

# DEVELOPING A STRATEGY FOR YOUTH EMPLOYMENT AND MIGRATION

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## **ABSTRACT**

This study was conducted to investigate employment and migration patterns among the youth in Baitadi. The aim of this report is to assess how competitive employment opportunities can be created in Baitadi so that youth do not have to depend on outbound-migration for survival. Focused group discussions, key informant interviews and desk research were conducted to get a better understanding of the current situation of the locals. The main findings were the locals are unaware of the importance of saving remittance for income generation activities, they have no information about any kind of government assistance for self-employment or small-scale entrepreneurship initiatives and also lack an entrepreneurial instinct. They are in need of more permanent employment but are not willing to permanently leave behind their cultural traditions and ancestral home for work. The result indicated that there are currently very minimal income and employment alternatives but to migrate during the agricultural off-season. Steps have to be taken from all levels- individual, community, private sector, civil society and government to reduce unemployment and migration. It is recommended that youth engage in economic activities locally, the government develop local employment strategies and create entrepreneurial and business friendly policies to encourage the youth to stay in the country for its overall development.

## **I. BACKGROUND CONTEXT**

The potential of the youths have not been able to be utilized in Nepal, even though they are arguably the most productive human resource in the development of a given nation. The economy of Nepal has not been able to accommodate the aspirations of its ever increasing growing population, and this can be seen in the alarming high rates of migration. There are approximately 400,000 Nepali youth joining the labour market every year and, starkly much less job openings (Central Bureau of Statistics 2008). This has led to an increase in inactive population, who due to the lack of job opportunities in the country itself seek for opportunities abroad. Foreign employment has become more of a necessity for many of the less privileged in rural Nepal.

This paper attempts to capture the dynamics of youth employment and migration of Baitadi which lies in the Far Western hills of Nepal (See Appendix- 1). Agriculture is the main source of income where land is fertile while livestock farming is an integral part of the people living in the rocky hilly regions of Baitadi. Most people of Baitadi have small fragmented farmlands, therefore, they mostly practise subsistence farming to meet basic requirements. During the agricultural off season between October and March people migrate to sustain their livelihood. The close proximity, cheaper transportation cost and higher economic potential makes India a highly popular destination to migrate to (United Nations Field Coordination Office 2013). Due to high levels of migration there are comparatively less men to women between the age group of 15 to 49 years (See Appendix- 2) (Central Bureau of Statistics 2014).

To address the issue of unemployment the Government of Nepal (GoN) established the Youth and Small Entrepreneur Self Employment Fund (YSEF) in 2009 to utilize local resources and the unemployed labour force to achieve economic growth. YSEF provides collateral-free loans of up to NRs. 200,000 at low interest rates through 4 different cooperatives in Baitadi (Youth and Small Entrepreneur Self Employment Fund 2015). In the year B. S. 2069- 2070 the people of Baitadi took loans for poultry farming, animal farming, ration shops and hotel/ restaurant businesses. There were 25 people who attended the one day compulsory orientation training on the loan procedures. Skill development program is also offered but only to those who take the loan. As the skill training centre is at Dipayal, Doti there were no record of people from Baitadi who came to get the skill training. The skill training is not compulsory and though travelling and living expenses are paid, people have not been able to understand its importance and are reluctant to leave behind their daily work for a few days.

Microenterprise Development Program (MEDEP) helps the GoN in employment generation boosting micro entrepreneurship in rural Nepal. MEDEP worked in Baitadi in its second phase in 1999 with the Dalit community encouraging ketuki fibre, honey production and ginger enterprises. Baitadi in the year 1999 was a more seriously affected district by the insurgency, and therefore its performance was relatively poorer than its surrounding districts. Some enterprise like '*Tika*' had to close down due to expensive transportation and uncertain supply of raw materials. Due to the volatile situation the program was forced to leave and

suspend its activities in three locations in Baitadi (Micro Enterprise Development Program 2005).

Many other isolated programs are still being implemented but the results have not yet been satisfactory. Hence, the aim of this study is to explore why various previous programs have not been successful, and explore possibilities of creating a more effective employment environment so that the capable human resource are less likely to migrate in search of work.

## **II. LITERATURE REVIEW**

There is an extensive review on the determinants and benefits of labour migration but the study of its disadvantages is less common. Approximately 800,000 Nepalese migrate seasonally to India for a few months to complement their income from working in the fields of Nepal (KC 2004). This diversification of income through seasonal migration in the Far Western Districts is a livelihood strategy (KC 2004; Brusle 2008).

Brusle (2008, p. 240) states that migrants choose their destination considering factors such as access to finance, networks and proximity to Nepal. Uttarakhand in India is a popular destination because of its close proximity and similar cultural values. Porter, as an interim vocation, is a convenient wage earning source for many because it does not require long-term commitment, and is more flexible if they need to return home. Migrants with more confidence, social and financial capital manage to rent space to open restaurants or shops. They aspire not only to step out of the tedious labour jobs but to send their children to private schools, to buy land in the '*Terai*' plains of Nepal or even to take their family to India (Busle 2008). On the contrary, Tamang, Poudyal & Shrestha (2014) maintain that migrants do not desire to move permanently, leaving all the work to their wives, but are compelled to do so because of the limited opportunities they have at home.

According to Tamang, Poudyel & Shrestha (2014), women who are left behind by their husbands take the burden of both the household and agricultural work. With the additional responsibility of farm work they are not able to provide enough care for their children and the elderly. Though women have been taking up more responsibility, the social and cultural

factors, policies and environment are still not conducive for their capacity building, empowerment and overall development.

Research has shown that 80% of the remittance received by the family members of migrants is spent on food, health and education. With the increase in remittance people are becoming more dependent and less willing to engage in agricultural activities. This has led to a decrease in food production and also abandonment of land (Tiwari 1996; Tamang, Poudyel & Shrestha 2014).

Though migration enhances technical skills, reduces unemployment, helps in building assets and diversifies livelihood, the author argues that disadvantages such as- stress on the migrant's family, family breakdown, children growing up without a father outweigh the advantages (KC 2004; Tamang, Poudyel & Shrestha 2014). Another challenge is the mismatch of qualification and skills for the opportunities available in the region. Salary generating job posts such as community development projects, their branch offices and health posts are held by outsiders, whereas a large number of villagers go looking for jobs outside (Tiwari 1996). This variance in skills required for the specific jobs have left the economically active age group deprived of opportunities. In the context of Baitadi, off-seasonal employment is very essential to retain the youth force in the home-region. Employment has a strong link to infrastructure facilities and accessibility to markets. The lack of infrastructure and roads can also influence the migrant's decision. According to Joshi, Maharjan & Piya (2012), efforts to reduce dependency such as generation of employment opportunities and expansion of irrigation facilities will ultimately reduce migration and the risk of poverty for many households.

### **III. RESEARCH QUESTIONS**

This paper will assess the issues and seek to answer the following questions in relation to youth employment and migration in the context of the existing socio-economic situation of Baitadi:

1. How are the locals managing their income and remittance?
2. What are the community/ local organisations doing to help youth engage in rural entrepreneurship to reduce (seasonal) migration?

3. What are the policy constraints to safer (seasonal) migration and youth employment?

#### **IV. METHODOLOGY**

**Research Area and Design:** Primary information was obtained by conducting Focused Group Discussions (FGDs) of sample groups in Gajari and Patan of Baitadi district. There were three FGDs conducted in each Village Development Committee (VDC). One directly with the returnee-migrants, the second one with the family members of migrants and the third FGD with the youth of Baitadi. The rationale for conducting FGDs with three different groups was to get information from different perspectives. A total of six FGDs were conducted in two VDCs. Simultaneously, two Key Informant Interviews (KIIs) with officers of community organizations were taken at the district headquarters.

Secondary information was collected through government websites, national and international publications, review of policies, reports and journal articles. Informal discussions and meetings were also held with other organizations working on employment and migration to obtain more relevant information (See Appendix- 3).

**Sampling:** FGDs were conducted using a random sampling method. The sample size for the FGD was 20 attendees per group.

**Questionnaire Preparation:** The data for this report was gathered by means of open ended qualitative questionnaires. The questionnaires was prepared keeping in mind the current situation, the needs and wants of the locals and efforts taken by the government to improve the economic condition of the subject region.

**Data Analysis Technique:** The data had been transcribed and recurrent themes have been categorized together. Domains and subdomains had been created to systematize the process. The data collected has been interpreted and explained descriptively.

#### **V. RESULT AND DISCUSSION**

**Seasonal Labor Migration:** The study shows that the main reason for migration in Baitadi is for daily sustenance. There is lack of employment avenues during off-season and the locals

migrate to earn a livelihood. Results affirm with Tiwari (1996) who states that food deficiency is one of the causes for temporary migration. Seasonal migration is more of a necessity than a choice. Majority of the respondents migrate during the off-season months to India. According to the respondents, the ones who migrate to Gulf countries or Malaysia are the sons of wealthier people of the villages. Migrants choose their destination based on the recommendations of friends and family members.

The families in Gajari have approximately 2 members who migrate during the agricultural off-season, whereas families in Patan have in many cases up to 3 migrating members leaving. Potential migrants could be of same generation or of different generations where the father, son and daughter in law migrate together. In some families the husband and wife also take along small kids for a few months if they have no one to look after them back home. Hence, most people prefer to migrate to India due to its closeness. In Gajari and Patan, 70% and 33% of migrant attendees were female respectively (See Appendix- 4).

Migrants going to India spend anywhere from Nrs. 5,000 to 10,000. Few who go to the Gulf countries or Malaysia spend approximately 1 to 2 lakhs which the general public cannot afford. This money is borrowed from relatives, friends and neighbors in Patan and also from landlords, merchants and traders in Gajari.

New migrants start with working in restaurants, irrespective of their education levels. Later they look for jobs that they are more capable of doing, for example, jobs in farms, laborious jobs like porter, or service oriented jobs like guards. Migrants from both Gajari and Patan try getting a second job to get more income, but in most cases the restaurant job takes up the whole day.

Many new migrants are ill-treated and deprived of basic food and proper shelter. Some don't have rooms and at times have had to sleep out on public benches and risk getting bitten by snake and other airborne diseases. Families that have been migrating for a longer time have realized that the Government of India (GoI) give their citizens Above Poverty Line (APL) and Below Poverty Line (BPL) cards but these card are not issued to Nepali citizens. These cards are not a citizenship card but a ration card to get food and other commodities on subsidized prices. It could also be used as an ID card at banks to open account for safer remittance channeling.

Nepali migrants in India are not given any kind of security, be it in health or protection against harassment. On the contrary, they are abused and deprived of their wages in many cases. Though there are some Nepali community groups that help troubled Nepalese, the seasonal migrants of Baitadi are unaware of the existence of such groups.

The people of Baitadi migrate due to family pressure, low agricultural production and unemployment. Therefore, when the FGD attendees were asked, if given an opportunity whether they would migrate permanently, they said they preferred to return back home. They did not want to give up their ancestral home in the hills and the culture and tradition that they were brought up in.

**Remittance and its use:** Migrants of Patan earn INR. 8,000-20,000 (NPR. 12,800-32,000) per month in remittance whereas migrants of Gajari claimed to earn INR. 5,000-10,000 (NPR. 8,000-16,000) on an average per month. Migrants from both areas said it would be easy to meet expenses if their pay was about INR. 15,000-20,000 (NPR. 24,000-32,000).

The youth of Baitadi believe that an increase in pay alone is not a sustainable way to solve economic problems. The findings in both areas were similar, they preferred to acquire skill training, capacity building, finance management and soft skill training but were not very keen on attaining formal education and thought it would be better to modify the current education system, and incorporate a vocational approach to build skilled human resource for economic development. The foremost priority of the youth is employment to support their livelihood therefore, a source of income is the main need for the youth of Baitadi.

Other key issues that can be observed in both villages is that only the head of the family has say over the use of remittance and that the head of the family can only be a male figure, with a few exceptional cases. Like having the last say over the use of remittance, the head of the family also makes all other economic decisions. Other members can make suggestions but decisions are almost always as per the wish of the head of the family. The remittance is divided for different household needs; for instance, payment of loans, medical treatments, children's education, house repair and daily expenses. They also save money to buy mobile phones which are useful for communication especially during the migration season or save it for special occasions like marriages or the coming of age ceremony known as '*bratabandha*'.

If they have extra they would like to invest it in business but since they have no knowledge or skill they prefer not to risk loss.

**Local community:** There are no facilities for migrants or youth groups at the local level in Patan or Gajari. The locals had not realized that they needed such groups. They share their experiences with family and friends. Both Patan and Gajari locals are unaware of how to set up such groups but thought it was important to have a platform to share experience and raise awareness.

There were similar patterns of savings in the local neighborhood community. In Patan and Gajari the locals save Nrs. 20 and 25 every month in their community groups. This is normally used as loans for local social or cultural occasions like weddings or to buy cattle. The community groups are small and new therefore they are not capable enough to provide higher level services.

**Government policies and benefits:** It can be seen from the FDGs that the locals are ignorant of the benefits the government provides for migrants and youth. Even if there are benefits they are unaware of the procedures and processes to get those benefits. The FDGs confirm that no organization or the government has provided skilled trainings, and no local has participated in any such program in Gajari. On the other hand, a few of the Patan locals had received skill training; however, such trainings were deemed ineffective because equally important information like the supply of raw materials, the choice of quality equipments, post training assistance and all round business related support, are not provided. Residents of Patan knew about government allowance of Rs. 500 for the elderly and the widowed and Rs. 1000 for the differently-abled. Other than that they were unaware of government benefits for small entrepreneurs and youth engaging in self-employment.

**Discussions:** Currently the locals of Baitadi have to migrate seasonally because there is no work available in the region during the dry season. Agriculture and livestock are the main source of income but as they do not have information on modern methods and effective management techniques, the quantity and quality of outputs have been low.

When the most capable member of the family migrates for many months a variety of problems arises. The responsibilities are too high for the other members and work does not

get completed satisfactorily. People get busy with farming, looking after sick members that even if trainings are provided they do not get time to attend. When there is a shortage of manpower there is less production and underutilization of land. Sometimes when remittance is ample and family members are not capable of farming there are cases of land abandonment too. This finding is consistent with observations made by Tamang, Paudel & Shrestha (2014) who say that family members of migrants adopt less intensive farming practices and abandon agricultural land. In some cases due to grants and social support given by government and various organizations, large numbers of villagers expect a certain level of help. This has increased the dependency level of people making them complacent and risk-averse, and also leading to poverty.

In some cases, migrants are not able to earn enough money to bring home so they come back empty handed and many a times, abused. The aspirations of working abroad are different from the actual experiences, mostly of very poor working conditions. Many are exploited, overworked and compensated with very little pay. In some extreme cases they have had to borrow from friends in India to come home. Nonetheless, they are obliged to go out and work again with the hope that they can earn money. Some migrants who have a steady income in India prefer to educate their children abroad as they believe that children grow up smarter with better education in the cities.

Many migrants work in large commercial farms and gain modern farming skills but they are not able to use it at home because they do not have the resources to carrying out a business. They prefer to acquire skills at home so it could be used abroad to get better paying jobs, but it would be best if there are employment opportunities within the country. The locals prefer to earn while staying with their family.

What motivates them to go abroad is the increased spending capacity of most migrant families and the respect they gain in society. They can see the changes and are motivated by the improved living standards of the returnees. Therefore, even though the job might be difficult they are willing to migrate. This is also because migrants tend to show their earnings and hide their difficulties. They share their difficulties only with close family members so the general local believe only what they see; that is only the benefits of migration.

Although remittance improves the spending capacity of a family it has many negative impacts and can lead to further migration. If all the capable youth forces leave the country it can be a major obstacle in the country's development. Migrating to India is a cheaper alternative because if the Baitadi locals want to go to the Gulf countries or Malaysia they need to deposit their land as collateral and take loan from a bank. They are hesitant to do so because if they are not able to pay off the loans in their own lifetime, their family members suffer to pay it off. Though the '*Haliya*' system or the practice of bonded labor was abolished in 2008 it is still practiced in the villages of Baitadi (United Nations Field Coordination Office, 2013, p. 5).

During the research Baitadi was identified as a region abundant for citrus fruits, soap-nut, slate stone, herbs and Non-Timber Forest Products (NTFPs). These potential raw materials could produce diverse value added products. For example, in addition to selling citrus fruits, locals can process them to make jams and pickles. Instead of making soap and entering an already competitive market soap-nut (locally known as rittha or chyuri) can be used to make other products like shampoo, liquid soap or detergents. Milk can be used to make cheese or milk powder which has a higher shelf life. Flavored milk targeting students can be a more nutritious local alternative to processed drinks. In that way excess ginger can also be used to make ginger powder, candy or pickles to generate more revenue.

Locals possess traditional skills that can be tapped into to produce goods at a larger scale. They can also be given traditional skill training to improve their productivity. Production should be according to the demands of the market as this will ultimately increase sales and eventually motivate local youth.

One encouraging factor was that the locals of Baitadi were ready to migrate during their offseason to help earthquake affected districts if given proper orientation, guidance, training and remuneration. The government can work on a plan to use this resource to the benefit of the country.

## **VI. CONCLUSION AND RECOMMENDATION**

The research concludes that the main reason for migration is shaped by very limited employment opportunities and an obligation to support their livelihood. It is a difficult

situation as there are no jobs during off-season and they have no other choice than to migrate. Seasonal migration helps in earning remittance for daily survival during the agricultural off-season period. In this research we can see that the locals of Baitadi have been migrating for many generations and it has become a social trend to migrate yearly to India. In recent years there has been an increase in the number of women accompanying their husbands to work and to earn more money. They are forced to work for long hours with very little pay. They risk stress on family members and family breakdowns. The remittance that is received is spent on household activities and the remaining money to buy mobile, radio, television, other commodities or used for ceremonies and festivals instead of saving for income generation activities. Though remittance increases economic activity and improves the immediate living standards of the locals it is not a sustainable way for an overall development. Research shows that creating employment opportunities in rural areas and mobilizing the productive but idle youth force is a more effective way to curb migration and help in the region's development. An overall assessment shows that the availability of year-round employment will lower seasonal migration. Although steps have been taken to support youth employment, it is not visible in the research areas therefore, more effective measures need to be taken on an individual, local and government level.

### **Recommendation:**

On the basis on the findings of the study and suggestions (See Appendix- 5) made at the FGDs and interviews with stakeholders, the following recommendations have been made to reduce vulnerable workers from migrating and managing employment for the locals in Baitadi.

- There should be a system of creating migrant and youth community groups so that it serves as a center for creating awareness among the locals. It can be a platform through which groups of target locals can be reached to provide useful information. Returnee migrants can share experiences and help prospective migrants to understand the process of migration. On the other hand, successful entrepreneurs can be role models by sharing their stories and inspiring others to do the same.
- The GoN should explore the available natural resources and promote enterprises based on easily available raw materials. Processing plants can be established to utilize

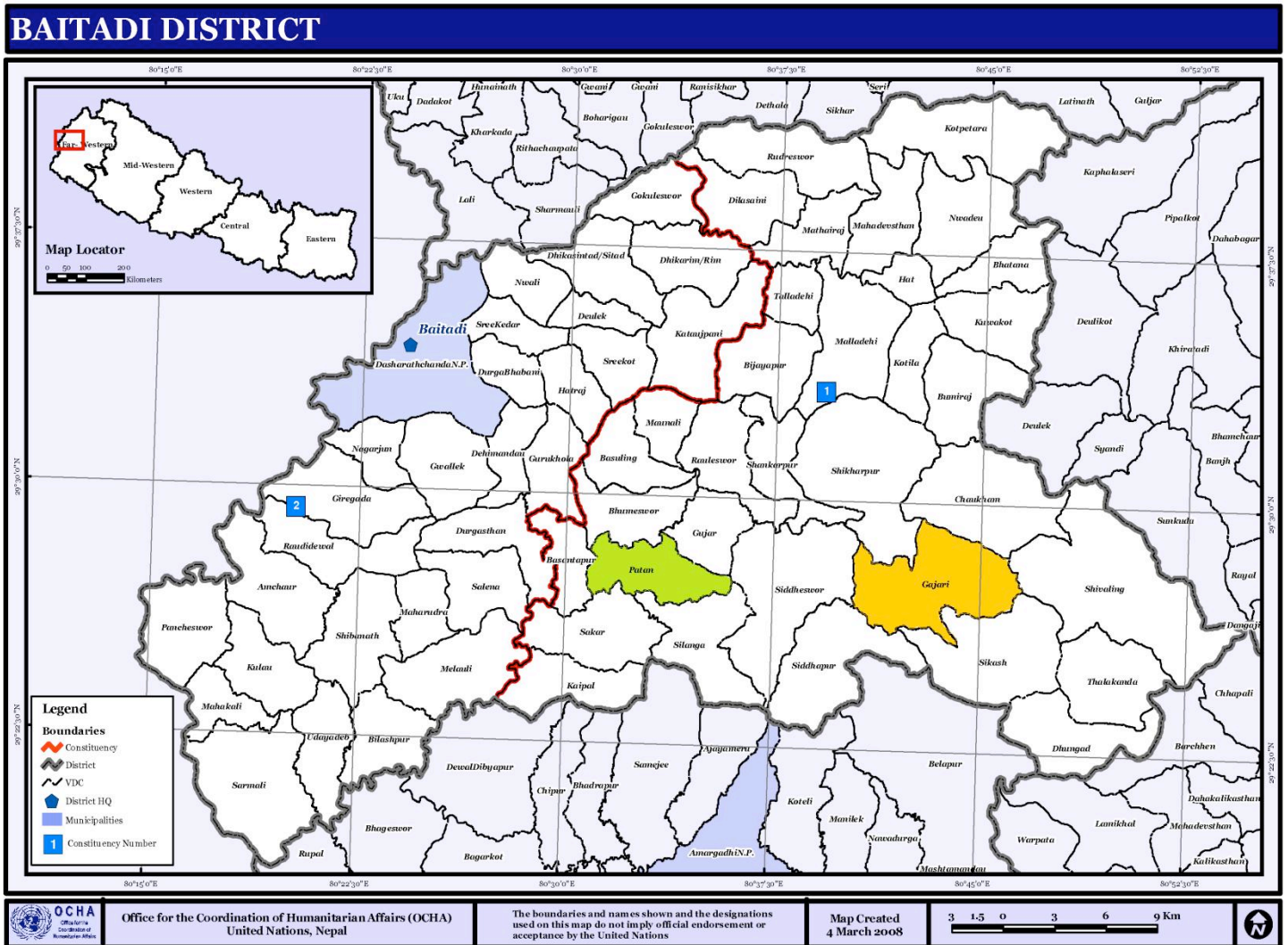
the readily available raw materials and help in generating additional revenue. Producing locally in the hills can give companies a competitive advantage since raw materials are easily available, transportation cost is lessened and labour costs is minimum.

- Government should take steps to make skill training programs more encouraging by providing incentives such as equipments or quicker access to loans on completion of the skill training course. Trainings should be given in necessary sectors such as animal farming or in quality control of seed and fertilizer rather than in businesses that might have a lower scope in rural areas. There should be provision of support services too such as numerical literacy trainings, easy access to low cost loans, links to markets, business counselling and other forms of assistance for promising and enthusiastic entrepreneurs.
- There are no effective monitoring and evaluating methods to measure the effectiveness of trainings and other programs. A performance and an impact evaluation mechanism to check the effectiveness of trainings should be implemented.
- The government has taken many initiatives in helping youth with employment but due to ineffective communication methods the information has not yet reached the locals. From the research it was observed that a large number of people carry mobile phones and even a greater number have radios therefore, instead of only relying on traditional methods of informing the VDC office and communicating via word of mouth to every household, we can communicate through radio and mobile phones to reach out to the public. In Africa and India mobiles communication is a success in providing health tips, agricultural techniques and market information therefore, in the same way it can be an effective communication tool for Baitadi and Nepal as a whole (Baumuller 2012).
- To encourage manufacturing companies and micro entrepreneurs to set up production facilities in the rural hills of Baitadi, the government has to simplify the time consuming and complicated bureaucratic process and change regulations to suit the local's needs and convenience.

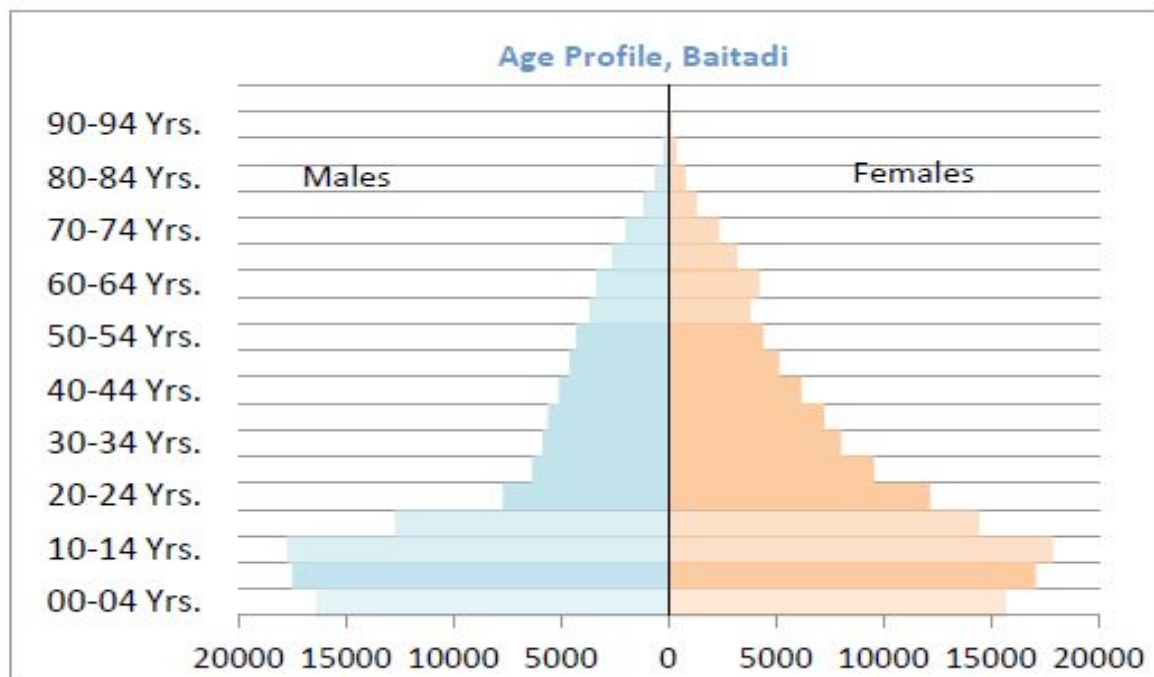
- The government has to cooperate and collaborate with private companies and give youth an opportunity to earn a living in the region. They should work in cohesion to mobilize youth and increase economic activity in the region for its sustainable development.
- In the long run, the government should plan for improvements all along the value chain- from encouraging local minds to skill training, finding markets, infrastructure development and ultimately increasing economic activity in the rural areas.
- The migration dynamics of Nepal needs to be reviewed and there should be more effective measures to encourage youth to stay back to help in the sustainable development of the country.
- A central level system of record keeping should be initiated for people who migrate via open borders seasonally to India for identity, tracking and protection purposes.
- The Treaty of Peace and Friendship between India and Nepal should be actively applied. It is a fair reason that the government should lobby for basic benefits like accident insurance, medical insurance and issuance of short term temporary ration cards on an ethical basis to the migrants who fall below the poverty line.
- As for an immediate solution, the government can coordinate with the District Development Committee in mobilizing the youth of Baitadi to work in earthquake affected regions.

# APPENDIX

## Appendix - 1



Appendix- 2



(Central Bureau of Statistics 2011)

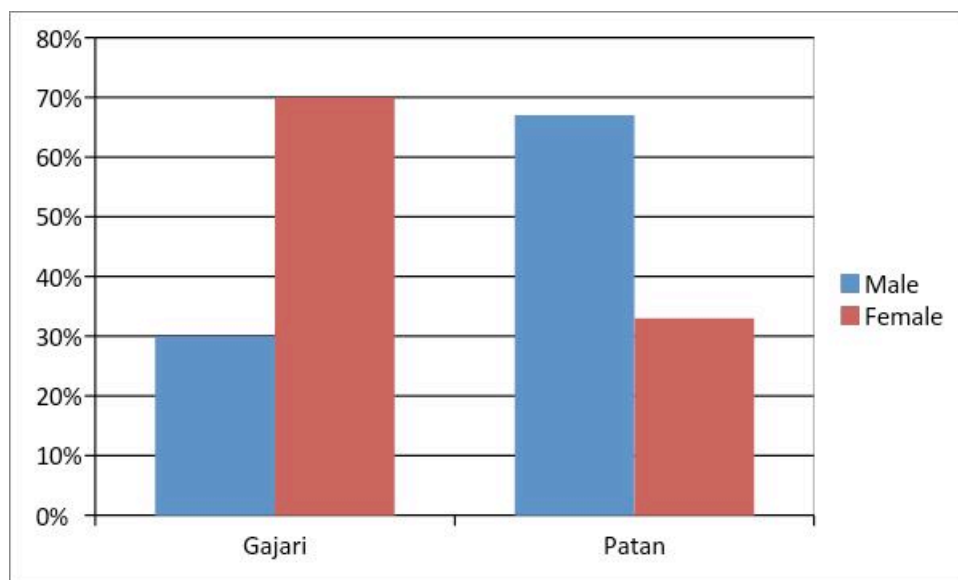
Appendix- 3

List of Stakeholders Interviewed

S. No.	Designation	Office
1.	Monitoring Officer	Youth and Small Entrepreneur Self- Employment Fund, Secretariat, Kathmandu.
2.	President	Association of Youth Organisation of Nepal, Kathmandu.
3.	Communications Officer	Employment Fund, Kathmandu.
4.	Researcher	CARE Nepal, Kathamndu.
5.	Program Officer	OXFAM, Kathmandu. (Phone interview)
6.	Program Coordinator	Rural Development and Environment Management Society, Baitadi.
7.	Manager	Nagarjun Rural Health and Education Centre, Baitadi.

(Source: Data from interviews)

#### Appendix- 4



(Source: Data from field research)

#### Appendix- 5

##### **Suggestions from FGDs and KIIs**

- Organise public awareness programs.
- Give information/ inform about the rules and regulations of the Government of Nepal.
- Organise programs that incorporate business skills.
- Provide business grant.
- Have an updated statistical record of youth migrants in village and district level.
- Provide training to people who want to invest their remittance.
- Assist locals who want to get equipments.

(Source: FGD & KII 2015)

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