## Research Article:

## IMPACTS OF REMITTANCE ON MIGRANTS' HOUSEHOLDS IN AGRARIAN SOCIETIES OF SINDHULI NEPAL

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#### **ABSTRACT**

Nepal experienced a notable surge in remittance volume in the fiscal year 2021/22 reaching its highest proportion in GDP over the past six years. This study aimed to understand the impacts of remittance on the agrarian community and the livelihoods of these households. This research was conducted in 2021 by employing a mixed-methods approach, incorporating both qualitative and quantitative methodologies. Simple random sampling was used to select 350 households from seven different wards of Marin Rural Municipality. Quantitative data were collected through face-to-face interviews using a structured questionnaire. Additionally, qualitative information was collected through Key Informant Interviews (KII) from 21 purposively selected participants. The findings revealed that nearly 95% of households primarily depend on remittances for their income, with 96.9% using the sum for debt repayment and 78.6% for their children's education. Furthermore, the findings indicated that remittances significantly impact various aspects of individuals' lives in the research area, including food sufficiency, healthcare access, and community involvement. With a substantial impact on debt repayment, savings, and children's education, remittances significantly contribute to the socio-economic landscape, positively affecting food sufficiency, healthcare access, and overall consumption for families in the agricultural communities of Sindhuli district of Nepal. Effective strategies and concrete plans are thus required to promote safe and dignified migration in the days to come.

**Key words:** Agricultural practices, household expenditure, remittance

#### INTRODUCTION

Remittances are commonly defined as the portion of a migrant's earnings sent from the migration destination to the place of origin. The usual interpretation of remittance pertains to financial transactions, even though remittances can also be conveyed in non-monetary forms, as noted by Dhungana and Pandit (2014). Adams and Cuecuecha (2010) defined remittances as the monetary and material support sent to households by migrant workers labouring away from their hometowns. Over the recent years, their growth has been substantial, making them the primary contributor to foreign income in numerous developing nations. As a result, they play a significant role in the economic and social advancement of these countries. Idrissi and Kawkaba (2023) stated that beyond what the investment's remittances might generate, they also play a role in augmenting the income of households in the countries of origin, consequently elevating household consumption. Determining the precise magnitude of remittance transfers is challenging due to a substantial portion of them occurring through informal channels. The variation in the volume of migrants' remittances is also increasing year to year. According to the World Bank's 2023 report, remittances to low and middle-income countries (LMICs) are

projected to increase by 1.4%, reaching a total of US \$656 billion. In 2022, remittances to South Asia surged by more than 12% to \$176 billion. This growth was driven by robust labour market conditions in OECD destination countries, increased demand for low-skilled migrant workers in GCC nations, and measures aimed at mitigating food price inflation, which helped bolster migrant incomes in GCC countries. World Bank (2023) also highlighted that Nepal stands at the ninth position worldwide in terms of remittances as a substantial portion of its GDP, accounting for 23% of the GDP's composition of 2022.

## Trends of foreign labour migration and remittances in Nepal

The historical narrative of human society has consistently featured the migration of people from one place to another. Human migration, which involves the relocation of individuals seeking improved circumstances, often covering significant distances or occurring in sizable groups, is a socio-economic and demographic phenomenon intertwined with time and geography. In 2020, the global diaspora, comprising 281 million individuals or approximately 3.6% of the world's population, represented a noteworthy segment of the global populace (UN DESA, 2020). It signifies people's journey from one place to another in pursuit of enhanced opportunities. Moreover, the desire to migrate is often ignited by the widening disparities in social and economic status, leading to unmet life ambitions for millions, if not billions, worldwide (Czaika & Reinprecht, 2022).

Nepal has a history of migration for employment through military recruitment in foreign lands. Some of them had led to permanent migration and some others to a temporary settlement. Higher-paying employment opportunities have remained a pivotal concern from the inception of Gurkha recruitment, aligning with the neo-classical theory of migration, which posits that wage differentials serve as the primary driver for migration (Jennison, 2007). In this regard, Agastya and Patra (2013) noted that due to the limited off-farm employment prospects in Nepal, rural youth are showing remarkable dynamism and a growing disinterest in agricultural work, leading them to migrate away from both agriculture and rural regions (Agasty & Patra, 2013). The debate over whether employment is the sole factor is ongoing, as labour migration in Nepal has evolved into a natural or even mandatory societal phenomenon, driving individuals to seek opportunities in more advanced and sophisticated societies. Furthermore, the migration trend is becoming a prerequisite for a family's social standing. Similar to many other developing nations, Nepal experiences a significant issue with low employment rates and limited personal income, which primarily triggers international labour migration followed by unfavourable economic circumstances for migrants, and restricted access to social welfare, as noted.

As per the preliminary report of the census 2021, 2.1 million Nepali are abroad (CBS, 2022). As per the information provided by the Ministry of Labour and Employment in 2018, Nepali labour migrants have secured work permits in 153 different countries worldwide. According to government records spanning the past decade, covering fiscal years from 2012/13 to 2021/22, approximately 300,000 Nepali young adults ventured abroad each year for employment opportunities in international labour markets (DoFE, 2017; MoLESS, 2022; MoF, 2023). Nepalese international migrants are increasing day by day except during the COVID-19 period due to the restriction of mobility and migration. Table 1 illustrates the progression in acquiring labour permits from Nepal's Department of Foreign Employment between the fiscal years 2012/13 and 2021/22. Analyzing the data on labour permit issuance by the Department of Foreign Employment (DoFE), it becomes evident that Nepal has witnessed a consistent upward trajectory in outbound migration since the early 2000s. The pinnacle of this trend occurred in the fiscal year 2013/14 when the number of issued labour permits reached its zenith at 519,638. Subsequently, in the following years, there was a continuous decline in the number of

permits granted. Nevertheless, the considerable influence on these statistics stemmed from the emergence of the COVID-19 pandemic and the subsequent implementation of travel restrictions. In the fiscal year 2020/21, a modest 72,072 labor permits were issued; however, there was a noteworthy rebound in 2021/22, witnessing a surge in the number of permits granted to 348,867.

| Table 1. | Foreign labour permits and contribution of remittance in GDP in the last 10 |
|----------|---|
|          | years (DoFE, 2017; MoLE, 2018; MoLESS, 2022; MoF, 2023).                    |

| S.N. | Fiscal year | Total no. of | Nepali Labo | ur Migrants | Remittance             | Share on   |
|------|-------------|--------------|-------------|-------------|------------------------|------------|
|      |             | Male         | Female      | Total       | received (billion NRS) | GDP (in %) |
| 1    | 2012/13     | 423,122      | 27,767      | 450,889     | 434.6                  | 25.6       |
| 2    | 2013/14     | 490,517      | 29,121      | 519,638     | 543.3                  | 27.7       |
| 3    | 2014/15     | 477,690      | 21,412      | 499,102     | 617.3                  | 29.0       |
| 4    | 2015/16     | 385,226      | 18,467      | 403,693     | 665.1                  | 29.6       |
| 5    | 2016/17     | 362,766      | 20,105      | 382,871     | 695.5                  | 22.6       |
| 6    | 2017/18     | 331,665      | 22,417      | 354,082     | 755.1                  | 21.8       |
| 7    | 2018/19     | 215,633      | 20,578      | 236,211     | 879.4                  | 22.8       |
| 8    | 2019/20     | 172,191      | 18,202      | 190,393     | 875                    | 22.5       |
| 9    | 2020/21     | 64,894       | 7,178       | 72,072      | 961.1                  | 22.5       |
| 10   | 2021/22     | 315,805      | 33,062      | 348,867     | 1007.3                 | 23         |

Throughout a decade, from 2012/13 to 2021/22, a thorough examination of ten years' worth of data unveils a consistent upward trend in remittances received by Nepal, closely mirroring the growth of the national Gross Domestic Product (GDP). In 2012, Nepal's total GDP amounted to 434.6 billion NRS, representing 25.6% of the country's overall economic output. Fast forward to the fiscal year 2021/22, and this Fig. surged to a remarkable 1007.3 billion NRs., now constituting 23% of the nation's GDP. Significantly, the past decade has witnessed a substantial increase in the volume of remittances, reaching its pinnacle in the fiscal year 2021/22 as the share of remittances in GDP achieved its highest point in the last six years. Moreover, labor migration within Nepal's agricultural communities exhibits a pronounced gender bias, predominantly involving the departure of men, while women, children, and elderly individuals typically remain at home. Consequently, it is crucial to gain a deeper comprehension of the impacts of this predominantly male youth outmigration to formulate relevant strategies aimed at enhancing agricultural production and bolstering the sustainability of remittances. In this context, this research aims to analyze the impacts of remittance on migrants' households in agrarian societies in the Sindhuli district of Nepal.

#### MATERIALS AND METHODS

## **Study Area**

Sindhuli is one of the 40 hilly districts in the Bagmati Province of Nepal, consisting of two urban and seven rural municipalities. The district is connected by national highways making it accessible for research. In these rural areas, the population is predominantly composed of ethnic communities, and their way of life is notably different from that in the urban areas of the district.

Out of the nine local administrative units in the district, Marin rural municipality has been chosen as the focal point for research. This selection is driven by the significant outflow of labour from this area, and it is noteworthy that no prior research has been conducted in Marin on

this particular topic. The Marin Rural Municipality has been established by merging the former Village Development Committees of Kapilakot, Kalpabriksha, and Mahadevsthan, which are located in the western belt of the Sindhuli district. This rural municipality derives its name from the renowned Marin Khola River in the Sindhuli district. It is surrounded by Kamalamai municipality to the east, Hariharpurgadhi rural municipality to the west, Kavre district and Ghyanglekh rural municipality to the north, and Sarlahi district to the south. The total land area of this rural municipality spans 324.55 square kilometers, with seven wards. Geographically, the region encompasses plains, the Chure area, and high hills extending to the Mahabharat Range. This rural municipality is situated alongside the Marin River in the central portion, with the Mahabharata Range to the north and the Chure Range to the south.

## **Research Design**

This study used a mixed research design, specifically the explanatory design. The purpose of the implication of explanatory research design was to appeal to those of strong quantitative backgrounds or from fields that were relatively new to qualitative approaches. The design followed a two-phase approach, starting with collecting and analyzing quantitative data and then using that data to inform and shape the subsequent qualitative phase. The outcomes from the quantitative phase directed the identification of participants for the qualitative segment and influenced the design of interview questions. During the subsequent phase, key informant interviews (KII) were executed to offer insights into the quantitative responses obtained in the prior stage. Employing KII as a qualitative method allowed for a deeper understanding and exploration of participants' perspectives. In essence, this study integrated both quantitative and qualitative approaches, initiating with the collection and analysis of quantitative data, succeeded by qualitative interviews to elaborate and expound upon the quantitative findings.

In this study, a multilevel sampling strategy was applied to procure both quantitative and qualitative data from diverse populations. Respondents chosen for the quantitative and qualitative samples were distinct. To gather comprehensive insights into the impacts of remittance on migrants' households in the research area, a total of 350 households (50 from each of the seven wards) were selected using a simple random sampling technique as participants for quantitative data collection. The determination of this total sample size of 350 followed the Yamane formula to ensure a statistically representative sample for the research. The quantitative interview protocol included a set of questionnaires that were developed, pretested, and adjusted as needed for face-to-face interviews. After analyzing the quantitative data, three checklists were developed for agriculture extension workers, social leaders, and political leaders. These checklists were used as tools to gather qualitative information from 21 representatives who were purposefully selected for group interviews. These group interviews aimed to provide qualitative information that would complement the quantitative findings from the earlier phase of the study. In addition, secondary information was gathered from a variety of sources such as journals, books, proceedings, and publications to support the required data. All the collected data were then processed and analyzed using SPSS version 26. Ethical considerations were taken into account throughout the study, with procedures in place to ensure voluntary participation, informed consent, the absence of risk or harm, confidentiality, and anonymity.

## **RESULTS AND DISCUSSION**

#### Socio-demographic status of migrants

The information in Table 2 reveals the socio-demographic characteristics of migrants in terms of gender distribution, family size, relationship with household heads, education level, landholding status, and occupation in their country of origin. According to the survey results, a total of 390 individuals migrated from 350 households in the research area. Of these migrants, slightly more

than nine-tenths were male, while only 5.13% were female. These findings indicate a significant gender imbalance, with men representing the majority of the migrant population. The gender imbalance in out-migration decreased the availability of male labor on farms, leading to a rise in the feminization of agriculture.

Various research studies have reached the consensus that foreign labor migration from Nepal is predominantly male-dominated. In their book entitled "Migration and Gender," Christou and Kofman (2022) contend that gendered discourses, practices, and legislation can either hinder or enable women and men to cross borders, thereby impacting the extent of labor market segregation.

According to the Ministry of Labor, Employment, and Social Security (MoLESS) reported in Nepal Migration Report 2022 women make up less than 6% of the total number of labor permits issued from 2008/09 to 2021/22 (2022). Similarly in a study by Adhikari and Hobley (2015), it was noted that the trend of foreign labor migration, especially among males, has become prevalent in Nepal.

Regarding the size of migrant families, the average consisted of 5.65 members, ranging from 2 to 16, and displayed a notable standard deviation of  $\pm 2.09$ , highlighting considerable variability in family sizes. Examining the relationship between migrants and respondents or household heads, survey findings reveal that more than half of the migrants (51.79%) were sons of household heads. Additionally, two-fifths (40.51%) were spouses, a smaller percentage (4.36%) were brothers, and daughters constituted 2.31%. This finding is in accordance with Tarfa (2023), the overwhelming majority of the participants received remittances from their sons, with daughters and spouses being the subsequent sources of remittances.

The research results indicated that slightly over half (52.83%) of the migrants had completed high school, while around one-third (31.29%) had only received basic education (Table 2). The researchers observed that individuals with lower levels of education were more likely to engage in labor migration abroad. As noted by Juraev (2012), an overwhelming majority of migrants (87.3%) had attained either secondary or secondary-special education. Another research conducted by Ahunov et al. (2015) mirrored these results, showing that roughly four-fifths of migrants (79%) held a secondary or secondary-specialized education. Similarly, these findings align with the conclusions drawn by Mahato et al. (2022), which indicate that Nepali parents believe their sons can earn more abroad as migrant laborers than through available jobs in Nepal, motivating many youths to choose foreign labor migration over pursuing higher education.

Based on the survey findings, the occupation of migrants before migration differed. About two-thirds (65.89%) of migrants were employed in the agricultural sector, demonstrating the importance of agriculture in their livelihood. Likewise, a significant portion (12.82%) were students, followed by wage labourers (12.06%), a smaller fraction (3.59%) involved in business, and 2.31% working as service holders and 2.05% as drivers. Although agriculture is the mainstay of the rural economy, agricultural production in Nepal was subsistence, and barely enough to meet needs. In this context, Nepali people employ different livelihood strategies in addition to agriculture to cope with the problem of food insecurity, including rearing livestock, collecting and trading medicinal plants, occupational work, tourism, and, most importantly, labour migration (Sherpa, 2010).

Table 2. Distribution of migrants by different socio-economic characteristics

| Characteristics    |                  | Frequency  | Percent     |
|--------------------|------------------|------------|-------------|
| Gender (n=390)     | Male             | 370        | 94.87       |
|                    | Female           | 20         | 5.13        |
| Family Size        | Min.: 2 Max.: 16 | Avg.: 5.69 | Std.: 2.094 |
|                    | Son              | 202        | 51.79       |
| household head     | Spouse           | 158        | 40.51       |
|                    | Brothers         | 17         | 4.36        |
|                    | Daughter         | 9          | 2.31        |
|                    | Daughter-in-law  | 3          | 0.77        |
|                    | Son-in-law       | 1          | 0.26        |
| Education level    | Illiterate       | 39         | 9.99        |
|                    | Non-formal       | 7          | 1.79        |
|                    | Pre-primary      | 9          | 2.31        |
|                    | Grades 1 to 8    | 122        | 31.29       |
|                    | Grades 8 to 12   | 206        | 52.83       |
|                    | Bachelor         | 7          | 1.79        |
| Migrant occupation | Agriculture      | 257        | 65.89       |
| before migration   | Students         | 50         | 12.82       |
|                    | Wage labour      | 47         | 12.06       |
|                    | Business         | 14         | 3.59        |
|                    | Service          | 9          | 2.31        |
|                    | Drivers          | 8          | 2.05        |
|                    | Foreign labour   | 5          | 1.28        |

Source: Field Survey (2021)

## **Economic status of the respondents**

The study revealed that the majority of respondents, comprising four-fifths (80.6%), were engaged in agriculture, while 10.3% were identified as out-migrants, 4.3% worked in the service sector, and 3.4% were involved in business. Regarding housing types, the survey indicated that most respondents lived in cemented homes, with over two-fifths (42.3%) residing in mud and wood houses, and a minority (10.3%) reported living in mud houses. These findings underscored the varied living conditions within migrant families.

Additionally, research results indicated that a quarter of migrant households generated surplus food from their land. Meanwhile, two-fifths produced enough food to last nine to twelve months, and 16.8% had sufficient food for less than six months. Utilizing traditional agricultural methods, about three-fourths (74.6%) of migrant households struggled to produce an ample food supply on their land (Table 3). Our study's results align with the findings of Karki et.al (2021) regarding Bagmati Province, Nepal which highlight that Nepal continues to experience food insecurity, primarily affecting smallholder farmers who depend on rain-fed agriculture for their sustenance.

Table 3. Distribution of migrant households by various economic characteristics

| Characteristics                 |                  | F      | requency |       | Percent        |
|---------------------------------|------------------|--------|----------|-------|----------------|
| Occupation                      | Agriculture      |        | 282      |       | 80.6           |
|                                 | Foreign Labour   |        | 36       |       | 10.3           |
|                                 | Service          |        | 15       |       | 4.3            |
|                                 | Business         |        | 12       |       | 3.4            |
|                                 | Wage Labour      |        | 3        |       | 0.9            |
|                                 | Other            |        | 2        |       | 0.6            |
| Household Type                  | Mud              |        | 36       |       | 10.3           |
|                                 | Mud and wood     |        | 148      |       | 42.3           |
|                                 | Cemented         |        | 166      |       | 47.4           |
| Food Sufficiency                | Less than 3 mont | ths    | 13       |       | 3.7            |
|                                 | 3 - 6 months     |        | 46       |       | 13.1           |
|                                 | 6 - 9 months     |        | 63       |       | 18             |
|                                 | 9 - 12 months    |        | 139      |       | 39.7           |
|                                 | Surplus          |        | 89       |       | 25.4           |
| Attributes                      | Minimum          | Maximu | m Ave    | erage | St. Deviations |
| <b>Land holdings (in Hector</b> | )                |        |          |       |                |
| Khet (Irrigated land)           | 0                | 2.046  | 5        | 0.348 | 0.270          |
| Bari (Non-irrigated land)       | 0                | 0.341  | [        | 0.095 | 0.041          |
| Pakho (Marginal land)           | 0                | 0.341  | l        | 0.095 | 0.041          |

Source: Field Survey (2021)

## Source of income of migrant households

The data reveals that every migrant household relies on remittances to cover their household expenses. Additionally, a substantial majority, exceeding 94.86%, utilize income from farming for their expenditures. Furthermore, about a quarter of households (24.86%) manage their household expenses through salary and wages, followed by 13.71% relying on income from business, and 7.71% depending on old age allowance (Table 4). This information illustrates the diverse sources of income that migrant households utilize to meet their financial needs, with remittances and farm income playing pivotal roles in supporting their expenditures.

The research results indicate the frequency at which migrant households receive remittances. Specifically, 16% of households receive remittances every month. A larger portion, accounting for 40.9%, receives remittances quarterly. A smaller percentage, 1.4%, receives remittances on an annual basis. Remarkably, a bit more than two-fifths (41.7%) of households did not specify the frequency of remittance receipt. This information sheds light on the diverse patterns of receiving remittances among migrant households, with a notable proportion either receiving remittances infrequently or not specifying any specific frequency. The study findings also emphasize the methods employed by migrants in sending remittances to their families. A significant majority, 63.4% of migrant prefer using the banking system as their primary channel for remittance transactions. Conversely, just over 36.6% of migrants opt for remittance companies for this purpose. Noteworthy is the absence of any respondents using the "hundi" system to send remittances to their families. The results reveal a distinct inclination among migrants to favour formal financial channels for remittance transactions. This data holds significance in comprehending the financial habits and preferences of migrants when it comes to sending money to their families.

Table 4. Source of income for the household expenditure of migrants' family

| Characteristics      |                          | Frequency | Percent |  |
|----------------------|--------------------------|-----------|---------|--|
| Source of income     | Remittance               | 350       | 100     |  |
| (n=350)              | Farm income              | 332       | 94.86   |  |
|                      | Salary/Wage              | 87        | 24.86   |  |
|                      | Business                 | 48        | 13.71   |  |
|                      | Old-age allowance        | 27        | 7.71    |  |
|                      | Single women's allowance | 14        | 4       |  |
|                      | Loan                     | 3         | 0.9     |  |
|                      | Disable allowance        | 1         | 0.3     |  |
| Remittance receiving | Monthly                  | 56        | 16      |  |
| Frequency            | Quarterly                | 143       | 40.9    |  |
|                      | Yearly                   | 5         | 1.4     |  |
|                      | Not specified            | 146       | 41.7    |  |
| Source of remittance | Banks                    | 222       | 63.4    |  |
| receiving            | Remit companies          | 128       | 36.6    |  |

Source: Field study (2021)

## **Source of expenditure**

The study findings reveal that household spending on both daily consumption and the acquisition of valuable assets is primarily influenced by self-production and remittances. The researchers categorized expenditures into three main areas: food items, non-food items, and valuable assets. Expenditure on food items encompassed major cereals, vegetables, meat/eggs, oil and spices, and milk. Non-food items expenditure included costs related to medicine, clothing, children's education, fuel/electricity, festivals/ceremonies, transportation, gifts, and cosmetics. Whereas non-food expenditures comprised expenses for medication, clothing, children's education, fuel/electricity, festivals/ceremonies, transportation, presents, and cosmetics. Likewise, land, animals, business ventures, and gold/jewelry were all considered valuable assets. Using a chisquare test, the researchers identified a significant correlation between the sources of spending in these categories and the utilization of remittance funds. This means that remittances play an important role in funding household expenses, including both daily requirements and large investments such as land, cattle, enterprises, and expensive assets such as gold and jewelry. According to Bhandari and Chaudhary (2017), in Nepal, a substantial portion of remittance income is mainly used for consumption, while repaying loans is the second most significant use of these funds. Similarly, Sapkota (2019) in his study, mentioned the use of remitted funds revealed that recipients prioritize household consumption and health services most highly followed by spending on children's education, acquiring assets or property, repaying loans, and investing in agriculture or business ventures.

Table 5. Source of household expenditure of migrants' family

| S.N. | Description                    | Source of Expenditure  |            | Chi-square |
|------|--------------------------------|------------------------|------------|------------|
|      |                                | <b>Self-Production</b> | Remittance | _          |
| 1    | Expenditure on food Items      | 206.8                  | 252.8      | 39.87***   |
| 2    | Expenditure on non-food items  | 267.75                 | 236.87     |            |
| 3    | Expenditure on valuable assets | 45.4                   | 3.25       |            |

Source: Field study (2021)

Note: \*\*\*indicates significance at 1% level

## Use of remitted income

Fig. 1 provides valuable insights into the diverse uses of remitted income by migrant households. The data indicates that an overwhelming majority, comprising 96.9%, allot a portion of the remittance for debt repayment. This suggests a substantial focus among migrants on settling financial obligations using the remitted funds. Moreover, 94% of households set aside a portion of the remittance for savings, highlighting a strong inclination toward financial planning and future security within migrant families. Additionally, more than three-fourths (78.6%) of migrant households channel remittances towards their children's education, emphasizing the significant importance placed on investing in the educational needs of the family. Concerning expenses related to property, approximately one-fourth (24.9%) of households utilize remitted income for purchasing land, underscoring the substantial influence of remittances on property acquisition. Additionally, 14.6% of households allocate a portion of the remittance for building new houses, indicating the positive effect of remitted funds on enhancing living conditions. To sum up, the data implies that remittances play a pivotal role in addressing various financial needs within migrant households, encompassing debt settlement, savings, education, as well as investments in property and housing. These findings offer a comprehensive insight into the multifaceted impact of remittance on the economic well-being and prospects of migrant families. In this regard Pradhan et al. (2016) in their study conducted in Nepal concluded that migrant households used remittances to repay loans, followed by household appliances, education, health and nutrition, daily household expenses, festival celebrations, house repair, land and house purchases, savings, business investment, and social events.

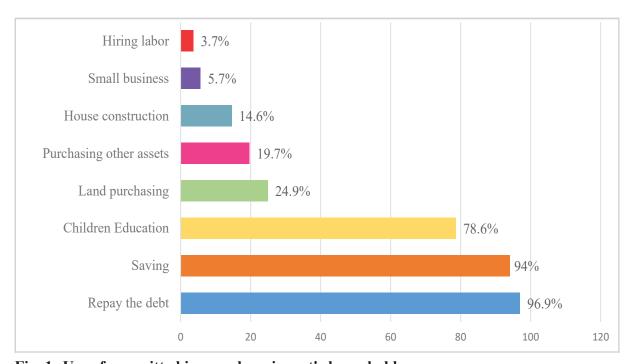


Fig. 1. Use of remmitted income by migrant's household

The data from Fig. 2 illustrates how households allocate remittances for insurance and savings. The main findings are as follows: Firstly, each household directs their remittances towards life insurance, emphasizing a unanimous focus on securing their financial futures through life insurance coverage. Furthermore, 23.7% of households allocate a portion of their remittances for health insurance, indicating a noteworthy emphasis on maintaining health coverage within a significant portion of the population. Regarding saving habits, an overwhelming 85.43% of migrant households choose to deposit their remitted funds in banks, demonstrating a distinct preference for these formal financial institutions. Additionally, 16.29% of households opt

to save with Community-Based Organizations (CBOs) that provide both saving and credit services, highlighting a noticeable interest in the offerings of such organizations. Co-operatives attract 10.29% of migrant households as a saving destination, representing another avenue of financial institution preference for a smaller yet noteworthy portion of the population (Fig. 2). Collectively, these patterns unveil diverse approaches to utilizing remittances for insurance and saving, offering insights into the varied financial strategies employed by households. These findings are in line with the findings of Mishra (2021), the remittance funds in migrant families are primarily utilized for acquiring land, constructing houses, supporting children's education, ensuring access to healthcare, covering expenses for food and clothing, repaying debts, saving, and contributing to marriage and vehicle purchases.

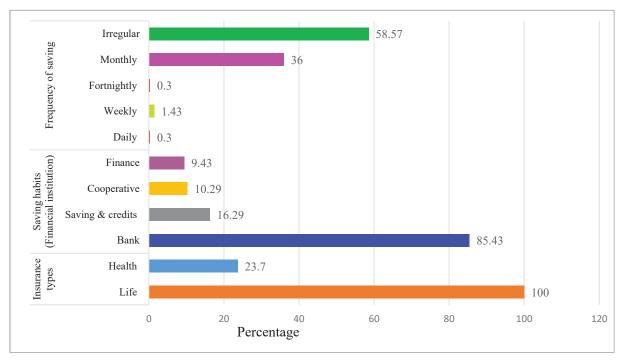


Fig. 2. Remittance used for insurance and saving by migrants' household

## Changes in agriculture practices

As per the insights derived from Table 6, the research sheds light on notable shifts in agricultural practices attributable to remittances. The data reveals that a substantial 96.84% of households have embraced the adoption of hybrid seeds, showcasing a prevalent inclination towards modernized agricultural techniques. Additionally, 88.93% of households have opted for different crop varieties, indicating a significant diversification in cultivation practices. Furthermore, 11.07 % of households have incorporated the use of insecticides and pesticides, underlining a heightened focus on pest control. Moreover, 14.23% of households have invested in hybrid breeds, while 9.09% have employed veterinary medicine and services for livestock. Notably, two individuals have utilized remittances for livestock training, demonstrating a niche yet impactful application. Lastly, a majority of 63.64% of households have integrated machinery into their agricultural activities, showcasing a prevailing trend towards mechanization in the farming sector. These findings are in line with Kapri and Ghimire (2020), remittances help farmers upgrade their equipment and practices, leading to increased household productivity. While Bhandari (2019) mentioned that only a small amount of remittances flowed into the commercialization of agriculture.

Table 6. Changes in household agricultural practices by using remittance n=235)

| S.N.             | Agriculture Practices                   | Frequency | Percent |  |  |
|------------------|---|-----------|---------|--|--|
| 1                | Use hybrid seed                         | 245       | 96.84   |  |  |
| 2                | Use hybrid breed                        | 36        | 14.23   |  |  |
| 3                | Soil test                               | 3         | 1.19    |  |  |
| 4                | Advance nutrient management             | 3         | 1.19    |  |  |
| 5                | Changes in varieties                    | 225       | 88.93   |  |  |
| 6                | Facilities of irrigation                | 3         | 1.19    |  |  |
| 7                | Insecticides/pesticides                 | 28        | 11.07   |  |  |
| 8                | Use of veterinary medicine and services | 23        | 9.09    |  |  |
| Skill/Knowledge: |   |           |         |  |  |
|                  | Livestock training                      | 2         | 0.79    |  |  |
| Technology:      |   |           |         |  |  |
|                  | Use of Machine                          | 196       | 77.47   |  |  |

Source: Field study (2021)

## Changes in status

The research findings underscore profound shifts in the socio-economic statuses of migrants' families following the migration of their members. The study employed various metrics to assess and compare the conditions of migrant families before and after migration. The variables measured encompassed aspects such as food sufficiency, access to medicines and hospitals, community participation, clothing, insurance, children's education, savings, electronic gadgets (fan/TV/mobile/internet), organizational involvement, lending activities, vehicle purchases, and the transition from joint to nuclear family structures.

According to the survey results, post-migration, there was a notable increase to 100% in statuses related to food sufficiency, access to medicines/hospitals, community participation, clothing, and insurance. Similarly, statuses linked to children's education (97.7%), savings (96.6%), and access to electronic gadgets (96.6%) closely approached saturation among migrant families. The study also brought to light substantial alterations in organizational involvement (33.1%) among left-behind members and shifts in family structures (48.29%), as revealed in Table 7. These findings underscore the far-reaching impact of migration on the socio-economic dynamics of the families involved. These results confirm the findings of Ismaili Idrissi and Kawkaba (2023), that remittances had a favorable effect on household consumption, allowing recipients to enhance their living standards. Furthermore, Thapaliya and Devkota (2018) in their studies, noted that migrant families are at an elevated risk of transitioning from a joint family structure to a nuclear one, potentially leading to family breakdowns.

Table 7. Changes in the status of migrant households before and after migration

| S.N. | Description                                 | Before Migration | After Migration |
|------|---|------------------|-----------------|
|      |   | (%)              | (%)             |
| 1    | Food sufficiency                            | 185 (52.9)       | 350 (100)       |
| 2    | Access to medicines/Hospitals               | 36 (10.3)        | 350 (100)       |
| 3    | Community participation                     | 320 (91.4)       | 350 (100)       |
| 4    | Clothes                                     | 274 (78.3)       | 350 (100)       |
| 5    | Insurance                                   | 1 (0.3)          | 350 (100)       |
| 6    | Education                                   | 123 (35.1)       | 342 (97.7)      |
| 7    | Saving                                      | 7 (2)            | 338 (96.6)      |
| 8    | Electronic gadgets (Fan/TV/Mobile/Internet) | 13 (3.7)         | 338 (96.6)      |
| 9    | Organization Involvement                    | 29 (8.3)         | 116 (33.1)      |
| 10   | Lending                                     | 2 (0.6)          | 12 (3.4)        |
| 11   | Vehicle (Car/Bike/Cycle)                    | 2 (0.6)          | 5 (1.4)         |
| 12   | Family type (Nuclear)                       | 85 (24.29)       | 169 (48.29)     |

Source: Field study (2021)

#### **CONCLUSION**

In conclusion, the comprehensive analysis provides a clear understanding of the impact of foreign labour migration. Out-migration from the study area is primarily driven by factors such as employment opportunities, education, and livelihood considerations. Migrants are predominantly male and there are gender disparities in migration patterns. The study also revealed that the majority of migrants had completed high school and their engaged in the agricultural sector before migration. Remittances emerged as a critical financial lifeline for migrant's livelihood. The study illustrated how remittances played a pivotal role in covering various household expenses, including debt repayment, savings, education, and investments in valuable assets and property. Furthermore, the data highlighted the meticulous financial planning of migrant households, with a significant proportion allocating funds for life and health insurance. Savings practices revealed a clear preference for formal financial institutions, showcasing a diverse range of strategies employed by households to secure their financial futures. While talking about the impact of remittance in the agricultural domain, the widespread adoption of modernized techniques and practices, such as hybrid seeds and diversified crop varieties, reflected a progressive shift in farming methods. The study also shed light on the transformative impact of migration on the socio-economic statuses of left-behind families. Postmigration, there were significant improvements in various aspects, including food sufficiency, access to healthcare, community participation, education, savings, and access to electronic gadgets. Changes in organizational involvement and family structures further underscored the profound and lasting effects of migration on the surveyed population. In summary, the research findings contribute valuable insights into the complex interplay of migration, socio-economic dynamics, and livelihood strategies among the surveyed population.

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