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# IMPACT OF FOREIGN LABOUR EMPLOYMENT ON MIGRANTS HOUSEHOLDS IN NEPAL

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#### **ABSTRACT**

This paper focused on Socio-economic and demographic factors impact of foreign labour migration on migrants households in Nepal. The data are based on three different manpower agencies of Lalitpur district. The important a demographic process of migration which is never ending process. It is a movement of people from one defined area to another during a certain interval time changed his/ her residence. The goals of this article are to determine the socio-demographic and economic state of foreign labor employments, as well as the influence of foreign labor employment on migrants' households. The descriptive and cross sectional research design are used and purposive sampling method is selected. The field survey was conducted on May 2021 to November 2021. The total respondents were 255 selected through purposively. Nearly one-third of respondents wish to go abroad labor job because of poverty, 23.5 percent because of unemployment, 29.4 percent because of poverty, and 23.5 percent because of unemployment. Finally, in both origin and destination countries, there is a lack of adequate information about the destination countries, poverty, unemployment, exploitation of manpower agencies or agents, disparity in wages before and after departure, working conditions and situation in the destination countries, language, environment, and work permit issues. Promoting migrant worker rights is a hot subject right now. Foreign labor migration sends enormous amounts of remittances to Nepal, yet they are unable to use them in productive industries. Foreign labor migration can be controlled by enacting appropriate government laws and programs.

**KEYWORDS:** Foreign labour migration, Impact, Household, Government and income.

#### INDRODUCTION

Migration is a important componeent of population changed and demographic process which is complex phenomenon and varies is nature. It is a movement of people from one specifc area to another during a given a certin time interval. According to the United Nations Multilingual Demographic Dictionary, migration is a sort of geographic or spatial mobility from one geographical unit to another that entails a permanent change of residence. International migration and domestic migration are the two types of migrations defined for demographic purposes. The former relates to crossing national borders. From the standpoint of the sending nation, it is referred to as emigration, while from the perspective of the receiving nation, it is referred to as immigration. Internal migration is defined as movement within a single country's boundaries (Shryock and Siegel, 1976).

From above literature, it is found that different scholars and writers have different views about labour migration and livelihood pattern. The above literature focused on the labour migration, its causes and consequence, livelihood strategies and pattern of ethnic groups. Most of the literatures are based on labour migration. Labour migration has proved to be an increasingly valuable asset in the Nepalese economy. Nepal has come to depend largely on foreign employment to absorb the large pool of unskilled and uneducated labourers (Kharel, 2005).

There has been some discussion about the possible benefits of talented and highly skilled workers emigrating. The "brain drain" represents a significant loss of human capital for developing nations, as well as social and economic implications. In the case of Nepal, there has been a continuous growth in the number of semi-skilled and unskilled employees travelling overseas in quest of job. Nepalese relocated in large numbers to South East Asia and the Far East beginning in the late 1980s. In the mid-1990s, the cynosure relocated to the Gulf nations and Malaysia. There has recently been an increase in persons migrating to Japan and the Republic of Korea after meeting language standards, among other things. Remittances were \$ 3.5 billion in 2010, with the proportion as a percentage of GDP standing at 22.9 in 2009 (DoFE, 2011).

According to a 2015 ILO survey, the prohibitions had minimal influence on the decision-making of the women who participated in the study. They believed that the "push factors" for migration exceeded the existing barriers. Economic need, a lack of opportunity in Nepal, and family violence were among the push reasons. There is widespread consensus that the restrictions may lead to an increase in the number of women migrating without work permits. Government policy should not be a "push factor" for irregular migration, and further study into the most effective strategies to protect female migrants is recommended. The MoLESS has begun conversations with the relevant Parliamentary Committee to remedy this issue. As a result of the debate, the Parliamentary Committee decided to open the re-entry permission for domestic employees.

Because of an increase in physical assaults on female migrants, the Nepalese government has imposed and lifted numerous limitations on women's movement. For example, in 2012, a temporary prohibition on women under the age of 30 travelling to the Gulf area was imposed, and this ban was extended to women of all ages in 2014. Despite the fact that the minimum age for migration was reduced to 24 in 2015, women's movement to most destinations still requires tight control (ILO, 2015). According to DoFE data, a total of 236,211 work permits were issued in fiscal year 2018/2019, with men obtaining the great majority (91.3%) and women receiving the remainder (8.7%). The total number of permits issued during this time period, broken down by country and migrant worker gender. According to data, the most prevalent destinations for Nepali migrant workers are Oatar, the United Arab Emirates, Saudi Arabia, Kuwait, and Malaysia, however this ranking may alter over time. Labor migrants flying to Oatar get around one-third (31.8%) of all visas, with the United Arab Emirates (26.6%), Saudi Arabia (19.6%), Kuwait (6.8%), and Malaysia (4.2%) following. In 2019, the most popular destinations were Qatar and the United Arab Emirates, accounting for 58% of all permits issued (DOFE, 2020). The bulk of them (91.3%) were given to men, with the remainder (8.7%) going to women.

The purpose of this study, "the socioeconomic and demographic impact of foreign labor migration in Nepal," was to assess the present government policies and programs governing international labor migration. The goal of this article is to emphasize the main challenges that international labor migrants face, as well as the socioeconomic and demographic impact of foreign labor in Nepal. This study aims to bridge the gap between the motivations for labor migration and the effects on their households.

#### **OBJECTIVES**

- To find out the socio-demographic and economic situation of foreign labour migrants.
- To find out impact of foreign labour employment on migrants households.

#### **METHODS**

It is based on a descriptive and cross-sectional research approach and focuses on individuals who desire to work in other countries and the impact on their families. Both primary and secondary data sources were employed, with primary data gathered through a direct interview schedule with those who are going to be foreign labor employees and those who have previously returned and wish to go again. The structured interview collects household sorts of information from the member of the home who has the most exposure and can provide all information properly. Individual questionnaires (mixed technique) are distributed to people who would be working as foreign laborers, based on their demographic and socioeconomic factors. As a result, the key concern is the nature of the data. As a result, this research is based on primary sources of data, with secondary sources of data gathered from related publications and journals, reports, and the manpower office. The semi-structured questions used to collect data. The data is gathered in accordance with the interview schedule. After editing and loading, the completed surveys are loaded into the computer. Finally, the data was computed using the most recently created SPSS application. The major result of the investigation is a frequency distribution and crosstable analysis.

# RESULTS AND DISCUSSIONS

# Socio- Demographic and economic Status of Respondents

### Age of Respondents

More than one-third (32 %) respondents are aged group 25-29 years, 28.2, 18.8 and 13.3 percent respondents are age group 20-28, 30-34 and 35-39 years respectively. Less than one percent respondents are age group 45 and above years.

# **Educational Status**

Almost 95 percent of those polled are literate, with the rest being illiterate. In other words, 94.5 percent of the time. The highest 28.2 percent of total respondents have completed secondary level education, 27.5 percent have completed primary education, 22.4 percent have completed lower secondary level education, 11.8 percent have completed intermediate education, and 1.6 percent have completed SLC, Bachelor, and master and above respectively.

# Caste/ Ethnicity and religion of households ( Present social composition in household)

The largest number i.e. 31.4 percent respondents are Chhetri caste, 25.5 percent respondents are Brahman, 24,3 percent respondents are Janajati, 7.1 percent respondents are Dalits, 2,7 percents are Madeshi and so on respectively. Majority of the respondents are Hindu i.e., 91.0 percent, followed by Buddhist (7.5 %), Christian (0.8%) and others are 0.8 percent.

#### Facilities in Households

Every day, water is required for a variety of functions. Without water, life is impossible. Water comes from a variety of sources on Earth, including the ocean, river, well, spring, stream, pond, and snow. Humans utilize

several sources of water for their fundamental requirements such as drinking, cooking, and washing, depending on access and availability. Pure, germ-free water is essential for good health.

**Table 1: Facilities of Drinking Water.** 

Source of Drinking Water	Number	Percent
Pipe Water Supply	123	48.2
Well/Pond	73	28.6
Others	69	22.9
Types of Toilet		
Flush Toilet	7	2.7
Pit toilet	115	45.1
others (Composting toilet, Bucket Toilet and No Facility/ Bush/Field)	133	52.1
Own Land		
Yes	250	98.0
No	5	2.0
Sufficient food (12 month)		
Yes	150	60
No	150	40
Cooking Fuel		
LP Gas	30	11.9
Wood	123	49.3
Others( LP.GAS, wood, Wood and Animal dung)	102	40.1
Total	255	100.0

The sources of drinking water are mainly of two types: one is Piped/ Dhara water and others. About 48.2 percent respondents use piped water for drinking and 28.6 percent use Well's / pond water (Kuwa's water), 16.1 percent respondents household use piped and well water.

Around 3 percent households have modern (flush) type of toilet and 45.1 percent of households have Pit toilet, 29.0 percent household have bamboo, mud and stone toilet, 10.2 have bucket toilet and 12.9 percent households have no toilet facilities, they use bush and field.

Nepal is an agricultural country, with 66 percent of the population employed in agriculture (CBS, 2001). The size of land holding also represents the level of economic status of people (CBS, 1994). Most of respondent's have land, 98.0 percent respondents have own land and 2.0 percent respondents have no land and out of the total land holding respondents, only 60 percent

respondents have sufficient food for 12 months and 40 percent respondents do not have sufficient food for 12 months, which is forced to push for the foreign labour migration.

More than 49 percent respondents are using wood and for cooking and only 32.2 are using both Gas and wood for cooking, 11.9 percent respondents house use LP Gas only, 7.9 percent use wood and animal dung for cooking food. The data are the last census 2011, which is 64 percent household are using wood for cooking.

## **Job Categories in Destination Countries**

What sorts of occupations did the foreign labor migrants do in the host nation are referred to as job categories. Every Nepalese worker is not competent, educated, or trained. As a result, the majority of men work in construction and manufacturing labor, while the majority of women work in housework. The following table shows the various employment kinds of foreign labor migrants.

Table 2: Percentage Distribution of Foreign Labor Migration By Job Type In Destination.

Job for Apply	In-door		Out-door		Both	Types	Total	
Job for Apply	N	P	N	P	N	P	N	P
Agriculture	ı	-	9	3.6	2	.8	11	4.3
Factory/ Labour	92	36.1	-	-	2	.8	94	36.9
Hotel/Restaurant	37	14.5	-	-	-	i	37	14.5
Constructions	9	3.3	15	5.9	24	9.4	47	18.8
Driving	-	-	4	1.6	-	-	4	1.6
Security Grads	33	13.0	-	-	-	-	33	12.9

Others	24	9.4	4	1.6	-	-	28	11.0
Total	205	82.3	20	17.7	30	11.8	255	100.0

The highest i.e. 36.9 percent respondents for job factory labour in host countries, 18.8 percent respondents for job constructions in host countries, 14.5 percent respondents for job Hotel/ Restaurants, 12.9 percent respondents for job Security Grads, 4.3 percent respondents for job agriculture and only 1.6 percents respondents for job in Driving respectively.

# **Causes of Foreign Labour Migration**

The cause of foreign labour employment means those factors which are compelled to leave their home for foreign labour employment. People tend to move one place to another due to various reasons in different modes of their lives. Their age, sex and marital status, poverty, unemployment and unproductive education are the causes of foreign labour employment.

Table 3: Foreign Labor Migration Percentage Distribution by Causes of Foreign Labor Migration.

		Se	Total			
Reason	]	Male	F	emale		
	No.	Percent	No.	Percent	No.	Percent
Unemployment	53	20.8	7	2,7	60	23.5
Due to Debt	47	18.4	6	2.4	53	20.8
To Increase household Income	18	7.1	1	0.4	19	7.5
Poverty	72	28.8	3	1.2	75	29.4
Friend Suggestion	5	2.0	0	-	5	2.0
To support child education	38	14.9	5	2.0	43	16.9
Total	233	91.4	22	8.6	255	100.0

The majority of respondents, 29.4 percent, wish to work in foreign countries due to poverty, 23.5 percent due to unemployment, and 20.8 percent due to debt, 16.9 percent because of child education, 7.5 percent because of an increase in household income, and 2.0 percent because of a friend's recommendation, respectively.

#### Migrants' Destination Country

The destination country is the country where labor migrants go to work as foreign workers. The desire of people to choose a place for foreign labor employment varies from person to person. Their expertise, ability, and information are critical in determining the destination country. Out of 37.3 percent want to visit Malaysia, 25.5 percent want to visit Saudi Arabia, 19.2 percent want to visit the UAE, and 12.9 percent want to visit Qatar, 1.2 percent want to visit Kuwait, while 3.9 percent want to visit other countries such as Omen, Bahrain, and others.

# Face Problems FLM's House

More than 92 percent respondent's responses have no problem after they go for foreign labour migration and only 7.8 percent respondent's responses is increase in

problems. Out of the occurring problems, 40 percent respondents say lack of labour farming, 40 percent respondents say problem for child care and child education and 20 percent respondents say problems for household work.

# **Satisfaction of Foreign Labour Migration**

Satisfaction is most important of the human health and the highest i.e. 86. 3 percent respondents are satisfied for foreign labour migration and only 13.7 percent respondents are not satisfied for foreign labour migration. The reasons were not satisfied, 48.6 percent respondent's reasons are fear of ruined family, 22.9 percent respondent's reasons are became sick, 17.1 percent respondent's reasons could not earn enough money and only 11.4 percent respondent's reasons are others respectively.

# **Job Categories in Destination Countries**

What sorts of occupations did the foreign labor migrants do in the host nation are referred to as job categories. Because the majority of Nepalese workers are unskilled and illiterate, they are employed in construction and manufacturing labor.

Table 4: Percentage distribution of foreign labor migration in destination countries by job type.

Countries	T	ypes jo	Total						
Countries	Ind	loor	Out	door	В	oth	1 Otal		
	N	N P		P	N P		N	P	
Agriculture	-	-	5	3.5	-	-	5	3.1	
Factory Labour	55	33.7	-	-	2	1.2	57	35.0	
Hotal/Restaurant	23	14.1	-	-	-	-	23	14.1	
Constructions	8	4.9	7	4.3	14	8.6	29	17.8	
Driving	-	-	4	2.5	-	ı	4	2.5	

Security	23	14.1	-	-	-	-	23	14.1
Others	18	11.0	2	1.2	2	1.2	20	13.5
Total	127	77.9	18	11.0	18	11.0	163	100.0

Manufacturing labor employs the greatest share of returning migrants (35%), followed by 17.8 percent in construction, 14.1 percent in hotels/restaurants and security guards, 3.1 percent in agriculture, and 13.5 percent in other sectors.

# month. The vast majority of foreign labor migrants are unskilled and have little education. As a result, the monthly salary is not larger than that of the others. Foreign labor migrants typically migrate to different areas where they may earn a higher wage. The following table shows the monthly pay:

# Salary per month

The monthly income earned by foreign labor migrants in the overseas labor market is referred to as salary per

Table 5: Percentage distribution of international worker migration by monthly pay.

		Income									
Countries	<2	0000	20000-25000		2500	1-30000	30001 a	nd above	Total		
	N	P	N	P	N	P	N	P	N	P	
India	1	.6	-	-	-	-	-	-	1	.6	
Malaysia	24	14.7	22	13.5	7	4.3	4	2.5	57	35.0	
Qatar	11	6.7	23	14.1	9	5.5	4	2.5	47	28.8	
UAE	4	2.5	7	4.3	5	3.1	2	1.2	18	11.0	
Saudi Arabia	8	4.9	17	10.4	6	3.7	5	3.1	36	22.1	
Kuwait	-	-	1	.6	-	-	1	.6	2	1.2	
Others	-	-	1	.6	1	.6	-	-	2	1.2	
Total	48	29.4	71	43. 6	28	17.2	16	9.8	163	100.0	

Out of total, 43.6 percent of foreign labor returned migrants earned NRs. 20,000-25,000 per month, followed by 29.4 percent who earned 20,000 per month, 17.2 percent who made 25,000-30,000 per month, and just 9.8 percent who earned 30,000 or more per month.

refers to the transfer of a portion of a migrant's wages from the place of origin to the place of departure. Remittances are frequently limited to monetary and other contributions sent by migrants to family. The investment sector of earned money is the sector in which earned money is spent.

#### **Utilization of Remittance**

Foreign remittances to Nepal have increased dramatically during the previous decade. Remittance

Table 6: Foreign Labor Migration as a Percentage of Earned Money Investment.

TI4:1:4:		Total								
Utilization	<20000		20000-25000		25001-30000		30001 and above		Total	
Sectors	N	P	N	P	N	P	N	P	N	P
Households work	13	8.1	23	14.5	11	6.9	3	1.9	50	31.4
Buy land	7	4.4	9	5.7	5	3.1	6	3.8	27	17.0
To build house	8	5.0	4	2.5	-	-	2	1.3	14	8.8
Child education	4	2.5	2	1.3	1	.6	1	.6	8	5.0
To pay loan	6	3.8	15	9.4	1	.6	-	-	22	13.8
Housework's and buy land	3	1.9	8	5.0	4	2.5	2	1.3	17	10.7
Housework and to pay loan	6	3.8	10	6.3	3	1.9	2	1.3	21	13.2
Total	47	29.6	71	44.7	25	15.7	16	10.1	159	100.0

Nearly 20 percent of foreign labor migrants spent their earnings on household work, followed by 17.0 percent on buying land, 13.8 percent on paying off a loan, 13.2 percent on housework and paying off a loan, 11.9 percent on housework and children's education, 10.7 percent on housework and buying land, 8.8 percent on building a house, and only 5 percent on buying a house..

# Impact of labour migration

Foreign labor migration is one of the numerous issues that exist in both origin and destination countries. One of the respondents' most prevalent complaints is poverty. Foreign labor migration has been complicated by both the origin and destination countries. 51.0 percent of respondents in the country of origin advocated overseas labor migration to relieve poverty. Another source of

origin issues is a shortage of labor for farming (20%), followed by 19.6 percent of respondents who wish to go abroad labor migration as a source of unemployment., 7.8 percent respondents who said the challenges

difficulty for the settlement as the cause of internal conflict, and nearly 2 percent respondents who indicate difficulty doing household work, respectively. Likewise, in the destination nations.

Table 7: Foreign Labour Migration impact in Origin and Destination Countries.

Impact on Origin	Number	Percent
Poverty	130	51.0
Internal Conflict (Antarik Dondha)	20	7.8
Unemployment	50	19.6
No satisfaction of current Job	51	20.0
To secure for children's Career	4	1.6
Total	255	100.0
Impact on Destination		
Risk of Health (building construction )	50	30.7
Job did not get as Agreement Paper	55	33.7
Did not pay salary in time	15	9.2
Did not provide Lodging and fooding	43	26.4
Total	163	100.0

The majority of respondents (33.7%) reported jobrelated issues that did not correspond to the agreement paper, and around 31 percent faced health concerns, mainly in the building and construction industries. Similarly, 26.3 percent of respondents claimed their companies did not provide lodging or food, and 9.2 percent said they did not pay their employees on time.

## CONCLUSIONS

Now a days, it is a burning issue in Nepal because the hugh proportion of economically active It is currently a hot topic in Nepal since a large part of the economically active population is migrating to Gulf nations and newly industrialized countries on a daily basis. Because the low-skilled and uneducated populations prefer to migrate to Gulf nations and Malaysia, the migratory flow is quite high to places with dangerous jobs, such as construction and farming. The majority of Nepalese youngsters are leaving for a variety of reasons. The main causes are poverty, and they encountered several obstacles in the target nations owing to language barriers, a lack of proper law, and a lack of knowledge about the destination countries.

Poverty, unequal income distribution, unemployment, challenging livelihood, and food shortages are the current causes of foreign migration in Nepal. Potential workers confront financial difficulties, a lack of suitable skill and training, and compensation disparities before and after leave. This will drive an increasing number of individuals to seek asylum in other nations. Remittances from other nations have boosted economic disparity while decreasing poverty. However, foreign labor migration has been the major source of remittance income in Nepal, and poverty in Nepal has decreased in recent years as a result of remittance revenue. The Nepalese government must be support and provide the stakeholder who are directly and indirctly involved on the manpower agencies for using legal chanel and

support proper skills and training for necessary works. As well as government should increase the technical capacity to handling data of labour migartion every year.

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