

Remittance: It's Impact and Utilization Trend: A Case Study of Returned Migrant Women of Kathmandu Valley

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Abstract

Foreign Labor migration has lured to Nepalese and huge numbers of youths left the country daily for jobs abroad. Mainly unemployment is the cause that has encouraged people for foreign labour migration on one hand; it too has been a global issue on the other. With globalization and liberalization, the trend of going people from one place to another has intensified. Today, foreign employment among both male and female has become a significant aspect in strengthening the country's economy. The study entitled as Remittance: Its Impact and Utilization Trend (A Case Study of Returned Migrant Women of Kathmandu Valley) has been conducted to analyze the role of remittance. For this noble cause, researcher has adapted exploratory and descriptive research design where purposive sampling has been applied along with proper interpretation of both qualitative and quantitative data. This study has tried to provide a clear picture of contribution of Nepalese Women migrant Workers for supporting their families. The significant factor of remittances and changes felt by the migrants are highlighted throughout the text. Researcher hopes that the description, findings, conclusion and recommendation of the research will be useful to the agencies which are programming on the issues, academicians, students and others and will increase consciousness of the migrant workers, their families and the agencies which support women to send them to foreign lands safely.

Keywords: Remittance, Returned Migrant Women (RMW), Women Migrant Worker (WMW), Foreign Labour Migration

Introduction

Remittance is one of the most crucial factors to economic growth or development of nation. It is also one of the income sources of Nepal. Many Nepali youths are engage in foreign employment. Large scale of remittance is entering in national economy over last few years and demand

for middle level manpower is very high in international Labor market especially in the Gulf countries, Malaysia, South Korea, Qatar, UAE, and Kuwait etc. Considering that Nepal's population is 27 million (as of 2008) and 45.2 per cent of population belong to youth group (15-45 years), approximately 18.7 per cent of the youth population is working in foreign countries. (NMYB, 2009)

Since many year's foreign employment rate is increasing, but most of unskilled Labor had gone to foreign land. Nepalese Labor forces seeking foreign employment have very low level of technical education and formal training. They are compelled to take danger, difficulty and dirty work in foreign country. In the Nepalese society, women have very low level of socio-economic status as compared to men and are force to survive under below the poverty line. So, for they are only one alternative way is foreign employment.

Mostly remittance is used for subsistence needs such as food, clothing, housing and education. They are also use for improving housing, buying land (urban areas), buying, cattle, buying durable consumer goods, social cultural ceremony (birth, wedding, and death) and loan repayment of the family and for better health or education. The large amounts of remittances are being wasted for different unproductive sector. The contribution of remittances on Nepalese economy has not yet studied properly. Likely, women are also highly involved in foreign employment in Nepal who plays most significant role in terms of remittance. There is inadequate study and research conducted in this crucial issue. There is urgent need to carry out study on impacts of foreign Labor migration and Utilization trend of remittance. Immense need is felt to analyze whether remittance has been spent in productive sector. On this ground, the study attempts to find the positive and negative impacts of foreign labour migration and the sectors where remittances are being utilized.

Methodology

This study was based on descriptive as well as exploratory research design. This study was exploratory because it makes attempt to explore and the impact of foreign labor migration and utilization trend of remittance in the

life of women returned migrant Workers. The population of the study was the returnees' women migrant from different countries. 50 women migrant Workers as respondents who live in Kathmandu Valley were taken as the sample population by purposive sampling. Both primary and secondary information sources are used for the fulfillment of the objectives of the study. The primary sources of data were collected through semi structured interview, questionnaire, schedule, observation, some case studies and focus group discussion. Secondary data were derived from books, journal, published and unpublished materials. 50 respondents were taken as sample size and were contacted through personal approach, Man power Companies, language & training centers, NGOs working in the same arena. The method data collection were semi structured interview, questionnaire, schedule, observation, and focus group discussion. Most of the collected data of the research work were analyzed descriptively and by statistical methods of data analysis. Quantitative data were analyzed with the help of simple table and percentage whereas qualitative data were descriptively analyzed.

Result & Discussion

Poverty is one of the major problems in Nepal and the country is trapped in vicious circle of poverty. Poverty in the country is due to low opportunity for employment, insufficient education, low skill and lack of appropriate technology for utilizing resource. Nepal has adopted different approaches to alleviation poverty. About 25.16 percent of the population in Nepal lives below the poverty line. The information and data clearly demonstrate that remittance income helps to reduce poverty which was conducted among 50 migrants' women returnees. The major findings of the study are discussed below

On the sample of women interviewed in the study, the largest population women migrant Workers were Tamang and Sherpa were second larger group which is followed by Bhrahmin, Chettri, Newar, Dalit and Madeshi. It was revealed that women Migrant Workers (WMWs) have migrated from different districts of Nepal but the large numbers of respondents have migrated from Kavre district which was followed by Kathmandu. Regarding family size, 30 percent of respondents have less than 5 family members, 34

percent have 6 – 11 family members, 18 percent have 11 – 15 family members and 18 percent have 16 and more family members. Most of the WMWs (40%) were between 20-30 years age. Only 6 % WMWs were of the minimum age group i. e below 20 years old and other 20% were of 40 - 50 years old. It was revealed more than half (50%) of the women migrant workers were married, 22 percent were unmarried, 16 percent women stayed separate from their husbands even after they got married and 12 percent were widows. Majority of the migrants women have gone to Kuwait followed by Dubai for employment. It was found in the study that 40 percent emigrants were found to be working in foreign land for 2 – 3 years, 22 percent for 1 – 2 years and 10 percent have worked for 3 – 4 years and 4 percent of respondents have worked for more than 5 years. The majority of respondents' i. e 80 percent were involved as housekeeper in the foreign countries and rest of respondents were found to be involved in diverse working sectors such as Caregiver, Paper-craft industry, Labor, Beauty Parlor and Security Guard. Among 50 respondents, 28 percent of respondents earn between 10,001 to 15,000, 24 percent of respondents earn between 15,001-20,000, 20 percent respondents earn 10,000 and 20 percent of respondents earns more than 25,000. In some cases migration is not worth because some respondents earn less than 10,000. 18 percent of respondents have monthly expense of NRs. 1,501-2,000 which is followed by 14 percent of respondents who have monthly expense of NRs. 4,001-5,000. Among 50 respondents, 21 have stated that they were provided medical and insurance facilities. Unlikely, 29 respondents told that they were not provided any types of facilities except food and place for living. It was reported that respondent's whole salary was saved except telephone charges to contact at home. The two respondents from Israel were able to save huge lump sum amount of NRs. 70,000 and 80,000. The data in the study shows that 42 percent of respondents have monthly saving of NRs. 10,000-15,000, 32 percent of respondents have monthly saving of NRs. 5,000-9,999 and 22 percent of respondents have monthly saving of NRs. 15,001-20,000. The respondents have invested their earned income in daily consumption (food and cloth), education, land purchase, paying debt, health, construction of house, business, agriculture and other sector. 50 percent of respondents have not participated in social events, 8 percent respondents have invested remittance in road/transportation

sector, 10 percent respondents have invested in school building, 16 percent respondents have donated and 16 percent respondents have remittance give to loan other people. The study has shown that poverty reduction, women empowerment, revenues for governmental and private sectors and employment generation are most significant positive impacts of remittance. Lack of parent's hood and antisocial activities, more dependent population, lack of Labor/ Worker and more responsibilities to old aged people and cultural impacts are negative impacts created by remittance. The study clearly shows this, which states about 20.41 percent of respondents invest remittance in education. From this study it has been revealed that the two most uses of remittances received are daily consumption and repayment of loans. Most of the remittance in used in daily expensive like food and cloths. Other uses were to acquire household property and only a small percentage of the remittances are used for capital formation. The respondents were not able to use remittance in productive economic activities. Increase in family income and improvement in the status of education, health, energy and overall living standard are some of the positive impacts of foreign Labor migration whereas increasing shortage of Labor force and dependency are some of the adverse impacts. Therefore, foreign Labor migration will continue to be a major livelihood strategy for households.

Conclusion

Remittance is one of the sources of economy for Nepalese livelihood. It has been significantly contributing in nation's GDP, revenue collection for governmental and private sectors, employment opportunities, poverty reduction etc. The other emerging facet of this migration is the growing participation of women and diversification in destination countries. Given the growing importance of remittances in the economy and to meet the household expenditure, foreign Labor migration is expected to grow continuously in future, at least for some decades. Many migrant women are employed in households of working families, taking care of their children, the elderly and the household in destination countries. Even the remittances have not been effectively spent in productive sectors that could generate new opportunity.

We deeply need to analyze migrant's areas of remittance investments.

Despite the growing number of women migrants and the importance of the remittances they send to families left in countries of origin, there has been little analysis of the relationship between gender and remittances. The remittance income is playing very positive role to reduce poverty of the study area and also it is improving the social as well as other economic indicators. The government of Nepal should think over it and improve this field with necessary rules and regulations. Hence, in the context when all the government, private and public sector has acknowledged the contribution of remittance in the economy. Major attention should be given to secure the female Labor. Migrant women are in many cases the only contributor to family income. Many women increasingly migrate on their own in search of better opportunities for themselves and their families. And they contribute to improvements in the quality of life in both countries of origin and destination. Every year, migrant women send money in the form of remittances to feed families, clothe and educate children, support older persons, provide health care and generally improve living standards for families left behind. But remittances sent by women are more able to respond to emergency situations. Foreign Labor employment could never be permanent solution to boost country's economy because the study has shown that only two respondents were able to earn good amount of money and rest have nominal earning. The women can have better earning in their own native land with same effort without being departed from their families, if better opportunities are provided.

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