreign employment with holding official permission had reached to 5,91,400. Including the additional foreign employment seekers 1,82,192 of fiscal year 2005/06 and 1,67,232 until April (Baisakh0 2006/07, the total number of officially permitted foreign employment seekers up to the date has reached to 9,70,824 (Economic Survey, 2007:78).

2.1.8 Official statistics on Labour Migration by MOLT

Official data on foreign labour migration represent annual number of Nepali workers who got final approval from government to go to overseas countries for employment. Official labour migration takes place in two distinct processes: through manpower export companies and individual contact. Workers intending to go abroad through manpower companies have to apply to manpower companies and get final approval from DOLEP and those going with individual (own) contact apply and get final approval from the Zonal Labour Office, Bagmati. During 2005/06 and 2006/07, about 10,000 workers have gone abroad on individual basis. Till now, 107 countries have been officially opened for foreign employment. Annual data on the number of Nepali workers who got final approval from government to go to overseas countries until mid-2007 are presented in Table 2.3(Adhikari; Suwal, 2007:24). Table 2.3 reveals that until mid2007 nearly one million (975,967) Nepali workers have gone abroad for employment through official channel.¹

¹This figure does not include those workers who went abroad with individual basis.

Table 2.3: Number of workers who Got Final Approval from Government to go to Overseas Countries

Year*	Number of Workers
Till 1993/94	3,605
1994/95	2,159
1995/96	2,134
1996/97	3,259
1997/98	7,745
1998/99	27,796
1999/00	35,543
2000/01	55,025
2001/02	104,736
2002/03	105,043
2003/04	106,660
2004/05	139,718
2005/06	177,709
2006/07	204,835
Total	975,967

*each calendar year refers to approximately mid-July.

Source: DOLEP Record, 2007

Table 2.3 reveals that until mid 2007 nearly one million (975,967) Nepali workers have gone abroad for employment through official channel. Official and people involved in manpower exporting business are of the beliefs that the same number of Nepali might have gone in foreign labour migration through unofficial channels (as undocumented migrants). In the initial years, official labour in migration was not very common. Annually some 2-8 thousands Nepali workers went to overseas through official channel during the 1993/94 to 1997/98 period. After that, it continuously increased and reached to 105,000 in the fiscal year 2001/02, which stabilized not exceeding 106,000 until 2003/04. thereafter, a sharp increase in the number of workers going overseas through official channel has been observed and it exceeded 200,000 in the year 2006/07. in the recent years (2006/07) about 600 Nepali workers are getting government approval daily to go overseas countries for employment.

2.1.9 Nepalese Female Migrants

The 2001 census recorded about 11 percent of the total migrants (including the migrants in India) are female. Accordingly, only 0.7 percent of the total females had been to foreign employment. A preliminary report of the study on female migration for foreign employment done by NIDS, 2004 for UNIFEM estimates female migrant workers to be around 30,000 (this figure excludes the female migrant workers in India). As per the data of 1997, women contributed about 11 percent of the total

remittance (6-7 billion)). Recently female migration to the Gulf, Malaysia, Singapore, and Korea is rapidly increasing following the demand for Nepalese women in the personal service sector (domestic helper), (Shrestha, 2006:414)

2.1.10 Choice of Destination Country

Though extensive study and research, it has been noted that the preference of Nepalese workers for their destination country are dependent on their socio-economic condition, education status, extent of access to information and their existing networks. For example, the poorer they are, the more likely they are to work in countries nearer home, such as India. Further, individuals often select the cities of destination based on the experience of people they know who have already migrated to the same location. The criteria for the choice of the destination are always a mixture of dreams, goals and the possibilities of an individual and his/her household member. Moreover, migrants select possible destinations based on the amount of investment needed. Only afterwards do they compare the investment costs needed to the expected earning levels (Wyss & Thieme: www.nccr-north-south.unibe.ch).

Above all, however, Nepalese workers given the choice and opportunity, gravitate towards destinations that offer the highest salaries.

Table 2.4: Choice of Destination Country by Socio-economic Status

Economic Group (From richest to poorest)	Choice of Destination Country
A	Australia, Canada, Hong Kong, Japan, United Kingdom, United States
B	Belgium, Germany, Switzerland
C	South Korea, Taiwan, Singapore, Maldives
D	Malaysia, Gulf Countries
E	India

Source: www.labournepal.org

For example, Nepalese workers opting to work in the gulf countries are found to be less educated and less wealthy (Group D) than those heading for North America, Europe or to Far East countries like Japan and South Korea (Group A). One reason could be the prohibitive costs in getting jobs and visas for those countries. Another could be that because they are less educated, these migrant workers have less confidence in their ability to adjust in North America, Europe and the Far East. Another could be the

lack of relevant information concerning job opportunities and the ways of gaining access to these better-paying countries. Still another could be the absence of reliable networks within their communities to provide them with the appropriate information or incentive to get there (Gurung:www.labournepal.org)

2.1.11 The Conditions of Nepalese Migrant Workers:

Various cases of intolerable sufferings of the Nepalese migrant workers have found abroad. It is a bitter reality that Nepalese workers are accepted in East and South Asia as well as gulf countries only because they are cheap and they do whatever job they get. Most of them are the uneducated male and female from middle and lower middle class families who go abroad with a hope to earn much within a short period. The large number among them works illegally. Nepalese, whether by training visa or by illegal measures, used to reach their destination countries after paying considerably huge amount to the middle man or the so called employment agencies. They have been generally forced to work under '3-D' (Dangerous, Difficult and Dirty) conditions (Thapa, 2064BS:51).

Women workers are the major sufferers among the Nepalese migrant workers. Thousand and thousand of Nepali women in India have been smuggled and sold for prostitution or forcibly used in sex trade by criminal groups that the government and the social movement could not eliminate in spite of constant efforts.

On the other hand, the pains and sufferings of those who entered Singapore and Malaysia without work permit are also horrifying. They have been put into jail and tortured in and inhumane manner. The so-called foreign employment agencies are fully responsible. In 1997, the Ministry of Labour / HMG had constituted a commission- "Commission for the Investigation of Irregularity in Foreign Employment" to unmask those agencies. Some of the exploitative agencies, leaving the Nepalese workers helpless on foreign territories after sucking the maximum amount, have also been tapped under government action, but still it is insufficient. In contrast, the condition of migrant workers in Nepal is not like that of Nepalese migrants abroad. Normally the migrants (except India) from other countries enter Nepal in especial mission under special project and they receive good respect, facilities and high-protection. Minimum wage in Nepal is at very low and insufficient. No third country migrant worker can survive on the prevalent minimum wage of

Nepal. But the large mass of Indian migrant workers is quite different. They displace Nepalese workers in our labour market. Mainly because of high unemployment in India, they enter Nepal and work whatever be the terms and condition. They do not care for the rights provided by labour Act and work under the wages less than the fixed minimum. They are especially centered in construction, garment, carpet tea estates, and other small industrial units and in seasonal agriculture in large number. They are working under exploitative conditions and at very low wages and are the 'job snatchers' for native workers (GEFONT: www.labournepal.org).

2.2 Remittances

“Poor countries can not earn decent revenues by exporting coffee and cocoa, so they export people instead”

According to the Anne Pettifor, director at the New Economics Foundation in London, the main source of revenue of the poor countries is not exports of goods and service but the export of people who earn the foreign exchange and send it as remittances to their countries (Pant, 2062:52).

Basically, remittances refers to foreign exchange, which is remitted by people who are living abroad to their home countries. The World Bank officially estimates that migrants from developing countries in developed countries sent home more than \$ 223 billion to their families in developing countries in 2005 – a figure more than twice the level of international aid.

Remittances are playing an increasingly larger role in the economy of many countries. Remittances contribute to economic growth and to the livelihoods of needy people (though generally not the poorest of the poor). As remittance receivers often have a higher propensity to own a bank account, remittances promote access to financial services for the sender and recipient, an essential aspect of leveraging remittance to promote economic development.

Remittances are not a new phenomenon in the world since several European countries such as Spain, Italy and Ireland have been heavily dependent on remittances received from their emigrants during the 19th and 20th century. In the case of Spain remittance amounted to the 21 percent of all of its current account income in 1946. all of those countries created policies on remittances developed after significant research efforts

in the field. For instance, Italy was the first country in the World to enact a law to protect remittances in 1901 while Spain was the first country to sign an international treaty (with Argentina in 1960) to lower the cost of the remittances received.

Journalist Rajendra Dahal first person who brought the issue of Nepali remittance into the public eye in 1997, around the same time as a British Department for International Development (DFID) – Supported project was being conducted on the effect of remittance in rural Nepal. This project was an offshoot of research done in 1996 on the rural economy of western Nepal, which showed an increasing reliance on remittance. Presented in 1998, the preliminary findings of the DFID research suggested that the actual volume and importance of remittance to the Nepali economy had been significantly under-estimated, a finding confirmed by subsequent research (Singh, 2006:75).

2.2.1 Remittance Flows: Magnitude and Direction

“World Bank report has listed Nepal as one of 20 top remittances recipient countries of the world. According to the report, Nepal’s remittance on fiscal year 2004/05 was US \$ 775 Million, which constituted 18 percent of the nation’s GDP.”(New Business Age) According to NRB, annual statistics reveal that total remittances income during the fiscal year 2004/05 earned over US \$ 922 Million from overseas workers – accounting for 12.4 percent of national GDP. Like wise, the fiscal year 2005/06 touched Rs. 97.54 Billion (US \$ 1.32 Billion) which is contributed on nation’s GDP by 17.5 percent.

IMF figures depict that developing countries receive more than US \$ 60 billion a year in remittance. That is US \$ 6 billion more than net official aid from OECD countries. Additionally, remittance have become the second largest capital flow behind For FDI and ahead of ODA to developing countries for example, in 2001, remittance represented 42 percent of total FDI flows and 200 percent of ODA, remittance flows have surpassed ODA since 1995. According to the World Bank, study overall remittance constituted 1.5 percent of GDP and 5.1 percent of imports to this group of countries in 2002. For developing countries, remittances are also relatively more important by contributing 66.2 percent of FDI inflows and 250 percent of Net Official Finance. In 2002, remittance larger than both official and private flows on 36 developing countries. The largest recipient of remittance is South Asia are India,

Pakistan and Bangladesh respectively. Sri Lanka lags on this pace and Nepal is still behind to that of Sri Lanka

While figures vary by sources and assumptions, most studies on the magnitude and direction of remittance flows usually arrive at two key observations, first, remittances are considered substantial and increasingly important sources of external finance that are growing not only nominally but also relatively in relation to other transfers to developing countries. Second, even though high-income countries remain the dominant sources of remittance, a non-negligible portion originate from developing countries. The World Bank estimated in 2005 put the official figure of remittances to developing countries at \$ 167 billion, a 73 percent increase from the 2001 figure of 72.3 billion. India topped the list in 2005 with a “spectacular” reported remittance flow increase of \$ 18 billion and is followed closely by China, Mexico and the Philippines. The World Bank highlights how remittances, more than doubled in the past decade with quantity of remittances going to developing countries doubling in the past five years. Even Sub-Saharan Africa, long at the bottom in terms of remittance receipts, officially registered almost US \$ 8.1 billion in remittances in 2005, a 72 percent increase from the 2001 figure of US \$ 4.7 billion in outward remittances in 2004. Saudi Arabia used to be the largest source of remittance payments in the world up until the mid-1990s, and it still is the largest source on a per capita basis. Germany, Belgium, and Switzerland are the other top sources cited by the World Bank. Not surprisingly, the US – Mexico corridor registered the largest sources of remittance flows. Other large flows originate in Saudi Arabia and go to Asian and Arab countries and from the United States to China, the Philippines, India and Vietnam. A good proportion of remittance flows also originate in developing countries. The World Bank notes that these so-called South - South remittance flows make up between 30 and 45 percent of total remittances received by developing countries. In fact, remittance flows to poor countries actually originate largely in the middle-income developing countries. China, Malaysia, and the Russian Federation, for example, are among the top 20 sources of remittances. This, according to Ratha, reflects the fact that over half of migrants from developing countries migrate to other developing countries. Other studies confirm this trend. Carling notes that about one-third of global remittances are estimated to flow between Asian countries with the world’s third largest flow of remittances going from Malaysia to Indonesia. African countries

also receive more remittances from elsewhere in Africa than they do from other continents. This is particularly true in Sub-Saharan Africa since the inflows from Europe and Asia are concentrated to North Africa. Carling particularly finds Côte d'Ivoire and Angola as important source of remittances, in addition to South Africa. Similarly, Fagen and Bump, looking into Latin America and Caribbean, noted that of the estimated US \$32 billion in total remittances in 2002, US \$1.5 billion were actually interregional. Another study of migration flows between Costa Rica and Nicaragua also suggests that about one-third of remittances received in Nicaragua are sent from Costa Rica (Agunias, www.migrationpolicy.org)

Regionally Latin America and the Caribbean have estimated to receive the lion share of remittances in normal Terms with US \$ 29.6 billion in 2003 followed by South Asia with US \$ 18.2 billion. Relative to GDP however South Asia was the largest recipient with remittance receipt amounting to 2.5 percent of GDP in 2002. Till 2000 India was the top country of the world that received highest remittances and Mexico, the Second. Since 2001, Mexico has outpaced all the developing countries. In 2002, Mexico received US \$ 11 billion followed by India at US \$ 8.4 billion. In 2005 Mexico is supposed to receive US \$ 13.2 billion and India US \$ 8.4 billion. Philippines is the third highest remittance-receiving developing country and received US \$ 7.4 billion in 2002 and is estimated to receive US \$ 8.0 billion in 2003.

The United States and the Saudi Arabia are the largest sources of workers remittances to developing countries with US \$ 31.4 billion and US \$ 15.9 billion payments of remittances respectively in 2002. The other top sources of remittance are Germany, Belgium and Switzerland. Until the mid 1990, Saudi Arabia was the largest sources of remittance paying countries in the world. Since, 1995, as economic activities have slowed remittances from Saudi Arabia have also stagnated. However, the remittances from the United States nearly doubled driven by the economic boom.

2.2.2 Transfer of Remittance Mechanism

Various scholars emphasized different money transfer mechanism to send monetary remittances. Remittances channels cover a wide spectrum, ranging from formal services such as banks, money transfer operators, currency bureaus and post offices to informal transfer service such as via bus drivers, couriers and unregistered money

transfer business (Judith van Doorn, www.ilo.org). Seddon finds three methods used to transfer remittances by remitter. They are:

- The hand carries system by means of the migrant or through friends of the migrant.
- Transfer through hundi
- Transfer using through banking channels (Seddon et. al, 2001).

The most common and simplest method of transportation have been found to carry money in cash by hand when returning to own country of migrant worker. Migrants may either carry their income money by themselves or give them to family member or friends with whom they work. Bringing money home oneself has different advantages. It is free of charge, no second trustworthy person is needed and it is the migrant's own responsibility to avoid fraud. Most migrants considered the risk of theft or aggression as low. These experiences are contrary to finding by Seddon et. al (2001). Seddon et. al based their results mainly on data of migrants returning from India by train or bus and found a high risk of loss or theft with the hand-carry system. It is possible that risk of theft are lower during air travel. Carrying the money home, the migrants can bring other goods along with television, video players, clothes, ornaments etc. as well.

Hundi is a very common for sending money from Asian States and it has many branches around the world. Hundi is an indigenous, informal banking and money transfer system, which has no legal status in most countries (Passas,1999: Wass, Thieme). It is especially important when migration is illegal, as hand carriage implies physically crossing borders. For migrants in Japan who can rarely migrate legally, hundi is the only transfer system used by them. An ILO study on remittances in Bangladesh revealed that ten out of 100 remittance-receiving families faced problems with the hundi system whereas 19 percent encountered problem with official transfer methods (Doorn). Migrants in Middle East countries, Hong Kong, Malaysia, Japan, South Korea, Taiwan and Western countries used hundi as well as hand carriage (Thieme and Wyss). There is no hundi connection between India and Nepal (See Table 3.6). Many migrants consider hundi quite risky and realize they have no defense or recourse in the case of fraud. However Thieme and Wyss argue that the biggest advantage of the hundi system is its speed; the family gets

the money within two to three days after dispatch from Europe and the money can be transferred at any time (Thieme and Wyss, www.nccr-north-south.unibe.ch).

It is interesting to note, however, that very few studies examine these channels very closely and with a particular country-based focus. In the case of LAC, Money-transfer Service Business (MSBS) such as Western Union and Money Gram are still widely popular, with 70 percent of senders reporting that they have used such firms. A study finds that Dominicans, Colombians, Guatemalans, Ecuadorians and Hondurans migrants in US senders rely on MSBS. Quite interestingly, Brazilians were found to be more likely to use the banking system relative to other Latin American groups. LAC migrants' heavy reliance on MSBS has clearly signaled the shift toward the use of formal channels. The Guatemala-US remittance corridor, for example, reveals that only 5 percent of remittances are transmitted through informal channels and a large portion goes through MSBS, particularly Western Union and King Express. A research done by 'Suro' notes that a sizable proportion 17 percent of remitters are still using informal means such as mail. Even more importantly only 11 percent of senders reported using banking processes. Interestingly, Suro further notes that even among those with bank accounts, relatively few use banks to send remittances. Indeed, a survey of 1,000 Latin American immigrants in the US conducted by the IDB produces roughly the same result. It finds that only 20 percent of Latinos in the US use the money-transfer service of banks or credit unions while an "astonishing" 29 percent remitted through the mail as well as through voluntary services of people traveling to the destination area (Agunias, www.migrationpolicy.org).

A research done by Stalker finds that workers may avoid banks because their transfers are extremely slow. In the Philippines bank transactions have been known to take up to 45 days, but the main reason is that when there is a wide divergence between the official and black market rates the banks usually offer a very unattractive rate of exchange which workers will, therefore, prefer to cash home or they can use "money couriers who take hard currency from the migrants overseas and give the equivalent in local currency to the migrant's family in the home country. Couriers can also be quicker and more efficient than the banking system. Since they often deliver to the countryside while banks normally only offer foreign exchange transactions in their city branches (Stalker, 2004)

The Japan-Latin America remittance corridor proved an exception. Unlike remittance transaction from the US, remittances from Japan is mainly sent through through banks via “account-to-account” transfers rather than “cash to cash”(Aguinas, www.migrationpolicy.org)

2.2.3 Remittance and Development

Remittances have the potential to create positive outcomes for the migration source area. Their scale is considerable, as can be seen when looking at the total amount of remittances compared to ODA. Moreover, remittance can contribute to reduce inequalities resulting especially from globalization, privatization. In most South Asian countries, migration and remittances are becoming so important that they have become a key focus in development planning. Many studies reveal a growing flow of remittances from urban to rural areas. The various studies from Latin America, West Africa, South Asia and elsewhere show that migration and remittance are also used to improve agricultural or land use system. Nevertheless, in general the largest part of the remittances income are used for consumption and household needs (food, clothing, health care, education etc). Investment in land livestock, agricultural inputs and in house construction and maintenance is also relatively common but secondary to daily needs. Still less is used for business investments, saving and loan repayments.

2.2.4 Uses of Remittances: Productive Verses Non-Productive

Research on the use of remittances shows that a large part of these funds are used for daily expenses such as food, clothing and health care. Funds are also spent on building or improving housing, buying land, cattle or durable consumer goods and the repayment of loans for migration. Generally, only small percentage of remittances is used for savings, education and productive investment. “for example, found that across Latin America, more than 80 percent of remittances recipients reported using money to cover basic costs. An even higher percentage relied on remittances for household necessities in Guatemala, El Salvador, Nicaragua, Cuba and Guyana. “ In particular between 9 and 10 percent of Colombian and Ecuadorian remittance receivers reported using remittances to enjoy. The study of Oaxaca, Mexico suggest that only about 8 percent of remittances are spent on business start-ups or investments while the rest went to daily and household and expenses. Similar patterns are also found among migrants throughout the world. Examples include Hansen’s study in Somaliland,

Seddon's review of South Asia and Banjoko's Survey in Africa. Recently, however, an increasing number of studies suggest that remittances have been increasingly used for investment purpose in developing countries, especially in low income countries. For example, Adams finds that in Guatemala, the majority of remittance earnings are not spent on consumption goods. At the mean level of expenditures, households without remittance spend 58.9 percent of their expenditure on consumption goods compared to 55.9 percent on the part of households receiving international remittances. A study done in urban Mexico found that almost one-fifth of the capital invested in micro enterprises was made possible by remittances from the United States. This percentage reaches 40 percent in states with a high number of immigrants to the United States. Similarly, a study of 13 Caribbean countries reveals that 1 percent increases in remittance inflows increases private investment by 0.6 percent (Agunias: www.migrationpolicy.org)

According to the survey conducted by the NRB in 2001, the remittances are mostly used for imported consumer goods, services and for the purchase or construction of house. Apart from investing in the real state, a small share is saved or invested in business, mainly in agricultural sector. These for, the impact of remittance in creating new jobs has been limited (Shrestha, 2006: 31).

A case study of Pumdi Bhumdi VDC of Kaski district is done by Lal Bahadur Ale also found some of the mostly used of remittances areas are' "To buy essential foods and maintain the houses expenses are the first priority of using remittances. Therefore, most of the households have used the remittance to maintain their livelihood. Besides this, they invest on the education of their children. Very few of them are have used for the creative works. Beautiful house is a common dream of migrants' workers of these villages. Therefore, they all have the future plan of building a new house in urban area". He also emphasized, "The remittance have resulted in the inflow of large amount of foreign countries into the country but so far it has not been mobilized for productive utilization and employment generation. Therefore, government should create suitable environment as well as policies that may encourage foreign migrant workers to invest their remittances in the productive works" (Ale, 2004)

CHAPTER-III

3. METHODOLOGY

3.1 Sample Design:

The study was conducted under Jhapa district, which covers 2 VDC and 1 Municipality: VDCs: Haldibari and Jalthal; Municipality: Bhadrapur. The sample of the study was selected on the basis of whose family member had gone abroad for working purpose.

3.2 Sources of Data:

The study was conducted under both primary as well as secondary data. In the context of secondary sources, available data like policy document, article, books, thesis, websites and efforts made in the past were reviewed. The study was obtained through Stakeholders, consultation and survey information different stages were synthesized to prepare action plan for exploring opportunities and challenges. Similarly, the study had followed Household Survey (HHS), Participatory Rural Appraisal (PRA) techniques for collecting the primary information.

3.3 The Sample Population

According to 2001 Census, the total population of Jhapa district is 688,109 and 19,786 persons were absent from the country. The sample study area covers 38,788 population which is accounted 5.6 percent out of the total population of the district. The study area covers 1 Municipality and 2 VDC, namely Bhadrapur, Haldibari and Jalthal respectively.

Table: 3.1 Total Population of the sample Area

Municipality/VDC	Male	Female	Total	Sample Population
Bhadrapur	9135	9012	18145	37
Haldibari	3738	3773	7511	37
Jalthal	6492	6640	13132	31
Jhapa*	341675	346434	688109	105

Source: The Population Census, 2001

*District

3.4 Questionnaire Design:

For the study, the structured questionnaire was developed on the basis of review of past literature and according to objectives of the study as well.

3.5 Field Operation:

Field work was conducted from July 24, 2007 to November last 2007, for the quality, not more than five interviews were taken in a day.

3.6 Data Processing:

The completed questionnaire was entered into the computer immediately after editing and coding. Computer software dBase IV was used for data entry. After cleaning data was transferred into SPSS Statistical software package for further processing and analysis. Frequency distribution and cross tables were the outputs of the analysis.

3.7 Analysis Techniques:

3.7.1 Frequency Distribution:

A display of the frequencies of scale is known as frequency distribution. Frequency distribution of data can be presented in tabular form. The table of the frequency distribution is known as frequency table. The number of information related to Caste, Religion, Occupation etc. were presented in frequency table.

3.7.2 Cross Tabulation:

Cross table generally represents the data of two or more variables in horizontal as well as vertical order. From this table we can compare data by cross matching its value. In this study, cross tables is used to clarify the research objects.

CHAPTER-IV

4. REMITTANCE ECONOMY OF NEPAL

4.1 Introduction

Nepal has received remittance NRs. 2.1218 billion in fiscal year 1990/91 to NRs. 97.546 billion in fiscal year 2005/06. This was increased by 37.78 percent annually. Within this time period remittances from India has recorded NRs. 96.87 million to NRs. 13 billion, which was increased by 23.67 percent annually. Like wise, from other countries have accounted 1.16 billion to 85.44 billion, which was increase by 48.23 percent annually.

The percentage share of remittance received from India alone has accounted 45.5 percent and 54.5 percent from other countries. The percentage share of remittance received from India has significantly decreased to 12.4 percent in fiscal year 2005/06. However, the percentage share or remittance from other countries have significantly increased to 87.6 percent in the same fiscal year.

Table 4.1: Inflows of Remittances from India and other countries (Rs. In Million)

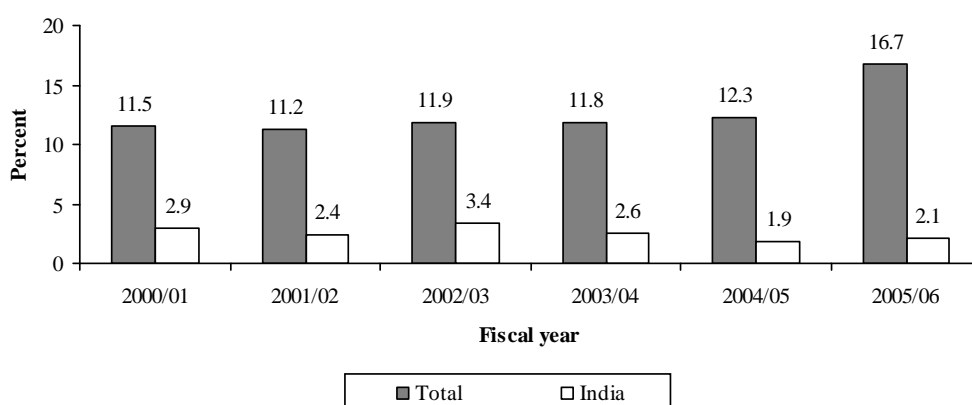
Fiscal Year	India	Growth Rate %	Other Countries	Growth Rate %	Total	Growth Rate %
1990/91	968.7	-	1159.6	-	2128.3	-
1991/92	1355.0	39.88	9161.5	-17.08	2316.5	8.84
1992/93	1585.3	17.00	1409.0	46.54	2994.3	29.26
1993/94	1317.8	-16.87	2151.3	52.68	3469.1	15.86
1994/95	1779.1	35.01	3284.5	52.68	5063.6	45.96
1995/96	1977.1	11.13	2306.5	-29.78	4283.6	-15.40
1996/97	1828.3	-7.53	3766.7	63.31	5595.0	30.61
1997/98	3057.0	67.20	3930.8	4.36	6987.8	24.89
1998/99	4469.9	46.22	5844.7	48.69	10314.6	47.61
1999/00	5136.2	14.91	7526.1	28.77	12662.3	22.76
2000/01	11795.7	129.66	35420.4	370.63	47216.1	272.89
2001/02	10328.0	-12.46	37210.1	5.05	47536.3	0.68
2002/03	15458.0	49.70	38745.3	4.13	54203.3	14.03
2003/04	12964.1	-16.13	45623.5	17.75	58587.6	8.09
2004/05	10181.3	-21.47	55359.9	21.34	65541.2	11.87
2005/06	1299.9	18.84	85436.3	54.33	97536.2	48.82
Average		23.67		48.23		37.75

Source: Nepal Rastra Bank (www.nrb.org.np)

4.2 Gross Domestic Product and Remittances

The ratio of total remittances on national GDP has recorded 11.5 percent in fiscal year 2000/01, which is significantly increased by 16.7 percent in the fiscal year 2005/06. However, within this period the share of remittances received from India has decreased to 2.9 percent to 2.1 percent.

Chart 4.1: Contribution of remittance on National GDP

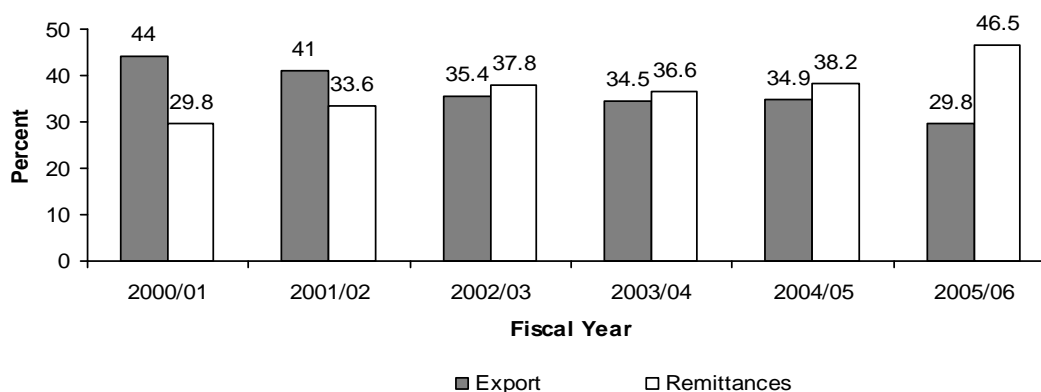


Source: Nepal Rastra Bank (www.nrb.org)

4.3 Contribution of Remittance and Exports on Earning Total Foreign Exchange

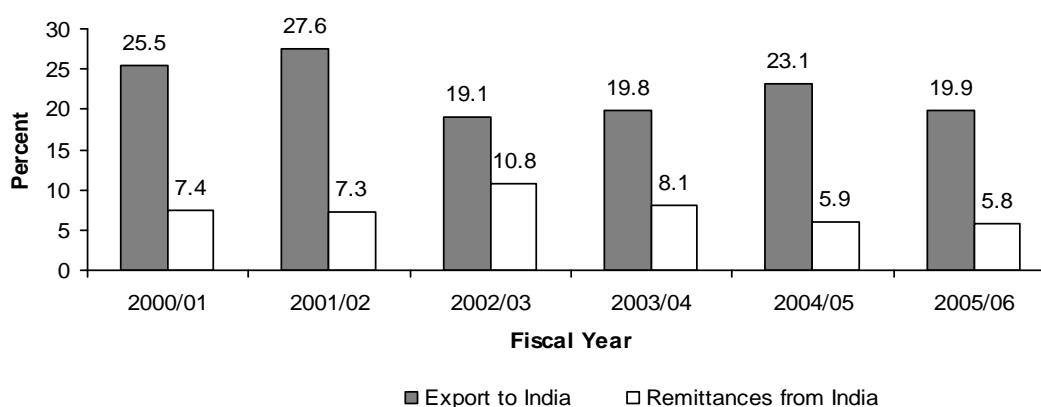
The percentage share of total remittance and total exports on earning total foreign exchange of Nepal has accounted 29.8 percent and 44.0 percent respectively in the fiscal year 2000/01, where as the share of total exports move down to 29.8 percent in the fiscal year 2005/06. However, the share of remittance on total earning foreign exchange has significantly increased to 46.5 percent in same fiscal year 2005/06. The reason for increasing ratio of remittances is that a large number of Nepalese worker go to abroad to work and remittance value increase itself as well.

Chart 4.2: The percentage share of total remittance and total exports on earnings total foreign exchange



Source: Nepal Rastra Bank (www.nrb.org.np)

Chart 4.3: The percentage share of remittance from India and total export to India on earning total foreign exchange



Source: Nepal Rastra Bank (www.nrb.org.np)

Total earning foreign exchange from India has accounted 25.5 percent on total exports and 7.4 percent on total remittances in the fiscal year 2000/01, likewise, 19.9 percent and 5.8 percent recorded on total exports and total remittance in fiscal year 2005/06 was recorded respectively. Even though, the increasing trend for going to India, the official remittance data from India show moving down figure, due to informal way of money transfer system used by them.

4.4 Comparative Study of Two Living Standard Survey (1995/96 & 2003/04)

Table 4.2: Summary Statistics of Two NLSS

Description	1995/96	2003/04
Percent of all household receiving remittances	23.4	31.9
Average amount of remittances per recipient household (nominal NRs.)	15,160	34,698
Share of remittances received by household from within Nepal	44.7	23.5
From India	32.9	23.2
From other countries	22.4	53.3
Share of remittance in total household income among recipients	26.6	35.4
Per capita remittance amount for all Nepal (nominal NRs.)	625	2,100
Total amount of remittance received (nominal NRs.)	12,957,840,907	46,365,466,726

Source: Nepal Living Standard Survey 2003/04 (www.npc.gov.np)

The proportion of household receiving remittances has increased from 23.4 percent in 1995/96 to 31.9 percent in 2003/04. Average amount of transfer earnings per recipient

household has more than doubled on nominal terms in the same period. Other significant change is in the share of these remittances by source. Within Nepal and from India accounted for more than 75 percent of these eight years ago. Now, those from other countries including the Gulf account for more than half of the share. For those households with positive remittance earnings, their share in total income has increased from 26.6 percent to 35.4 percent. Overall, total amount of remittance received has increased from about 13 billion NRs. to more than 46 billion NRs. in nominal terms, while per capita remittance for the entire country has more than tripled in nominal terms between two rounds of NLSS.

4.5 The Size and Number of Remittances Received by Households

Table 3.3 presents the number and size of remittances received by household. The proportion of households that receive remittance is 32 percent in Nepal, an increase from 23 percent in 1995/96. Rural areas have higher proportion of recipients relative to their urban counterparts. In particular, 40 percent of households in rural West mountains/Hills receive transfer in the form of remittance in Rs 34,698 (in current prices) per recipient household in 2003/04. Among development regions, the amount is the highest in the West (Rs. 45,805) and the lowest in the Far-west (Rs. 15,679). The difference between urban and rural is more than twice (Rs.68,981 versus Rs.29,530). The amount in Kathmandu valley urban is even higher (Rs.118,998). Disparity among consumption groups is very severe: Rs.13,906 for the poorest quintile per capita remittance – perhaps a better indicator for the whole population – stands at NRs. 2100. urban areas have double the size of rural areas but the strongest association is seen with the level of household consumption, the poorest consumption quintile receives one-eighth of what the richest quintile receives in per capita terms.

Table 4.3: Number and Size of Remittances Received by Households

	No. of HHs receiving remittance	Percent of HHs receiving remittance	No. of remittances received by HHs	Average No. of remittance among recipient HHs	Average amount of remittance among recipient HHs (Rs.)	Average capita remittance received (Rs.)
Development Region						
East	298	33.4	367	1.24	33,964	2,161
Central	358	25.3	458	1.29	38,046	1,774
West	307	40.0	374	1.22	45,805	3,817
Mid West	136	30.4	170	1.27	16,575	930
Far West	108	38.9	128	1.15	15,679	1,063
Ecological Zone						
Mountains	121	31.4	144	1.19	25,583	1,588
Hills	573	31.9	706	1.24	35,289	2,292
Tarai	513	32.1	647	1.25	35,533	2,012
Urban	297	25.4	371	1.26	68,981	3,637
Kath Valley	59	14.0	70	1.17	118,998	3,447
Other	238	31.7	301	1.28	56,807	3,742
Rural	910	33.2	1126	1.24	29,530	1,828
East Mts./ Hills	204	26.4	256	1.26	25,357	1,272
West Mts./ Hills	302	40.7	370	1.23	27,131	2,337
East Tarai	268	32.8	340	1.27	32,495	1,888
West Tarai	136	32.7	160	1.17	33,636	1,836
Consumption quintile						
Poorest	144	27.6	179	1.24	13,906	590
Second	165	26.9	199	1.21	21,820	969
Third	221	30.5	265	1.21	24,225	1,445
Fourth	307	40.3	398	1.30	31,683	2,560
Richest	370	32.3	456	1.23	65,514	4,938
Nepal	1207	31.9	1497	1.24	34,698	2,100

Source: NLSS, 2003/04 (www.npc.gov.np)

Table 4.4: Distribution of Number of Remittances Received by Sources: (In Percent)

	Internal Source		External Source				Other	
	Urban Nepal	Rural Nepal	India	Malaysia	KSA, Qatar UAE	Other Countries	Donor Agency	Total
Development Region								
East	22.8	29.2	21.6	6.0	17.1	3.4	0.0	100
Central	34.7	28.6	23.9	1.7	6.1	3.7	1.3	100
West	16.8	19.9	42.4	3.6	11.1	6.2	0.0	100
Mid West	11.1	24.4	59.5	2.0	2.5	0.0	0.5	100
Far West	13.4	21.1	62.9	1.6	0.0	0.0	1.0	100
Ecological Zone								
Mountains	39.7	24.0	20.8	8.3	6.0	1.4	0.0	100
Hills	21.4	24.5	37.8	2.9	7.4	5.4	0.6	100
Tarai	21.4	26.6	34.8	3.0	11.7	2.1	0.5	100
Urban								
Urban	31.8	28.7	16.2	3.8	6.1	13.1	0.3	100
Kathmandu Valley	28.5	33.4	4.3	2.3	4.0	25.7	1.8	100
Other	32.5	27.6	18.9	4.1	6.5	10.3	0.0	100
Rural								
Rural	21.3	25.0	38.1	3.3	9.8	2.1	0.5	100
East Mts./Hills	38.0	31.4	11.9	4.6	9.4	3.3	1.3	100
West Mts./Hills	13.0	18.1	57.0	3.1	5.9	3.0	0.0	100
East Tarai	21.5	26.9	33.3	2.9	14.9	0.9	0.3	100
West Tarai	15.6	26.3	44.5	2.7	8.7	1.3	1.0	100
Consumption Quintile								
Poorest	19.3	24.8	50.7	2.2	2.6	0.3	0.0	100
Second	18.6	23.3	43.3	3.3	11.3	0.2	0.0	100
Third	22.4	18.3	44.3	2.8	9.4	1.2	1.3	100
fourth	22.8	29.3	32.8	3.4	10.3	1.3	0.2	100
Richest	27.1	28.0	17.1	4.2	11.0	11.8	0.9	100
Nepal	22.7	25.5	35.2	3.3	9.3	3.5	0.5	100

Source: NLSS, 2003/04 (www.npc.gov.np)

Remittance flow from internal and external source as seen in table 3.4, majority of remittances come from within the country followed by India and other countries. The Far- West and the Mid-West have higher share from India.

Table 4.5: Number, Size and Share of Remittances Received by Sources

Source of remittance	No. of remittance received	Mean amount of remittances received (NRs.)	Total amount of remittance received (NRs)	Share of remittance amount received
Internal				
Urban Nepal	366	15,198	5,729,317,187	12.4
Rural Nepal	387	12,198	5,158,643,836	11.1
External				
India	480	18,414	10,758,001,369	23.2
Malaysia	52	80,830	4,457,737,567	9.6
KSA, Qatar & UAE	133	79,249	12,279,894,612	26.5
Other countries	72	134,971	7,942,793,581	17.1
Other				
Donor Agency	7	4,669	39,078,581	0.1
Nepal	1497	27,907	46,36,5466,726	100

Source: NLSS, 2003/04 (www.npc.gov.np)

Table summarizes number, size and share of remittances by source NLSS II estimates that the total amount of remittance in the country is NRs. 46 billion in nominal terms. India accounts for 23 percent, three Arab countries for 27 percent, other countries for 17 percent and internal sources for the remaining share. This is a large shift from eight years ago when internal sources and India accounted for more than three-fourth of the total amount.

Table 4.6: Distribution of Number of Remittances by Means of Transfer and Origin of Remittance

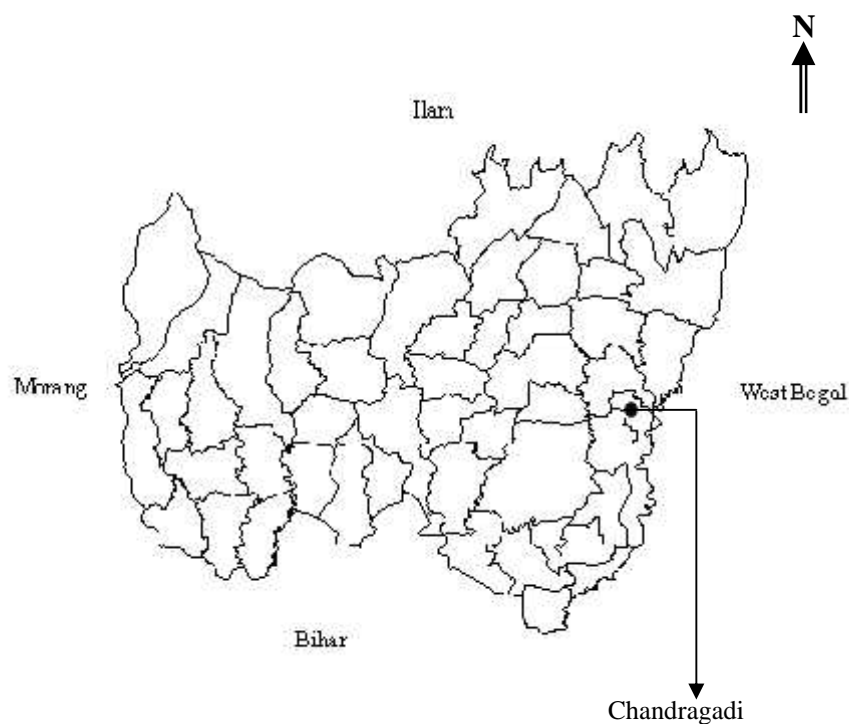
Source of Remittance	Banking channel	Means of Hundi	Transfer Person	Other	total
Urban Nepal	0.3	0.5	74.3	24.9	100
Rural Nepal	1.3	0.1	80.7	17.9	100
India	0.8	0.0	92.0	7.3	100
Malaysia	54.8	13.9	31.3	0.0	100
KSA, Qatar & UAE	25.9	8.8	60.5	4.8	100
Other countries	29.3	13.1	49.2	8.5	100
Donor Agency	10.5	0.0	42.3	47.2	100
Nepal	6.0	1.9	78.4	13.8	100

Source: NLSS, 2003/04 (www.cbs.gov.np)

Table 4.6 display the number of remittances by means of transfer and origin of the total remittances, 78 percent of remittances are transferred by person, 6 percent via banking process and 2 percent via hundi and 14 percent from other means. This pattern generally follows in most cases, except from Malaysia where majority of the remittances are sent through banking process i.e. 55 percent.

CHAPTER-V

5. LABOUR MIGRATION, REMITTANCES AND CONSUMPTION PATTERN



5.1.1 General Background of the Study Area

The study area Jhapa is a beautiful Terai district in the eastern part of Nepal with rich ethnicity, covers an area of 1,606 Sq. Km and stretching and 29 Km from east west. The district extends 26⁰20' and 26⁰50' north latitude and 87⁰39' and 88⁰12' east longitude. The district in the east and south is bordered by West Bengal and Bihar of Indian States and north and west part bordered by Ilam and Morang district respectively. The major cities of the district include Bhadrapur, Birtamode, Chandragadi, Damak, Dhulabari and Kakarvitta. The headquarter of Jhapa is Chandragadi whereas Kakarvitta is the easternmost border of Nepal. It is one of the most developed district as each and every villages are linked or joined to the main stream with good roads and proper modes of communication. There is an all-weather airport in Chandragadi, which links Jhapa with the capital Kathmandu. The 3 municipalities and 47 VDCs of this district lie in plain land as about 80 percent of the district is plain

whereas 20 percent is covered by fertile land. The deepest land of Nepal Kechana region falls under the district.

Jhapa is predominantly an agricultural district, but is also known for tea and other industrial sectors, such as garments and cement. According to 2001 census, 135 big industries were established in the district. Due to geographical factors the land around is suitable for the cultivation of paddy. The region is heavily influenced by the monsoon that emerges from the Bay of Bengal. Due to the influence and advantage of big Indian cities, Jhapa is emerging as one of the most developed district of Nepal. For instance, according to the census of 2001, the literacy is 67 percent, with only 5 others district having literacy rates than Jhapa. The basis factors behind the district's emerging as a major business markets rest on the wide scale cultivation of tea and 'Supari' (Nut). It has been a major source of earning incomes recently for the people of Jhapa.

A note worthy factor is that the farmers are largely dissatisfied as government rules, here has not taken any adequate steps forwards for the safeguarding of the interest of the farmers by opening door for foreign markers or by creating new avenues which are beneficiary to cultivators. In addition, Jhapa is ethnically rich with several indigenous groups like Dhimal, Gangai, Kisan, Meche, Rajbanshi, Santhal (Satar) and Tajpuria etc live in the district together with Brahmin, Kshetry, Gurung, Rai, Limbu, Newar, Tamang, Magar and others. (www.jhapaonline.com)

5.1.2 Box: Jhapa at a Glance (According to 2001 census)

<u>Geographical Location</u>	
▪ Latitude	26 ⁰ 20'--- 26 ⁰ 50'
▪ Longitude	87 ⁰ 39'--- 88 ⁰ 12'
<u>Topography</u>	
▪ Elevation	58m ---381m
▪ Climate	Sub-tropical
▪ No. of Constituencies	5
▪ No. of Ilaka	17
▪ No. of VDCs	47
▪ No. of Municipalities	3
▪ No. of Settlements	1934
▪ Total Population	688,109
▪ Female	346,434
▪ Male	341,675
▪ Population below 5 years	62,963
▪ No of Household	1, 37,301
▪ Average household size	5.01
▪ Population Density person/Sq Km	428
▪ Annual population growth rate	1.48%
▪ Urban population	16.15
▪ Male female ratio	98.63%
<u>Major portion of 5 different Caste</u>	
▪ Brahamin	25.07
▪ Kshetri	14.95
▪ Rajbanshi	9.17
▪ Limbu	5.93
▪ Rai	4.17
<u>Major Mother Tongue</u>	
▪ Nepali	57.70
▪ Rajbanshi	13.40
▪ Limbu	5.49
▪ Santhal	3.59
▪ Maithili	3.46
<u>Education (Literacy rate of 6 years or above)</u>	
▪ Total	67.1%
▪ Female	58.8%
▪ Male	75.6%
<u>Major occupation</u>	
▪ Agriculture	53.90%
▪ Non Agriculture	46.10%

Source: www.cbs.gov.np

5.1.3 Absentees Population from Jhapa District

According to 2001 census, the total population of Eastern Development Region is recorded 5,286,890 and 121,911 persons were absent from the country. District wise the study area Jhapa district is recorded 688,109 and 20,801 persons were absent from the country.

Table 5.1.1: Absentees Population from Eastern Development Region and Jhapa District

Country	Eastern Development Region			Jhapa District		
	Male	Female	Total	Male	Female	Total
India	60099	7239	67338	12551	1549	14100
Pakistan	93	14	107	16	1	17
Bangladesh	133	17	150	22	4	26
Bhutan	256	56	312	41	6	47
Sri Lanka	40	4	44	6	1	7
Maldives	128	2	130	18	0	18
China	166	59	225	33	11	44
Korea	447	37	484	44	6	50
Russia & others	108	18	126	17	2	19
Japan	299	59	358	36	10	46
Hong Kong	2743	1368	4111	228	134	362
Singapore	1034	254	1288	85	21	106
Malaysia	2540	22	2562	384	4	388
Saudi Arabia	22907	272	23179	2485	30	2515
Qatar	9186	70	9256	1199	9	1208
Kuwait	1165	292	1457	156	60	216
United Arab Emirates	4094	63	4157	760	7	767
Bahrain	1432	79	1511	131	10	141
Other Asian Countries	758	163	921	121	28	149
United Kingdom	1386	260	1646	127	30	157
Germany	238	32	170	41	7	48
France	33	7	40	6	0	6
Other European Countries	147	36	183	38	5	43
Australia	291	74	365	75	18	93
USA, Canada & Mexico	882	265	1147	129	48	177
Other Countries	465	69	534	42	9	51
Total	111080	10831	121911	18791	2010	20801

Source: The Population Census, 2001

Table 5.1.2: Remittances pattern of Eastern Development Region

No. of households receiving remittances	298
Percent of households receiving remittances	24.7
Share of remittances on income	34.1

Source: NLSS, 2003/04 (www.npc.gov.np)

The above table shows that the share of remittances on total households' income of Eastern Development Region. According to NLSS 2003/04, 24.7 percent households are receiving remittances. The contribution of remittances on total income of households contains 34.1 percent.

Table 5.1.3: Distribution of number of remittances received by sources in Eastern Development Region

Internal Source		External Source				Total
Urban Area	Rural Area	India	Malaysia	KSA, Qatar, UAE	Other Countries	
22.8	29.2	21.6	6.0	17.1	3.4	100

Source: NLSS, 2003/04 (www.npc.gov.np)

The above table shows that in internal source rural area have higher proportions of recipients relative to urban counterparts. In external source, KSA, Qatar and UAE have higher proportion by 17.1 percent relative to India, Malaysia and other countries.

5.2 Basis Characteristic of Sample population

The sample population area covers 1 Municipality and 2 VDC namely Bhadrapur, Haldibari and Jalthal. Basis characteristics of the general information as socio-economic and demographic information of Foreign Employees' households' characteristics are present in this chapter. They help to understand the individual background characteristic of the respondent.

Table 5.2.1: Total population of the sample area

Municipality/VDC	Male	Female	Total	Sample Population
Bhadrapur	9135	9012	18145	37
Haldibari	3738	3773	7511	37
Jalthal	6492	6640	13132	31
Jhapa*	341675	346434	688109	105

Source: The Population Census, 2001

*District

5.2.1 Distribution of Respondents' Households by Caste and Ethnicity

The study in the sample represents different ethnic groups such as Brahmin, Rai/Limbu, Newar etc. Among the total respondents, Brahmin/Kshetry ethnic group represented the highest number by 27.6 percent and the lowest number Gurung and Santhal are equally by 1.9 percent.

Table 5.2.2: Distribution of Respondents by Ethnicity:

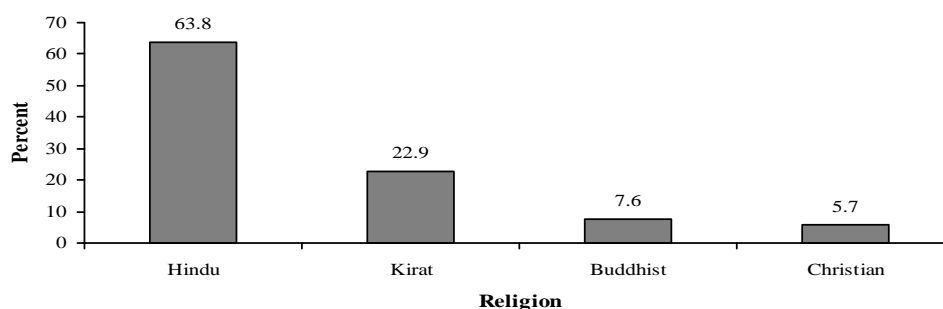
Caste/Ethnicity	Frequency	Percent
Brahmin/Kshetry	29	27.6
Rai/Limbu	24	22.9
Newar	16	15.2
Rajbanshi	13	12.4
Magar	9	8.6
Tamang	6	5.7
Dalit	4	3.8
Santhal	2	1.9
Gurung	2	1.9
Total	105	100

Sources : Field Survey. 2007

5.2.2 Respondents' Religion

Majority of the respondents are from Hindu, which accounts 63.8 percent followed by Kirat and Buddhist, which is accounted by 22.9, and 7.6 percent respectively. Among them, the lowest number is Christian accounted by 5.7 percent.

Chart 5.2.1: Distribution of Respondents' by Religion

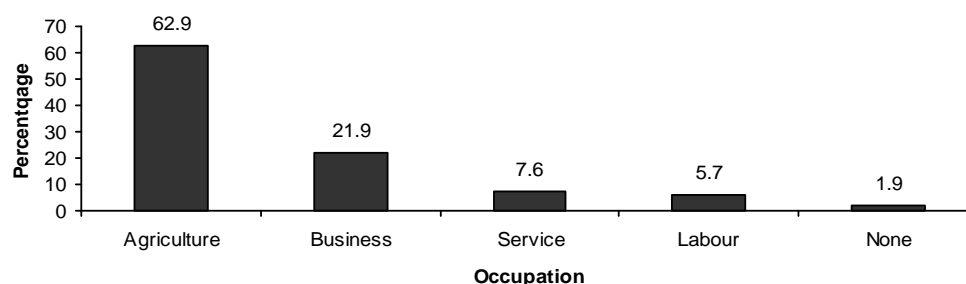


Source: Field Survey 2007

5.2.3 Occupation and Family Size

The major occupation of the respondent's family have been found in Agriculture by 62.9 percent and among them 52 respondent have sufficient production to feed whole family through out the year, 12 respondent have sufficient food for 8 months or below and only 2 respondents have to buy whole year even though engaged in agriculture. Among the respondents', family size have been found below 5 and above 8 have equally by 35.2 percent likewise, the study finds 6 to 7 family size by 35.2 percent.

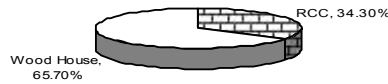
Chart 5.2.2: Distribution of Respondents' by occupation



Source: Field Survey, 2007

5.2.4 Types of Houses

Among the total houses built by respondents, 65.7 percent are found to be made of wood and 34.3 percent are RCC.



5.2.5 Alternative Income Sources Besides from Major Occupation

Besides major occupation, 41 percent of the respondents have different alternative income sources and remaining respondent do not. The study finds that, among the alternative sources the highest income generated through Business accounted 44.2 percent followed by Job/service, which is accounted 27.9 percent and remaining are labour, leasing house etc.

Table 5.2.3: Distribution of alternative income sources

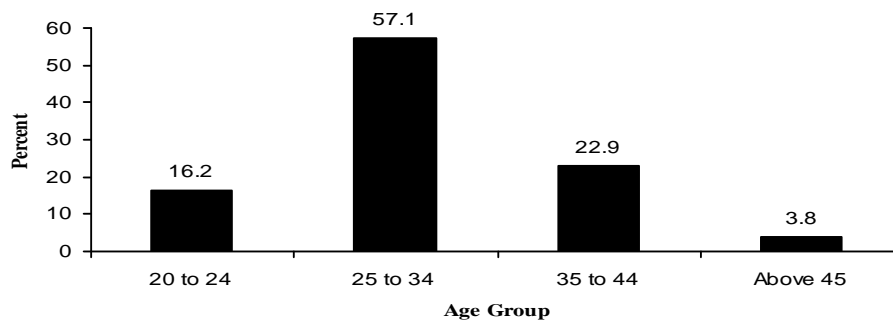
Income sources	Number	Percent
Business	19	44.2
Job/service	12	27.9
Labour	4	9.3
Leasing house	4	9.3
Trainer	2	4.7
Iron worker	2	4.7
Total	43	100.0

Source: Field Survey, 2007

5.3 Basis Characteristics of Labour Migration

The study have shown that, the majority of the migrants are male, which accounts 88.6 percent, 11.4 percent followed by female. The distribution of age have been found in between 20 to 45 years or above. Among them, the highest age group 25 to 32 years is found by 57.0 percent. This proves that the major portion of migrants number are youths.

Chart 5.3.1: The distribution of Age groups by migrants

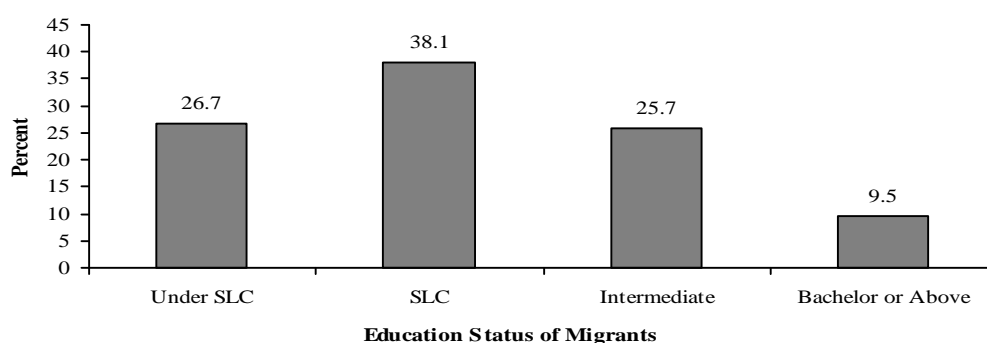


Source: Field Survey, 2007

5.3.1 Education Status of Migrants'

The education status of the migrants has shown quite satisfactory level. Among the respondent 26.7 percent are below SLC level, 38.1 percent are SLC level, 25.7 percent are Intermediate level and rest of them are Bachelor and above.

Chart 5.3.2: Distribution of education status by migrants'



Source: Field Survey, 2007

5.3.2 Major Destination Countries

The major destination of migrants is Malaysia, which accounts 25.7 percent. Like wise, Dubai and Saudi Arabia are accounted by 10.5 percent and 8.6 percent respectively.

Table 5.3.1: Distribution of migrants' destination countries

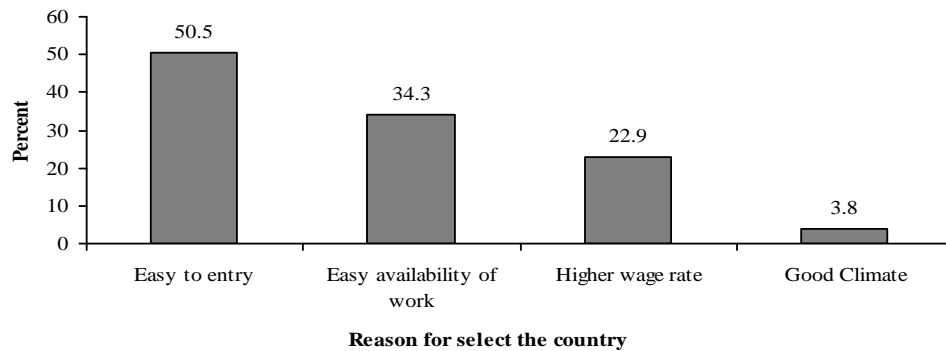
Countries	Frequency	Percent
Malaysia	27	25.7
Dubai	11	10.5
Saudi Arabia	9	8.6
India	8	7.6
UK	8	7.6
Hong Kong	8	7.6
UAE	6	5.7
Iraq	6	5.7
Qatar	4	3.8
South Korea	4	3.8
Belgium	2	1.9
Oman	2	1.9
Afghanistan	2	1.9
Kuwait	2	1.9
Japan	2	1.9
USA	2	1.9
Kirgyzstan	2	1.9
Total	105	100.0

Source: Field Survey, 2007

5.3.3 Reason for Selecting The Country and Migrating Process

The study finds that the reason for selecting the country is due to easy to entrance, which accounted 50.5 percent, like wise, easy availability of work, 34.3 percent, due to higher wage rate, 22.9 percent and due to good climate, 3.8 percent.

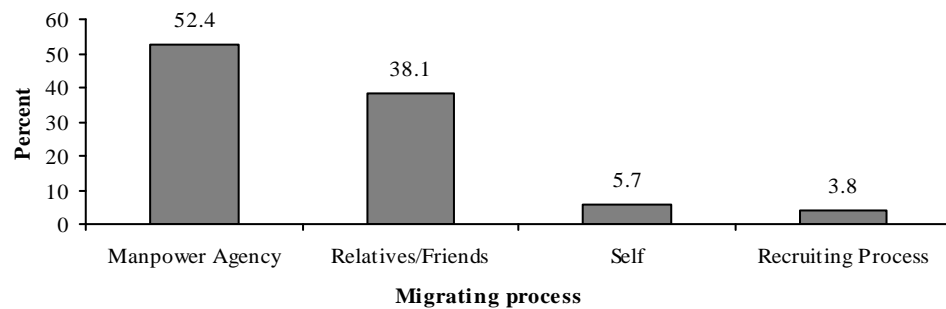
Chart 5.3.3: Distribution of reason for selecting the country



Source: Field Survey, 2007

The study have shown that, the majority of the migrants gone through Manpower agency, which accounts by 52.4 percent and rest of them are relatives/friends, self and recruiting process by 38.1, 5.7 and 3.8 percent respectively.

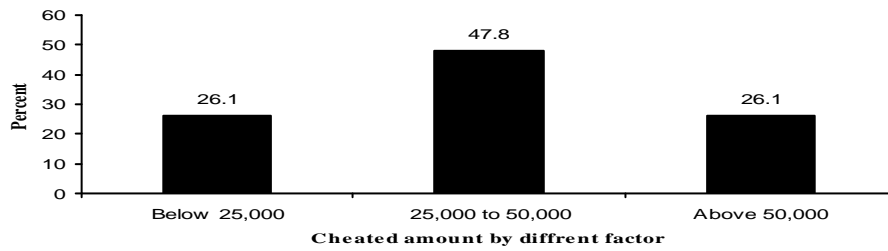
Chart 5.3.4: Distribution of migrating process



Source: Field Survey, 2007

The study finds that among the total migrants, 21.9 percent have been cheated by different factors on the process of going abroad. Among these factors, 43.5 percent migrants have been cheated by Manpower agency followed by 39.1 percent and 17.4 percent by friends/relatives and local broker/agents respectively. The study shows that the cheated amount ranges from Nrs. 20 thousand to Nrs. 1 Lakh

Chart 5.3.5: Distribution of cheated money by different factor



Source: Field Survey, 2007

5.3.4 Push and Pull factor

The study shows that reasons for abandoning the country is push and pull factors. Among the migrants 82.9 percent, people leave the country due to push factors. Whereas 17.1 percent people migrants due to pull factors. In push factors 67.8 percent people migrant due to unemployment. On the other hand, the reason for pull factor is 77.8 percent people migrate due to better employment opportunities.

Table 5.3.2: Distribution of Push and Pull factors

Push Factors			Pull Factors		
	Number	Percent		Number	percent
Unemployment	59	67.8	Better employment opportunities	14	77.8
Land pressure	32	36.8	Emigrant policy of destination country	2	11.1
Family pressure	28	32.2	High wage rate	2	11.1
Social impression	13	14.9	Facilities	2	11.1
Indebt	12	13.8			
Political instability	8	9.2			
Low economic status	4	4.6			
Others	14	16.1			
Total*	87	100.0	Total	18	100.0

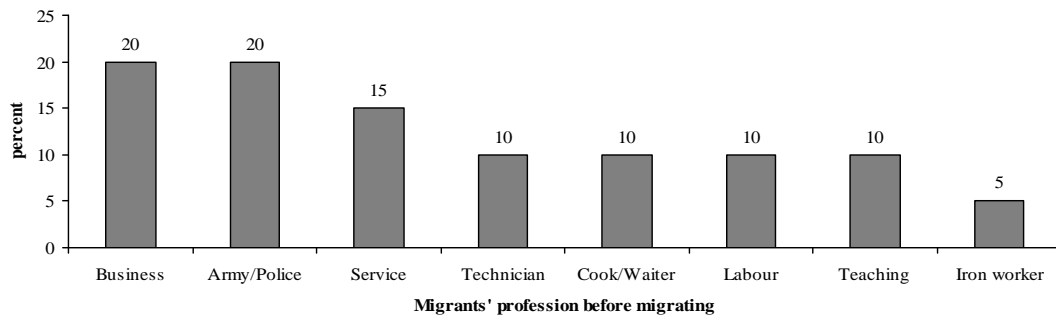
Source: Field Survey, 2007

*Because of multiple answers, the total seems more than 100.

5.3.5 Migrants' Waiting Period, Their Profession and Training before Migrating

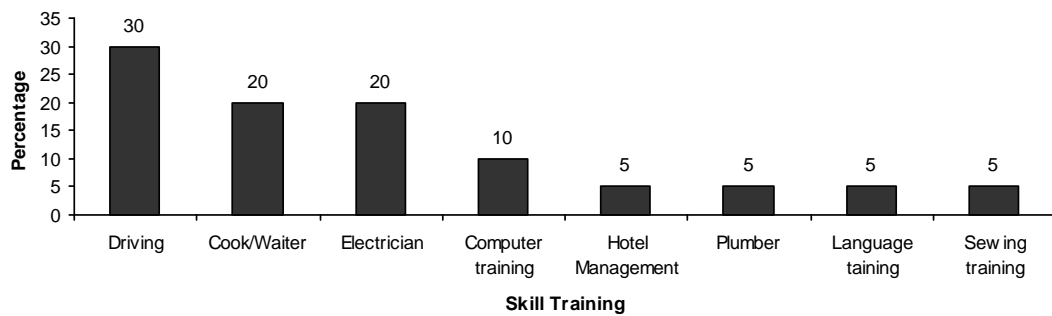
The majority of migrants get job immediately reaching abroad which accounts 78.1 percent, in spite of that, 21.9 percent are job less, which ranges in between 10 days to 3 months for being employed. Among the total migrants, 38.1 percent have engaged in different profession before going abroad. Among these profession Army/Police and Business are equally accounted by 20.0 percent (See Chart). The study shows that, among the migrants, 38.1 percent have taken different skill training before going abroad, in which most of them have taken driving training by 30.0 percent.

Chart 5.3.6: Distribution of migrants' profession before migrating



Source: Field Survey, 2007

Chart 5.3.7: Distribution of Skill training taken by migrant workers

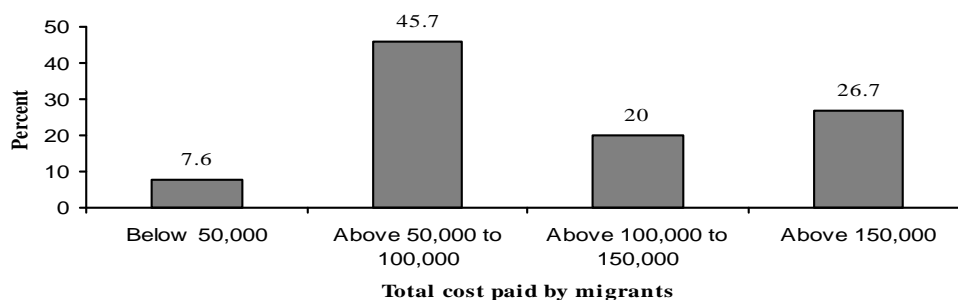


Source: Field Survey, 2007

5.3.6 The Total Cost for Going Abroad

The study shows that the total cost for going abroad ranges from Nrs. 5 thousand to Nrs. 7 lakh, in which, the majority 19.0 percent have paid Nrs 80 thousand for going abroad. Among the migrants, 48.6 percent have managed the amount by taking loan with interest for migrating. Similarly, 27.6 and 23.8 percent migrants have managed by self and borrowing with relatives/friends respectively. The study shows that among the migrants, 63.8 percent had gone to abroad at 1 time, 22.9 percent had gone at 2 times and rest had gone at 3 times or above.

Chart 5.3.8: Distribution of total cost paid by migrants:



Source: Field Survey, 2007

5.3.7 Profession of Nepalese Migrants Abroad

The study finds that, the majority of migrants' have engaged in Labour profession (24.8 Percent) followed by Storekeeper (18.1 percent), Cook/Waiter (11.4 Percent), House worker/Care Giver (7.6 Percent), Technician (7.6 Percent) and rest of the profession are Security Guard, Driver, Sales person, Army/Police, Security Guard, Office Boy, Painter, Carpenter, Scaffolder and others etc.(See Table 5.3.3).

Table 5.3.3: Distribution of Nepalese Migrants by Profession

Profession	Frequency	Percent
Labour	26	24.8
Store keeper	19	18.1
Cook/waiter	12	11.4
House worker/Care Giver	8	7.6
Technician	8	7.6
Driver	7	6.7
Army/police	4	3.8
Carpenter	4	3.8
Sales person	4	3.8
Scaffolder	4	3.8
Painter	3	2.9
Security Guard	2	1.9
Office boy	2	1.9
Others	2	1.9
Total	105	100.0

Source: Field Survey, 2007

Among the migrants, only 31.2 percent have got suitable job as per his/her skill or qualification. Therefore, this fact proves that still Nepalese migrants could not get better job as per his/her skill or qualification. The study also finds that most of the Nepalese migrants have satisfied with their profession, which account by 84.5 percent and their working period ranges from 8 hrs to 12 hrs or above per day. Most of them (42.9 percent) are working 8 hrs per day, 30.5 percent are working 10 hrs per day, rest of them are working 12 hrs or above per day. Among the migrants, 17.1 percent have involved in different trade union abroad. However, the study finds that out of 10.8 percent migrants left their previous job of different reason. Most of them are dissatisfied with job due to lower wage rate, which accounts 53.8 percent.

Chart 5.3.9: Distribution of Reasons for leaving Previous Job

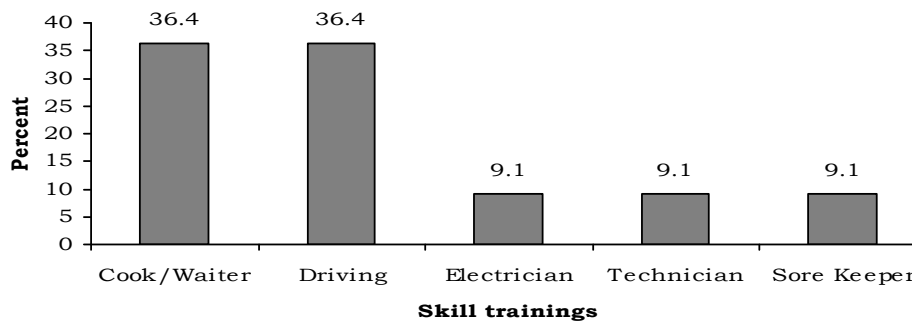


Source: Field Survey, 2007

5.3.8 Skill Promoting Training While in Abroad

The study also finds that, some of the migrants have been taken different skill enhancing training while in abroad. Very few migrants have a chance for taking different skill promoting training due to working pressure. Among the migrants, 21 percent have taken different skill promoting training. Among the training, driving and cook/waiter are equally found by 36.4 percent and rests are electrician, technician, storekeeper etc. The study shows that very few migrants are applying their skill after their return, that he/she learnt while working in abroad, which is accounted by only 2 percent. Among the migrants, who returned from abroad 60 percent are making plan to go back to the same country again and 44.4 percent are making plan to go other countries. Being asked, Is labour migration right or wrong to the respondent, the majority respondents, 63.3 percent have answered infavour of good. Likewise, 26.7 percent and 9.5 percent have answered neutral and negatively respectively.

Chart 5.3.10: Distribution of Skill Training taken by Nepalese Migrants in Abroad



Source: Field Survey, 2007

5.3.9 Major Changes of Respondents' Assets Before and After

The study finds that, among the total households, the majority 77.1 percent have changed their total asset level due to raised by overseas employment. Among the major changes, 66.7 percent of the migrants' have changed their property than before.

Table 5.3.4: Major changes

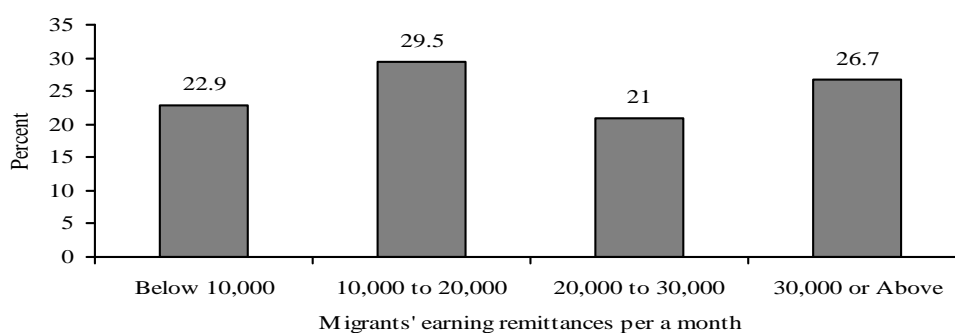
Before	After	Number	percent
Less property	Sufficient property	54	66.7
Normal house	Good house	17	21.0
Lack of land	Sufficient land	10	12.3
Total		81	100.0

Source: Field Survey, 2007

5.4 Basis Features of Remittances and Consumption Pattern

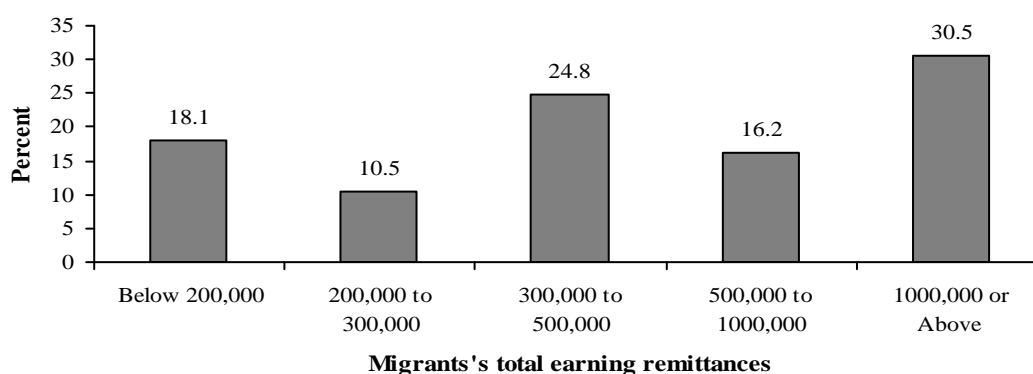
The study have shown that, the migrants' earning remittance ranges from Nrs. 7 thousand to Nrs. 2 lakh per month, in which, most of them 22.8 percent migrants are earning Nrs. 10,000 per month. The total earned remittances of the migrants' seem to be Nrs. 40,000 to Nrs. 180,00000. Among the respondent, the majority 84.8 percent are satisfied with their remittance income and rest of them are mostly dissatisfied due to low wage rate. Out of total earned income, 58.1 percent is used by family member, 26.7 percent by head of the family and rest of it by themselves.

Chart 5.4.1: Distribution of migrants' earning remittances per a month



Source: Field Survey, 2007

Chart 5.4.2: Distribution of total remittances received by respondents



Source: Field Survey, 2007

5.4.1 Spend and Consumption Pattern

The study shows that the trend of used remittances have been found in different multiple purposes like productive Vs. unproductive. Numerically, it is shown that 70.5 percent of them used the remittances in regular household expenditure. The study seems quite interesting that 60.0 percent of them also used the remittances for productive purpose such as in saving or investment.

Table 5.4.1: Percentage distribution by major used area of remittances

Used area	Number	Percentage
Regular household expenditure	74	70.5
Bank balance	42	40.0
Education	37	35.2
Health/medical treatment	30	28.6
Housing	30	28.6
Loan repayment	28	26.7
Buy vehicle	26	24.8
Buy land	22	21.0
Saving/Investment	63	60.0

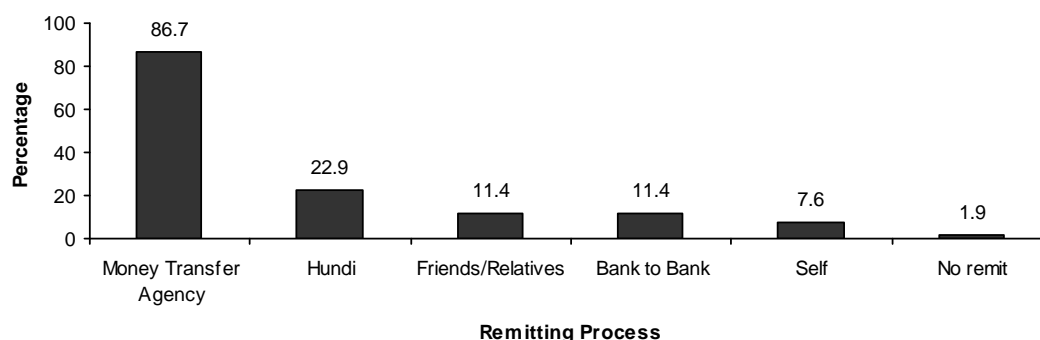
Source: Field Survey, 2007

*Note: Because of multiple answers, the total seems more than 100 percent.

5.4.2 Transfer of Remittances Mechanism

Bank account holder in abroad have been found only 5.7 percent. For remitting, the migrants have been used different (1 or more) channel. Such as formal channel (Banking process) to informal channel (Hundi). However, the study finds quite interesting figure that the majority of migrants 88.7 percent are remitting through the money transfer agency.

Chart 5.4.3: The distribution of different remitting process used by migrants



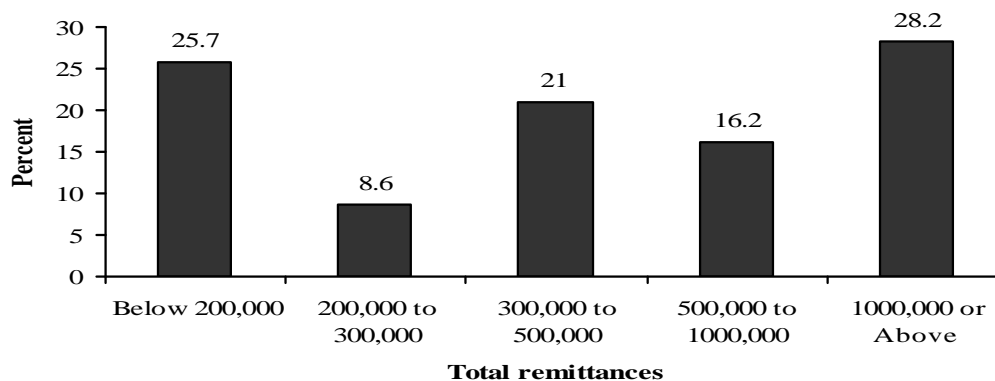
Source: Field Survey, 2007

* Note: Because of multiple answers, the total seems more than 100.

5.4.3 Total Remittances Received by Households

The study finds that the total remittances received by households through different remitting process seem to range from Nrs. 40 thousand to Nrs. 180 million. Within this range, the majority 10.5 percent households have received Nrs. 4 Lakh. However, group wise, Nrs. 10 lakh or above total remittances received by households have to seemed the highest by 28.2 percent.

Chart 5.4.4: Distribution of total remittances received by households



Source: Field Survey, 2007

5.4.4 Impact of Major Indicator on Household Economy

The impact of remittances on household economy has to seem risen. The study carried out in percentage is changed in major indicators, as compared to before overseas employment. Among the migrants, 50.5 percent of them have increased their land ownership than before as compared to 44.8 percent of the migrants. Among the loan

burden migrants, 76.2 percent of them reduced their debt as compared to 8.6 percent still under debt pressure. However, 15.2 percent of them are to free from loan burden totally. Among the total migrants, 18.1 percent of them have changed their major occupation after their return. The average income of the migrants' family seems quite satisfactory that 81.0 percent of them could increase their income level as compared to 19.0 percent. The expenditure on education has significantly increased as compared to 26.5 percent of respondent. The investment/saving level of the migrants seem quite satisfactory. Among the 60 percent could make saving in different sectors as compared to 19.0 percent of the migrants. The food/nutrition sufficiency of the respondent at ordinary level, 36.2 percent of them has increased their food/sufficiency than before as compared to 63.8 percent of the respondent.

Table 5.4.2: Distribution of major indicator by respondent

Indicator	Increased	Changed/ Decreased	No	Same/ No Change	Total
Land ownership	53(50.5%)		5(4.8%)	47(44.8%)	105(100%)
Loan burden		80(76.2%)	16(15.2%)	9(8.6%)	105(100%)
Major occupation of the family		19(18.1%)		86(81.9%)	105(100%)
Average income	85(81.0%)			20(19.0%)	105(100%)
Expenditure on education	73(69.5%)		4(3.8%)	28(26.5%)	105(100%)
Investment/saving	63(60.0%)		22(21.0%)	20(19.0%)	105(100%)
Food/Nutrition Sufficiency	38(36.2%)			67(63.8%)	105(100%)

Source: Field Survey, 2007

5.4.5 Improvements of Remittances:

The study considers not only the general information about migrants' remittances, consumption pattern. It also attempts to carry out some recommendation for better improvement of foreign employment and remittance for society or a nation as a whole. The study could find some suggestion, comments for improving that how to be manageable to foreign employment business. The study also was successful to hold different impact such as positive, negative, social as well as economic, that was raised by labour migration in our society and family.

5.4.6 Some Beneficial Sector for Utilizing Remittances

Being asked to the respondents on their opinion for utilizing remittance on the best or beneficial sector, in which they viewed on multiple sectors. Among them, the majority 32.4 percent preferred to utilize in business sector followed by others sectors such as buy land, bank balance, agriculture etc.

Table 5.4.3: Beneficial sector for utilizing remittance

Sector	Number	percentage
Business	34	32.4
Bank balance	11	10.5
Buy Land	23	21.9
Education	16	15.2
Service providing sector	16	15.2
Agriculture	8	7.6
Cottage industry	4	3.8
Housing	2	1.9
Hotel	2	1.9
Social activities	2	1.9
Productive work	11	10.5

Source: Field Survey, 2007

5.4.7 Guideline for Using Remittances

If remittances are used properly or invested in different productive sector, the outcome of remittances will lead to fruitful results. The studies under taken by NRB, CBS have shown that the inflows of remittances rate is increasing annually, even though, lack of proper utilization of them, the large part of remittances are wasting in purposeless areas. To recover from this fact, the study has attempted to carry out some suggestion for making fruitful outcomes of remittances to some extent. The respondent multiple viewed for suggesting on the topic. In which, the majority 23 number of respondent have viewed to utilize in proper way followed by 22 number of respondent, should have knowledge about investment process.

Table 5.4.4: Distribution of Suggestion by Respondents

Suggestion	Number	Percentage
Should utilize in proper way	23	21.9
Should have knowledge about investment	22	21.0
Bank balance	13	12.4
Should invest in business	10	9.5
Should be economy	14	13.3
Should in invest in industry sector	2	1.9
Should invest in education	9	8.6
Should invest in agriculture sector	2	1.9
Invest with knowledge that s/he gained from abroad	4	3.8
Should be economic use	16	15.2
Make habit of saving	6	5.7
Utilize/save social sector	2	1.9

Source: Field Survey, 2007

*Note: Because of multiple answers, the total seems more than 100 percent.

5.4.8 Impacts of Labour Migration

Labour migration not only directly react over to the remittances inflows, it also affects to the family as well as society or nation as a whole. In the course of the study, the respondents have multiple viewed on the topic. Of course, these impacts are a reflection of current situation of family or society that is being faced by them. In social impacts, 24.8 percent of them viewed to increase in imitation an activity that is raised by labour migration followed by 21.9 percent of them viewed to rise in prestige level. On the other hand, in economic impact 35.2 percent of respondents viewed to good economic status. Likewise, 13.3 of respondent viewed to increase in income level.

Table 5.4.5: Distribution of Social impacts by respondents

Social impacts	Number	percent
Increase in imitation	26	24.8
Rise of prestige	23	21.9
Increase in robbery rate	22	21.0
Women are going financially strong & rising status	12	11.4
Increase in social violence	10	9.5
Increase in security problem	10	9.5
Increase in prostitution	9	8.6
Violence over women	6	5.7
Decrease in male population	4	3.8
Up gradation of backward society	2	1.9
No change	2	1.9

Source: Field Survey, 2007

*Note: Because of multiple answers, the total seems more than 100 percent.

Table 5.4.6: Distribution of Economic Impacts by respondent

Economic Impacts	Number	percent
Good economic status	37	35.2
Increase in income level	14	13.3
Increase in investment level	11	10.5
High consumption rate	8	7.6
Financial status is growing	6	5.7
Women groups are going financially sound	6	5.7
Increase in habit of saving	4	3.8
Free from burden	4	3.8
Economic freedom	4	3.8
Rise in establishment of co-operative organization	2	1.9
Improvement in infrastructure	2	1.9
Better living standard	2	1.9
Could make fulfill basic needs	2	1.9
Able to Solve unemployment problem in some extent	2	1.9
No change	5	4.8

Source: Field Survey, 2007

*Note: Because of multiple answers, the total seems more than 100 percent.

5.4.9 Positive and Negative Impacts

In positive impacts, 32.4 percent of respondent have viewed to reduce unemployment problem in some extent followed by changing in level and consumption pattern by 21.9 percent. Like wise, in negative effect 59 percent of respondent have viewed to lack of manpower.

Table 5.4.7: Distribution of Positive Impacts by respondent

Positive Impacts	Number	Percent
Decrease unemployment rate	34	32.4
Changing income level and consumption pattern	23	21.9
Flourishing in living standard	10	9.5
Changed in skill	6	5.7
Women have chance for upgrading their status	6	5.7
Increase in foreign currency	4	3.8
No fear from a duel situation of country	4	3.8
Rising competitive feeling among neighborhood	4	3.8
Increasing different income sources	2	1.9
Flourishing status of back warding society	2	1.9
Flourishing women status	2	1.9
Incoming technical skill	2	1.9
Proper utilized of manpower	2	1.9
Gave opportunity for enhancing skill development	2	1.9
Increase in investment level	2	1.9
No answer	10	9.5

Source: Field Survey, 2007

*Note: Because of multiple answers, the total seems more than 100 percent.

Table 5.4.8: Distribution of Negative Impacts by respondent

Negative Impact	Number	percent
Lack of manpower	62	59.0
Increased in robbery and social violence	12	11.4
Rising imitation act by unmannerly	6	5.7
Migrating skilled manpower	4	3.8
Deficiency in local development activities	2	1.9
Rising discrimination problem	2	1.9
Feeling insecurity	2	1.9
Homesick problem	2	1.9
No answer	15	14.3

Source: Field Survey, 2007

5.4.10 Suggestion for Overseas Employment

In the course of study, the respondent has provided some suggestion/comments for improving overseas employment to make more effective than before. The objective of the study was itself to carry out effective suggestion/comments for improving

overseas employment process through the technique of field survey. In the study, 17.1 percent of respondents have suggested government/manpower agency should provide different training to unskilled worker before going overseas for employment.

Table 5.4.9: Suggestion/comments by respondent

	Number	percent
Govt/manpower company should provide training to unskilled manpower before going abroad	18	17.1
Government should control to illegal act doing by broker/agent	14	13.3
Employer should take technical skill before going abroad	10	9.5
Should manage good salary/establish good agreement between manpower company and employment company	8	7.6
Government should make favorable policy for foreign employment	6	5.7
Manpower company should advertise by transparently	6	5.7
Govt should also promote to dalit, janjati and women for foreign employment	6	5.7
Media should increase the advertisement rate	5	4.8
Should follow better way of medium of migrating & take reliable training as per his/her skill	4	3.8
Manpower company should not take more advantage from the employer	4	3.8
Govt/manpower company should search good destination in favour of Nepalese workers	4	3.8
Government should establish embassy where Nepalese worker are gone	4	3.8
Government should create suitable environment for women who wants to abroad	2	1.9
Government should formulate certain policy for enhancement of foreign employment business	2	1.9
Better to go through registered/well-known manpower agency	2	1.9
Government should control to illegal act for migrating process	2	1.9
Strict rules is required to control for undesirable cheating by agents/broker	2	1.9
Manpower company should provide relevant information to the employer	2	1.9
Government should create job oriented program against of migrating skilled manpower	2	1.9
Good insurance policy should be execute	2	1.9
Government should expand relevant information about foreign employment act to the local level	2	1.9
Stop cheating act doing by manpower company	2	1.9
Total respondent	105	100.0

Sourer: Field Survey, 2007

*Because of multiple answers the total seem more than 100 percent

CHAPTER-VI

6. CONCLUSION, MAJOR FINDINGS AND RECOMMENDATION

Overseas employment has not only helped the country in ever growing unemployment problem, it has also been injecting much needed foreign currency into economy to accomplish foreign exchange and investment gap thereby helping the country to avoid a major BOP crisis. Therefore, remittances are increasingly identified as a *golden egg* for contribution crucially foreign exchange earning of many developing countries around the world. Remittances are becoming important to the receiving countries at the micro and macro level. They increase both the income of the recipient and the foreign exchange reserve of the recipients' countries. Moreover, remittances can generate positive multiplier effect in output if they are consumed and contributed to economic growth by productively manner. At the micro level, remittances boost up the income level and reduce the poverty of the recipient's. At an individual level, the contribution of remittances is for the welfare and improvement of livelihood of the receiving household, in terms of to fulfill the basic necessities such as food and clothing or better education and health of children. However, the money spent on better education and health for children are believed to have a favorable effort on growth, which tends to help in output production. Rural household tend to consume more domestically produced goods and hence generate larger multiplier effect than urban counterparts. At the macro level, the remittances provide significant sources of foreign currency and contribute to the BOP. The use of remittances for flourishing financial imports, helps to increase national income. 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 employment opportunities.

In spite of these immense possibilities through overseas employment, still there exists some obstacle that the study has been carried out as following:

- Various cases of intolerable sufferings of the Nepalese migrant workers have been found especially in Malaysia and Gulf countries. They do not get job as per the contract made with Manpower Company. They also claim that the employment company does not pay attention to labour rights, trade union rights as well as low wage rate. Instead, the employment company forcibly engages them in dangerous work. Due to this, the labour has been either found mentally disturbed or physically jeopardized.
- Mostly Nepalese migrants face the communication gap due to foreign language. As well as they are also unaware about the law of that country.
- There is lack of establishment of institutional commencement for providing skill-enhancing training to unskilled manpower.
- The major destination countries of Nepalese migrants seem to be Malaysia and Gulf countries. They do not get adequate salary as per the contract made with the manpower company in comparison to Europe and America.
- The government of Nepal is still unable to identify the countries having high potentialities of importing labour.
- The government is still unable to execute any strong plan for proper utilization of unemployed skilled manpower. Rather they are tussling for the position of government.

To recover from these existing obstacles, the study recommends as following:

- Nepal government extremely needs to negotiate with foreign government or Employment Company with maximum in favour of Nepalese workers and clearly define the minimum requirements for migrating process.
- The government or manpower agency should broadcast Foreign Employment Agendas, Foreign Laws, Labour Rights, Trade Union Rights, etc. through different means of communication like radio, television, internet etc.
- Nepal government should establish Nepalese Embassy where Nepalese labor work and should effectively monitor over the activities of employing companies.

- Government and Manpower Company should provide opportunity to Dalit, Janjati and women for foreign employment. So that, these marginalized group can boost up economically.
- Government as well as Manpower Company should provide technical skill or training to unskilled Nepalese workers.
- Most of the Nepalese people have come from rural areas and of low income. Basically their way of surviving is agriculture. Being on the vicious circle of poverty, they are unable to afford for migrating process. Therefore, the government should make favorable policy to facilitate them by providing loan in minimum interest rate.

APPENDIX-I

Remittances, Gross Domestic Product, Total Export and Total Import of Annual Data

Fiscal Year	Total Remittances			Gross Domestic Product	Export to India	Import from India	Export to Other Countries	Import from Other Countries
	India	Other Countries	Total					
1990/91	9687	1159.6	2128	120370	1568	7352.3	5835.3	15903.4
1991/92	1355	961.5	2317	149487	1469.1	11292.5	12256.5	20694.5
1992/93	1585	1409	2994	171474	1641.6	12596.4	15644.8	26663.5
1993/94	1318	2151.3	3469	199272	2431.5	17093.3	16884.5	34535.4
1994/95	1779	3284.5	5064	219175	3165.4	19676.8	14514.9	44063.6
1995/96	1977	2306.5	4284	248913	3714.2	24514.9	16198.5	50055.9
1996/97	1828	3766.7	5595	280513	5252.8	24961.8	17410.3	68700.1
1997/98	3057	3930.8	6988	300845	8821.1	27482.8	18719.1	61671
1998/99	4470	5844.7	10315	342036	12547.1	32289.4	23145.6	55405.3
1999/00	5136	7526.1	12662	379488	21242.7	39779.6	28602	68844.8
2000/01	11696	35420.4	47216	411275	40403.0	55877.6	29385.5	70360.4
2001/02	10326	37210.1	47536	422807	39035.6	57641.7	18947.9	53700.3
2002/03	15458	38745.3	54203	456675	27330.6	71614.4	23430.1	89438.6
2003/04	12964	45623.5	58588	496745	31712.0	79743.6	23516.3	53166.3
2004/05	10181	55359.9	65541	533538	39666.2	90133.6	20289.9	55584.6
2005/06	12100	85436.3	37536	582948	41816.8	110818	20752.7	62073.4

Source: Nepal Rastra Bank (www.nrb.org.np)

APPENDIX-II

List of Licensed Money Transfer Companies

S.N.	Name of Company	Address
1.	Across Travels and Tours Pvt. Ltd.	Kantipath
2.	Annapurna Travel and Tours	Ghantaghar
3.	Best Choice Nepal Money Transfer	Sundhara
4.	C.G. Finco	Sanepa
5.	Crystal Worldwide Money Express	Sundhara
6.	Easy Link Pvt. Ltd.	Thamel
7.	Gate Way Money Transfer	Thamel
8.	Hulas Remittance Pvt. Ltd.	Ganabahal
9.	Incentive Tours and Travels	Lazimpat
10.	International Money Express Pvt. Ltd.	Kantipath
11.	Kathmandu Quick Money Transfer Pvt. Ltd.	Thamel
12.	Lalit Money Transfer Pvt. Ltd.	Jawalakhel
13.	Liberal Money Express Pvt. Ltd.	Thamel
14.	Muncha Money Transfer	New Road
15.	Nepal Express Transfer Pvt. Ltd.	Ghantaghar
16.	Nepal Remittance Pvt. Ltd.	Tripureshor
17.	Nepal worldwide Money Exchange	Kuleshor
18.	Prabhu Money Transfer Pvt. Ltd.	Ghantaghar
19.	Prabhu Travels Pvt. Ltd.	Ghantaghar
20.	Remittance Settlement Services Nepal Pvt. Ltd.	Teku
21.	Shiva Travels Pvt. Ltd.	Kamaladi
22.	Sita World Travels Pvt. Ltd.	Lal Darbar Marga
23.	Summit Services Nepal	Durbar Marg
24.	Thamel Dot Com Pvt. Ltd.	Lazimpat
25.	Union International Tours and Travels	Sundhara
26.	Unique Money Exchange	Thamel
27.	United Remit Pvt. Ltd.	Tindhara Pathsala
28.	World Link Financial Services Pvt. Ltd.	Kathmandu Plaza
29.	Worldwide tours and Travels	Thamel

Source: Nepal Rastra Bank Foreign Exchange Management Department
(www.nrb.org.np)

APPENDIX-III

Questionnaire

ID No.

<p>Questionnaire For Household Survey 2007 Central Department of Economics TRIBHUVAN UNIVERSITY (For the purpose of M.A. Thesis) Foreign Employment, Remittances and Pattern of Consumption A case study of Jhapa District</p>

Thesis/Research Supervisor: Dr. Chiranjibi Nepal
Researcher: Biman Shrestha

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

S.N	Question	Coding	Skip
A1	Caste/Ethnic	Specify.....	
A2	Religion	1. Hindu 2. Buddhist 3. Kirat 4. Christian Others (Specify).....	
A3	Occupation	1. Agriculture 2. Labour 3. Service 4. Business 5. Factory worker 6. Others (Specify).....	▶A6
A4	How many members are there in your family?	Total no. of members 1. Male 2. Female	
A5	Do you have sufficient production from farming to feed whole family throughout year?	1. Sufficient whole year 2. Sufficient for 8 months 3. Sufficient for 6 months 4. Sufficient for less than 6 months 5. Buying whole year	
A6	Types of house	1. Wood house 2. RCC 3. Others (Specify).....	
A7	Do you have any other alternative income besides from major occupation?	1. Yes 2. No	▶A8
A8	What type of income sources?	Specify.....	
A9	Living standard and others facilities before and after going foreign employment		
	Particular	Before	After
	Vehicle		
	TV, VCD, DVD, Music System		
	Furniture		
	Ornaments		
	Others (Specify).....		

Section B: Questionnaire Related to Labour Migration

C.N.	Question	Coding	skip
B1	Age	
B2	Sex	1. Male 2. Female	
B3	Academic Qualification	
B4	Which country have/has you/he/she family		

	member gone?	
B5	Why did you/he/she select that place?	1. Easy availability of work 2. Easy to entry 3. Higher wage rate Others (Specify).....	
B6	When did you/he/she go abroad?months ago	
B7	By which process did you/he/she go through for foreign employment?	1. Man Power Agency 2. Advertisement 3. Government Quota 4. Relatives/Friends 5. Self Others (Specify).....	
B8	Why did you/he/she go over there?	1. Push Factors → B9 2. Pull Factors → B10	
B9	Push Factors are	1. Land Pressure 2. Lack of opportunity 3. Unemployment 4. Political Conflict 5. Family Pressure 6. Indebt 7. Social Impression (Prestige) Others (Specify).....	
B10	Pull factors are	1. Better employment Others (Specify).....	
B11	How much did you/he/she pay for going foreign employment?	Rs.	
B12	How long have/has you/s/he been working there?	1. Months 2. Years	
B13	Did you/s/he get any job immediately after reaching there?	1. Yes 2. No → B14	
B14	How long did you/s/he waiting for?	1. days 2. Months	
B15	Did you/s/he have/has any job before going foreign employment?	1. Yes → B16 2. No	
B16	What kind of?	Specify.....	
B17	Did you/s/he have/has taken any training before going foreign employment?	1. Yes → B18 2. No	
B18	What kind of?	Specify.....	
B19	How do/does you/s/he do in abroad?	1. Labour 2. Technician 3. Store Keeper 4. Armed/Police forced 5. Security Guard 6. House worker/Care Giver 7. Cook/Waiter 8. Driver Others (Specify).....	
B20	Did you/s/he find suitable job as per your/his/her skill or qualification?	1. Yes 2. No	
B21	Do/does you/s/he satisfied with your/his/her job?	1. Yes 2. No	
B22	How long do/does you/s/he work at per day?	1. 8 hrs 2. 10 hrs 3. 12 hrs 4. More than 12 hrs	
B23	Did you/s/he involve in any part time job in abroad?	1. Yes → B24 2. No	
B24	What type of part time job?	1. Specify..... 2. Duration per day	
B25	If you/s/he had left any previous job, what were the reasons behind it?	1. Found better job 2. Dissatisfied with job 3. Lower wage rate 4. Conflict with employment Company Others (specify).....	
B26	Have/has you/s/he cheated in the process of going abroad?	1. Yes → B27 2. No	
B27	Who cheated you/s/he?	1. Man Power company	

		2. Local broker/Agent 3. Employment company 4. Friend/relatives 5. Others (Specify).....	
B28	How much money did you/s/he cheated?	Rs.....	
B29	Did you/s/he involve any Trade Union in abroad?	1. Yes 2. No	
B30	Did you/s/he take/takes any training in abroad?	1. Yes → 2. No	B31
B31	What type of training did you/s/he take/takes?	Specify.....	
B32	Are/is you/s/he applying any skill after returning that you/s/he knew in abroad?	1. Yes 2. No	
B33	How did you/s/he manage the amount for going abroad?	1. Self 2. Mortgaging of land 3. Taking loan with interest 4. Borrowing with relatives/friends Others (Specify).....	
B34	How many times did you/s/he go for foreign employment?	1. 1 time 2. 2 times 3. 3 times 4. More than 3 times	
B35	Do/does you/s/he want to go again for foreign employment after returning homeland?	1. Yes → 2. No	B36
B36	Which country do/does you/s/he want/wants to go again?	1. Same Country 2. Others Countries	
B37	In your opinion, is labour migration right or wrong?	1. Good 2. Bad 3. Neutral	
B38	Do you have any changes in your household assets after and before going foreign employment?	1. Yes → 2. No	B39
B39	What kinds of changes have occurred in your family?	1. Before..... 2. After.....	

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

S.N	Question	Coding	Skip
C1	How much remittance have you received per month? Per Month	
C2	How much remittance did you receive so far?	Rs.....	
C3	How much did you spend your remittance income?	Rs.....	
C4	How did you spend your remittance income for?	1. Regular household expenditure 2. Housing 3. education 4. Health/Medical Treatment 5. Loan repayment 6. Buy vehicle 7. Buy Land 8. Saving/Investment Others (Specify).....	
C5	Do you think have you invested your income on productive work?	1. Yes 2. No →	C6
C6	Why did not you have?	1. Lack of opportunity 2. Lack of market access 3. Lack of sufficient capital 4. Lack of knowledge about investment Others (Specify).....	
C7	Is there any pension holder in your family?	1. Yes → 2. No	C8
C8	Which country's?	1. Indian service 2. British service Others (Specify).....	

C9	How much do you receive as a pension income per month? Rs/per month	
C10	In which sector, do you utilize your pension?	1. Regular household expenditure 2. Saving/Investment 3. Children's education Others (Specify).....	
C11	Who is the person decide how the remittance income used?	1. Head of the family 2. Self 3. Family member 4. Friends/Relatives Others (Specify).....	
C12	Do you satisfy your remittance income?	1. Yes 2. No	→ C13
C13	Why?	Specify.....	
C14	How did you remit?	1. Banking Process 2. Money Transfer Agency 3. Hundi 4. Friends/relatives 5. Self Others (Specify).....	
C15	Do/does you/s/he got bank account in abroad?	1. Yes 2. No	
C16	How much did you/s/he remit via formal channel/money transfer/ hundi/friends or relatives/self/others ?	Rs.....	
C17	Which remitting process do you think more secure?	1. Banking Process 2. Money transfer 3. Hundi 4. friends/relatives 5. Self Others (Specify).....	
C18	Had you ever cheated by remitting process?	1. Yes 2. No	→ C19
C19	Which process had cheated you?	Specify.....	
C20	Did you have any changes in consumption pattern before and after going foreign employment?	1. Yes 2. No	
C21 Some economic indicator before and after overseas employment			
	Increased	Changed/Decreased	No
			Same/No change
Land ownership			
Loan burden			
Major occupation of the family			
Average income			
Expenditure on education			
Investment/saving			
Food/Nutrition Sufficiency			

C22. In your opinion, in which sector better for utilizing remittance income?
.....
.....
.....

C23. Do you have any suggestion for remittance income to make more productive?
.....
.....
.....

C24. Did you find any the positive or negative impacts by Labour migration in your village/Society?
Positive affects.....
.....
.....
.....
Negative affects.....
.....
.....

C25. Did you find any social and economic impacts occurred by labour migration on your family/society?

1. Social affects.....
.....
.....
2. Economic affects.....
.....
.....

C26. Do you have any suggestion or comment for foreign employment business to make more effective?

.....
.....
.....
.....

Lastly, thanks for providing your precious time and information on related questionnaire.

Name of respondent : -.....
Age : -.....
Address : -.....
Interview location : -.....
Date of interview : -.....

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