Dynamics and Dimensions of Labour Migration from Nepal

Report based on advertisement analysis

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Council for Technical Education and Vocational Training
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Dynamics and Dimensions
of
Labour Migration from Nepal
(A report based on advertisement analysis)

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EXECUTIVE SUMMARY

Remittance is becoming the backbone of Nepalese economy since recent past, however the conditions of Nepalese migrant workers is extremely vulnerable and per worker income is also significantly low. The undesirable situation faced by migrant workers can partly be attributed to their low level of skills or efficiency. This study is therefore aims to analyze the role of skills training among the migrant workers despite the limited information available to the research team. The major source of information for this analysis is the published advertisements regarding the foreign employment in some major National News Papers.

The objectives of the study are to identify the mostly demanded skills in foreign employment and speculate the tentative numbers of demand of such skilled workers; spell out the gap between demand and supply of Nepalese workforce in global labour market in terms of both the type of skill and number of workforces; and suggest the measures for improvement in the existing training programs to bridge this gap.

Almost thirty three hundred advertisement cases were entered and analyzed by means of statistical program named SPSS. These advertisement cases were collected from Kantipur National Daily and Nagarik Daily published between Shrawan to Paush, 2070. Besides the quantitative demand side information of these advertisement cases, some qualitative information regarding the supply side issue were also collected from personnel interview with foreign employment professionals with the help of semi-structured questionnaires.

Altogether 95,144 workforce were demanded from 3,295 advertisement cases. Among these demanded posts, 95% demand were obtained from five major countries like UAE, Qatar, Malaysia, Saudi-Arabia and Kuwait, where the demand obtained from UAE is 29.33%,followed by Qatar (28.02%), Malaysia (20.27%) and so on. While categorizing the demand in terms of level of skills, skilled category occupies greatest share of demand with 36.86%share followed by Semi-skilled 35.19%, Unskilled (26.37) and Professional (1.58%).

There is significant variation in the expected salary among the migrant workers. A skilled worker can expect monthly salary higher by 41% than the expectation of unskilled worker and corresponding expectation of professional workers is 188% higher.Although level of skill is the major source for income variation among the migrant workers, this is not a single source that can be responsible for such variation. Type of skill, economic and social status of destination countries, and educational qualification of migrant workers are the other factors that are also responsible for income variation.

There is not any significant relationship between expected salary and cost of migration, however the average cost of migration of unskilled workers is found significantly higher than that of skilled and professional workers.

Rapid change in skill composition can be observed among Nepalese migrant workers in recent years. The proportion of unskilled workers is decreased by 18 percentage point during 2004 to 2014, where as corresponding figures of skilled and professional workers are increased by 17 and 1 percentage point with in the same period of time.

Nepalese foreign employment professionals have received increasing demand of skilled workers in recent years. This is also creating pressure to increase the supply of workers accordingly, however the capacity of training institutes in Nepal is not in the position to satisfy the received demand.

There seems mismatch between demand and supply of skilled workforce in foreign employment sectors. Scarcity of skilled workforce is still the problem in some trades however some trades are found already saturated in terms of numbers of graduates. Type and number of training should therefore always be the matter of revision in every couple of years.

Safer migration is the function of education and training which includes both hard skills and soft skills. Both of these skills should be provided as in package. The orientation training provided by Foreign Employment Promotion Board should be linked up with the skills training provided by various training institutes.

The skilled workers not only expect to earn higher income from foreign employment but also expect to migrate in low cost and enjoy secured jobs, however unskilled workers are hardly found motivated to take training before flying to abroad. Those people should be made aware as a mission about such benefit of training.

Despite the major role of skills in safer migration, neither the Foreign Employment Act 2064 has incorporate strict provisions regarding necessity of skill certificate for skilled jobs, nor majority of foreign employment professionals are found honest to follow the sentiments of the act regarding this issue. Reform in Foreign Employment Act 2064 and the corresponding rules is therefore essential to guarantee the "Skill Certificate for Skill Job" and should be implemented according.

Last but not least, skills training always augments the potentials and enhances productivity thus widens the economic horizons of not only individuals but nation in totality. But majority of graduates of presently available training programs neither get the employment opportunities in the country nor satisfy the needs of abroad demand. Reason is simple, the aspect of training quality and needs of labour market are not getting due emphasis in every phase from designing to implementation.

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ACRONYMS AND ABBREVIATION

ANOVA   Analysis of Variance

CBS   Central Bureau of Statistics

CTEVT   Council for Technical Education and vocational Training

EPZ   Export Promotion Zone

EVENT   Enhanced Vocational and Technical Training

FDI   Foreign Direct Investment

GDP   Gross Domestic Product

HR   Human Resource

I/NGO   International / Non-Governmental Organization

MoF   Ministry of Finance

MoLTM   Ministry of Labour and Transportation Management

NLSS   Nepal Living Standard Survey

NPC   Nepal Planning Commission

SPSS   Statistical Program for Social Science

Std.   Standard

TVET   Technical and Vocational Education and Training

UAE   United Arab Emirates

WTO   World Trade Organization

CHAPTER ONE
INTRODUCTION

1.1   Background

Presently, remittance is becoming the backbone of Nepalese economy and it is widely believed that 22% of GDP is contributed by remittance resulting from the involvement of almost 2 million of Nepalese youths in foreign employment. Although, out-migration of human resources itself is not an encouraging sign for any economy, the further disappointing fact is that only negligible numbers of migrants from Nepal are involved in skilled-job. It is widely believed that alarming number of migrant workers from Nepal are unskilled (69.1 percent) while corresponding figures of semiskilled, skilled, and highly skilled are only 27.1%, 3.4% and 0.4% respectively (Gurung, 2007). On the one hand, it has been reported that foreign employment professionals are facing scarcity of skilled workers to supply for foreign employment. On the other hand, negligible numbers of migrant workers from Nepal are only found in skilled jobs.

Presently, substantial numbers of training institutions under both governmental and private sectors provides vocational training programs related to different trades and sectors. In contrast, the graduates of these training are not getting satisfactory job as per the skills and their competency. Serious mismatch was found between the skill taught during training and the actual need of job market. This type of skill-work mismatch is found further serious in foreign labour market than domestic own. Identifying such mismatch is the basic requirement to prepare demand based skilled human resources.

1.3   Objectives of the study

The broader objective of this study was to explore the present status of demand and supply of Nepalese workforces in foreign employment and provide way outs for concerned agencies to deliver demand based TVET programs in the country. The specific objectives of this study were to:

- Identify the mostly demanded skills for foreign employment and speculate the tentative numbers of demand of such skilled workers;
- Spell out the gap between demand and supply of Nepalese workforce in global labour market in terms of both the type of skill and number of workforces;
- Suggest the measures for improvement in the existing training programs to bridge this gap.

1.2   Significance of the Study

As per the Foreign Employment Act 2064, manpower companies have to publish a notice with adequate information about the nature of the job and cost of migration before sending such workers to employment. These advertisements give great deal of information about foreign employment including the qualification of workers, working conditions, proposed incentives to workers and tentative cost of migration. On the one hand, these information are vital to analyze the demand

side aspect of foreign employment. On the other hand, the cost and duration of study can also be significantly reduced by adopting this approach. Moreover, a longitudinal study is also possible by these information.

Although, this study is being carried out as a part of the annual program of CTEVT, Research and Information Division, this gives vital information to both TVET institutions as well as manpower agencies for their better performance in future thereby contributes to increase income for individual workers and remittance to country.

1.4   Methodology

This study is based on both qualitative and quantitative data and information including both demand and supply sides. The major source of demand side information was the advertisement published by manpower agencies in Kantipur National Daily and Nagarik Daily, since these two news papers found covered large share of such advertisement cases. About 3500 advertisement cases were collected from Shrawan 2070 to Paush 2070 which were published in these two newspapers and entered in to the statistical program named SPSS. After processing and cleaning the data, only 3295 cases were found appropriate for analysis and analyzed them accordingly.

Instead of these published information, some other information regarding the demand and supply of HR as per the skill-categories were obtained as a qualitative information. In this regard, personal interview with foreign employment professionals were carried out and analyze as per the requirement. A semi-structured interview format was developed for such purpose.

1.5   Limitations and assumptions

The valid analysis for any type of scientific research should satisfy some pre-conditions however fulfillment of all the pre-conditions is hardly possible by any research in social science. The analysis in this research also carried out under some limitations which is listed out as follows.

❖ Source of information analyzed in this study is fully based on the published advertisement. Therefore, both validity and reliability of the information can't be justified by the methodology adopted in the analysis. The information undertaken in this research are assumed to be valid and reliable since these activities are operating according to the law.

❖ The supply side information is fully based on personnel interview with foreign employment professionals selecting a few individuals. The sample size is therefore too low to make the statistically significance conclusion from this analysis. The analysis is therefore just the glimpse of supply situation.

❖ The skill categorization in this report was made on the basis of the definition relevant with the Nepalese context as mentioned in the report, however there is still reservation on the categorization basisof the available data which is compared with the findings of the report.

1.5   Organization of the report

The report is organized in to four different chapters. The first chapter of the report is the introductory chapter which gives some justifications or background information on why this study was initiated. This chapter also states the objectives of the study with detail descriptions on its methodology. Likewise the second chapter gives the snap shop on Nepalese labour market; past trends and present situation of migration and remittance inflow to the country. This chapter also presents some information of foreign and domestic labour policy. The third chapter which is also the heart of this report gives the detail descriptions on analysis and interpretation of the advertise cases. Finally the report ends up with major findings together with conclusions and recommendations in the fifth or last chapter.

CHAPTER TWO
CURRENT LABOUR MARKET SCENARIO

2.1   Background

Nepal is an agrarian economy. More than 74% of populations of Nepal are engaged in traditional agricultural occupations, however the contribution of this sector in national income is confined within 37.4% (CBS, 2008 & MoF, 2011). The discrepancy between these two figures indicates that the productivity of labour force engaged in this occupation is extremely low, which is further verified by underutilization rate of labour force. According to Nepal Labour Force Survey, the underutilization rate of labour force is extremely high (30%) (CBS, 2008). On the one hand, large majority of workforce are engaged in agricultural sector, which is comparatively unproductive. On the other hand, the manufacturing sector, which is highly productive sector was shrinking during the last decade. The share of manufacturing sector in GDP was 9% in 2004/05 but decreased to 6.5% in 2010/11 (MoF, 2011). Likewise, the labour force participation rate of Nepal is also not much encouraging (83.5%). In this scenario, both to increase the labour force participation rate and productivity can be instrumental to raise the economic growth of the country. A labour policy therefore should focus on such matters.

2.2   Composition and distribution of labour force

The report of Nepal Labour Force Survey has revealed that the labour force participation rate is decreased by 1.4 percentage point from 1998/99 to 2008. Considering the gender wise data, the economically active male population (87.5%) is significantly higher than economically active female population (80.1%). At the same time, economically active boys' population is slightly lower than that of the girls' which further suggests that the access to education to girls is still lower than that to boys. On the one hand labour, force participation rate is declining during the analyzed period. On the other hand, the employment rate during the same period has decreased by 2.6 percentage point, despite the rise of paid worker by 0.9 percentage point (CBS, 2008). The increase of paid worker reveals the fact of displacement of workforces form subsistence agricultural occupation to other sectors, however the rate is far lower than it was desired. Out of the total economically active population of 11.8 million, only 2 million are wage employed rest 9.8 million are self employed (CBS, 2008).

The line graph in chart 2.1 depicts the trend of employment as per the consumption quintiles. While analyzing the trends, we find that the proportion of employment in agriculture decreases moving from lower to upper quintile in both wage and self employment, however the rate is higher for self employment than wage employment. Unlike the agriculture, the employment proportion in non-agriculture occupation increases while moving from lower consumption quintile to upper consumption quintile. This discrepancy on data suggests that productivity of workforce is lower in agriculture occupation since the impact of productivity can be observed in income and consumption.

Chart 2.1: Employment by Consumption Quintile
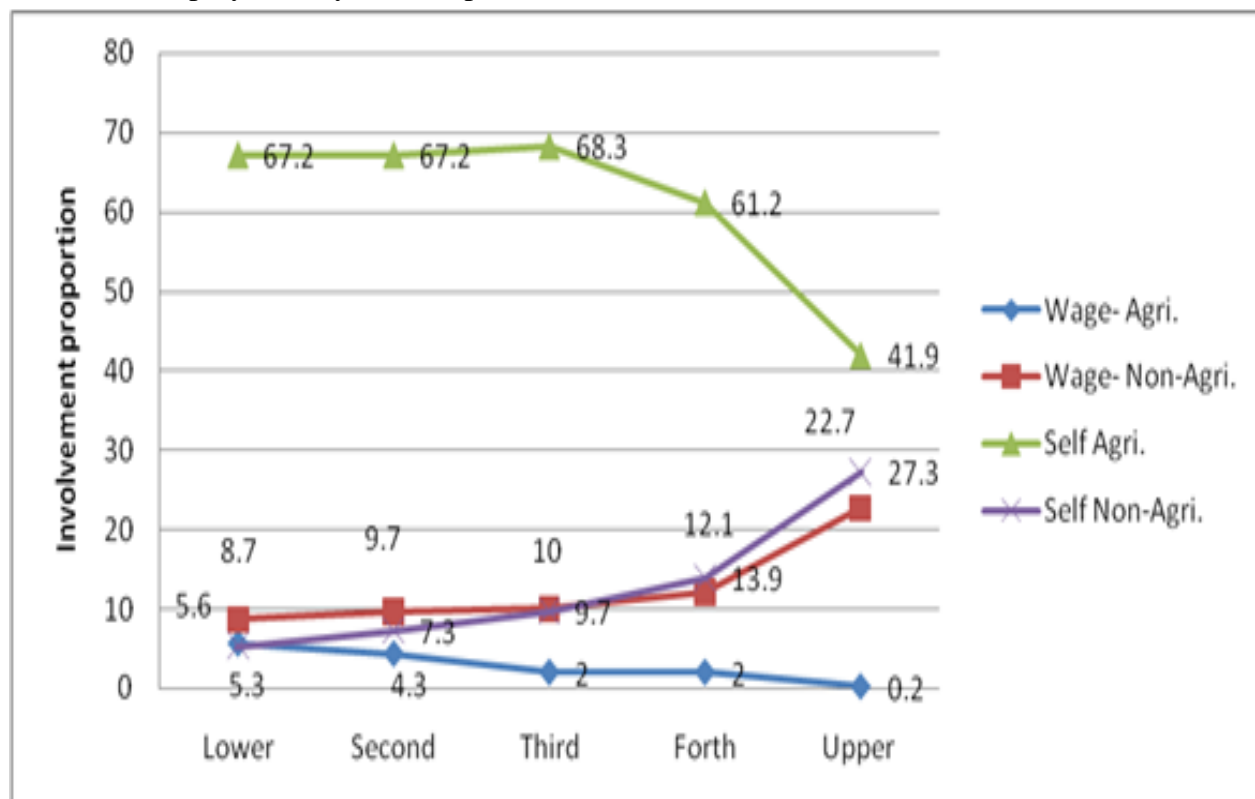
Source: Nepal Living Standard Survey 2010/11

2.3   Labour migration situation from Nepal

It is reported that 450,000 labour force are entering annually in the labour market, however the job created by an economy is very lower than that number (MoF, 2011). These entrants therefore have no choice than leaving to foreign employment for their ends meet regardless of the salary and nature of work. It is also widely reported that most of migrant workers are involved in menial and lower paid jobs. Moreover, the conditions of female workers are even critical who migrates for house maid jobs (MoLTM, 2010).

After the liberalization of economy in 1985, the foreign employment opportunities for Nepalese started to emerge up. As a result, the unemployed youth began to migrate to countries with emerging economics like Malaysia and some gulf countries to seek employment. The chart depicted in Table 2.1 reflects that the number of migrants was not significant until fiscal year 1997/98, since then it was sky rocketed. Presently, it is reported that almost 1500 Nepalese youth are migrating daily to seek better employment opportunities.

Table 2.1: Trends of Migrants and Inflow of Remittance

S.N.	Fiscal Year	Number of Migrants	Remittance (NRs. Million)
1	2050/51	3650	346.91
2	2051/52	2159	506.36
3	2052/53	2135	428.36
4	2053/54	3259	559.5
5	2054/55	7745	698.78
6	2055/56	27796	1031.46
7	2056/57	35543	1266.23
8	2057/58	55025	4721.61
9	2058/59	104736	4753.63
10	2059/60	105043	5420.33
11	2061/62	106660	5858.76
12	2062/63	139738	6554.12
13	2063/64	165252	9768.85
14	2064/65	204533	10014.48
15	2065/66	249051	14268.27
16	2066/67	219965	20970.00
17	2067/68	244094	23172.53
18	2068/69	354716	25360.00
19	2069/70	384665	33090.00

Sources:

MoLTM, 2010. (Foreign Employment and Remittance and its Contribution to Economy of Nepal, MoF 2013, Economic Survey, 2012/013

2.4 Dynamics of labour market situation

It is mentioned earlier that large majority of Nepalese labour force are engaged in agricultural occupation. Slight shift of these labour force from agricultural to non agricultural occupation can be observed during the last two decades, however the rate is not in desired level. Large proportion of population are adopting subsistence agriculture as a major occupation, but the productivity of agriculture is very low because of the traditional agricultural practices and lack of year round irrigation. According to Nepal Living Standard Survey 1995/96, out of the total proportion engaged in agriculture, 12.5% were wage-employed and 70.7% were self-employed, where as 2.3% and 61.3% is the corresponding status revealed by NLSS 2010/11. In the same period, wage employment in non-agriculture sector increases by 5 percentage point (7.7% to 12.7%), similarly the increment in wage employment is observed 3 percentage points (9.5% to 12.6%) during the same period of time. The table 2.2 gives the detail information regarding the sector wise composition of labour force.

Table 2.1: Trend Analysis of Employment Status

Description	Nepal Living Standard Survey		
	1995/96	2003/04	2010/11
Employed Population (%)	67.2	74.3	78.3
Unemployment Population (%)	3.4	2.9	1.8
Not in labour Force (%)	29.4	22.8	19.9
Labour Force Participation Rate	70.6	77.2	80.1
Unemployment Rate (age 10-14 years)	4.9	3.8	2.2
Unemployment Rate (age 15-24 years)	7.9	3.4	1.1
Employed by Number of Hours of Work			
1-19 Hours	21.5	24.4	31.7
20-39 Hours	25.6	23.4	22.1
40 Hours and Above	52.9	52.2	46.2
Share by Main Sector of Employment			
Share of Self Employment in Agriculture	12.2	6.8	2.8
Share of Wage Employment in Agriculture	70.7	64.3	61.3
Share of Self Employment in Non-Agriculture	9.5	10.2	12.6
Share of Wage Employment in Non-Agriculture	7.7	9.3	12.7
Share of Extended Economic Work		9.4	10.7
Incidence of Child Labour, Age 5-14 Years		31.4%	27.6%

Source: Nepal Living Standard Survey, 2010/11)

During the last two decades, Nepalese labour market sector witnessed positive symptoms including increase in labour force participation rate, employment proportion, incidence of child labour, displacement of worker form unproductive sector by productive sectors. The data in table 2.1, gives the comparative status of labour market indicators among three subsequent living standard surveys from 1995/96 to 2010/11. According to NLSS 2010/11, unemployment problem in not severe in Nepal, however underemployment seems more challenging. Only 46.2% of population are in full time employment (more than 40 hours in a week) however sizeable proportion (31.7%), works less than 20 hours a week. Similarly, 22.1% of population works between 20 to 39 hours. Considering them only ¼ and ¾ time employed, total unemployment rate becomes alarming (31.1%)[1]. But according to the survey, unemployment rate is decreased by 1.6 percentage point during the last one and half decade (3.4% to 1.8%). Detail information is presented in table 2.1.

World Economic Forum has been publishing a Global Competitiveness Report since 2001. In this report, competitiveness of any country is measured on the basis of twelve different indicators

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[1] Unemployment rate = unemployed proportion (1.8%) + ¼ * 31.7% (employed 1-19 hours per week) + ¾ * 22.1% (employed 20-39 hours per week) or unemployment rate =1.8% +23.7% +5.5 =31.1%

mentioning them as piller. Labour Market Efficiency is one of these pillars, which is further calculated on the basis of nine different aspects of labour market sector. The aggregate score of labour market efficiency index is 3.61 as per the report of 2007/08, whereas the respective score is decreased to 3.58 in 2011/12 which further depicts the ineffectiveness of present labour policies.

2.5 Overview of labour and employment policy in Nepal

It is obvious that Nepalese economy is being remained subsistence agriculture economy and the labour forces in this occupation are unorganized. History of organized Labour force dates back to 1938 alongside the establishment of first modern industry in Biratnagar (Riman& Upadhyaya, 1999). At the same time the industrial council was also established however no specific policy was there regarding labour issue. Although the planned development has started in 1956, labour issues got due importance only after reestablishment of democratic political system. Eighth Development Plan, which was the first development plan after reestablishment of democracy in 1989, had identified some problems and challenges of Nepalese labour market. In this planned document, some policies were also formulated to address such problems. Some activities for addressing labour and employment issues such as establishment of Ministry of Labour and Social Welfare in 1981, launching of employment generation activities in Seventh Five Yearly Development Plan were already been there, however it is found that major stride in reform and regulating activities in labour and employment sector takes places only after the reestablishment of democracy (Riman & Upadhyaya, 1999).

In this regard, Eight Development Plan incorporated various policy matters regarding labour and employment issues and several systems and programmes were also proposed in order to safeguard the labour rights and enhanced the productivity of labour force. These reform activities included various vocational training and skill development activities, and some institutional and legal provisions. The following are the main objectives regarding labour and employment issues incorporated in the Eighth Development Plan (NPC, 2048).

a. Reducing unemployment by maintaining a balance between demand and
    supply of labour.
b. Producing skilled workers for the purpose of development activities.
c. Creating enabling environment for employment opportunities both at home and
    abroad.
d. Protecting the basic rights of labours effectively.

2.5.1 National Labour Policy 2056

Unlike the general understanding, Labour policy is not only related with safeguarding the rights of the labour but also deals with the factors that are related with the production activities or enhances productivity of labour force. A policy dealing only with labour issues, was therefore essential for properly addressing the problems and challenges of labour and employment sector so as to maximize the production activities using scarce means and resources tactfully.

National Labour Policy 2056, was the first and foremost policy formulated to deal with labour related problems as a separate document. This policy had covered several issues relating to harmonizing the relationship with industrial sector, employment promotion, training and skill development, reforming the existing labour related rules and regulations and other social security issues.

As summarizing the main objectives of that policy, some provisions such as creating production friendly environment in industrial sector by harmonizing the relationships between workers and management, safeguarding the basic rights, welfare and workplace-security for the workers, giving due consideration on the issue of disadvantaged group including women and handicapped, and training and supply of skilled workers in desired quantity and quality appropriately incorporated in the policy. No doubt, that the labour policy was wide inclusive, but the dynamism of globalization has changed the global production scenario in such a way that a new policy in this regard became essential. Thus, the new labour and employment policy has been formulated in 2062 B.S.

2.5.2   Labour and Employment Policy 2062

The labour and employment policy 2062 was devised making necessary modification in the earlier policy. Some essential provisions were incorporated in existing policy to make it compatible with the recent developments like WTO membership in 2004, the increasing globalization of labour market as well as capital, goods and service market.

> According to this policy, its longer term goal is to provide productive, non-discriminatory, exploitation-free, decent, safe and healthy work opportunities for citizens of the working ages by building an environment of friendly investments, in addition to building and managing a labour market that contributes to the national economy so that it can compete at the global level. (MoLTM, 2062)

As a short term objectives, it has given due emphasis to provide productive and full employment, eliminate illegal labour activities like child labour, bonded labour and other forms of labour discrimination, developing multi skilled and productive labour force, safeguarding the labour rights, harmonizing the relationships between labour and management and so on. Some effective working policies are also proposed to make these objectives achievable.

Provisions regarding identification of labour intensive employment sectors and creating investment friendly environment to boost up both internal investment and FDI are incorporated in the policy. Providing special facilities to those industries which are providing fixed numbers of employments or more is also incorporated. Sufficient attentions is given for the skilled development activities and establishment of labour market information system. In addition to this,

attention is paid to control strikes and closers specially in the industries established at EPZ which jeopardize the total production system.

Provisions of the policy are focused on creating positive thinking towards labour and workers to establish dignity of labour in society. Development of labour relation according to the concept of decent work and ILO labour standard, encouragement of global parameters of labour also in informal sectors. Employment will be considered as a fundamental rights as well as tripartite and bipartite consultation and partnerships between the government, employers and workers will be constantly encouraged for productivity growth and harmonious industrial relations. Any type of unfair labour practices from the side of worker and workers' organization as well as employer and employers' organization will be entirely prohibited.

Along with developing labour elasticity, social security, and occupational safety and health as intrinsic components of labour administration, the social security network will be expanded in a graduated manner by coordinating them on the initiative of the government, social partners and non-governmental sector. For this to achieve, flexibility encouraged in labour market, comprehensive and integrated system of social security will be developed and expanded, balance will be maintained between elasticity of labour market, investment friendly environment and minimum social security, due emphasis are given on occupational health and safety and reproductive health, vocational training and skilled development programmes will be decentralized etc.

To enlarge the employment and self-employment opportunities for the youth, women, indigenous peoples, dalits, elderly, differently able and backward sections and groups, special target programmes that support employment will be conducted. Merit-based employment encouraged. There are sufficient provisions for positive discrimination towards indigenous nationalities, differently able, vulnerable and poor groups, and appropriate positive to encourage them for employment. Several reform programmes will be proposed to encourage for the higher participation of women in labour market adapting gender balanced approach discourage harassment for women, making women and family friendly working environment

The master plan on child labour will be effectively implemented by establishing cordial relation with other sectoral work plans prepared for the protection and development of children. This will be achieved by coordinated effort made by GOs, INGOs, NGOs, private sectors, donor community as well as other international community, legal provisions will be made adequate and effective alongside the institutional frameworks

Activities that contribute to capacity building, expansion, and system improvement of the offices engaged in employment promotion and labour administration, in addition to boosting the morale of personnel, will be carried out.

2.5.3 Policy on foreign employment

Neither any specific policy nor act or regulation was there to address the issue of labour migration since long past time. The existing labour and employment policies and respective laws and bylaws have been consideringto regulate the issues of foreign employment. In the beginning of sixties decade, the issue of foreign employment got due importance and respective policies were felt urgent to regulate the existing situation of labour migration. Promulgation of Foreign Employment Act, 2064 and Foreign Employment Regulation, 2064 were the result of the initiation form the government side.

Anglo-Nepal Treaty of Peace and Friendship signed in 1890 was one of the examples which justifies how government policies are vital to solve the problems of foreign employment. This treaty paved the way for more than 3000 Nepalese solider recruit in British Gorkha Regiment. Likewise the Friendship Treaty singed between Nepal and India in July1950 was a turning point in the movement of Nepalese in India (Kayastha, 2002 cited on Shrestha, (2009). Public policies can play vital role both to safeguard the labour right and to lower the transaction cost of the government. Although safeguarding the labours' right is more depends upon the policies taken by destination countries, there are still some areas on which government of source country can play vital role in it.

2.5.3.1 Safeguarding labours' right

Because of the democratic political system, safeguarding the labour right is the primary concern of the Government of Nepal, which is reflected not only in related laws and bylaws but also in interim constitution. The Interim constitution of Nepal 2007 has validated employment as one of the elementary rights of the Nepalese citizens (Gurung 2010). Nepalese citizens are allowed to carry out any kind of business or involve in any type of wage or self-employment activities which is not restricted by constitution or existing laws (Interim Constitution, article 18). The promulgation of Foreign Employment Act 2064 and The Foreign Employment Rules 2064 are positive attempts in themselves towards both safeguarding the workers rights and lowering the migration cost. Moreover, there are ample provisions in this act and regulation, the major points of which are listed out as hereunder.

- Provisions up to 5 years' imprisonment and 7 lakhs capital punishment to discourage one who involve in cheating and deceiving while sending workers in employment (Chapter 9)

- Establishment of Foreign Employment Department and provision to appoint labour attaché in a destination country where more than five thousand Nepalese migrant workers are currently working (Section 67 and 68)

- A person under eighteen years is strictly prohibited for foreign employment. (Section 7)

- In order to ensure compensation, provision of deposit either 30 lakhs in cash or 7 lakhs in cash and rest as a form of bank guarantee is compulsion to get approval for running foreign employment business is available in the law (Section 11)

- Provision of foreign employment welfare fund (Chapter 6) and Foreign Employment Promotion Board chaired by Labour and transport management minister (Chapter 8)

- Provision for compulsory advertisement incorporating some essential information (Section 16)

- Compulsory provision of getting skilled training form the government recognized agencies (CTEVT constituent or affiliated training institute) to migrate as a skilled worker (Section 30)

- Compulsory provision of imparting orientation training prior to foreign employment (Section 27)

2.5.3.2 *Lowering the transaction cost of migration*

The period between 1997 and 2003 could be considered as the boom period regarding foreign employment (Shrestha, 2009). The rapid out flow of labour migration during this period can be attributed to the policy taken by government to issue passport form the respectively District Administration Office. This decision had played vital role to lower the cost of migration. Likewise, the provision under the existing laws and by laws which contribute in lowering the cost and accelerating the flow of migration are as follows.

- Provision of fixing ceiling amount to be paid by foreign job seeker (Section 24)

- Provision for refund if the worker reluctant to migrate due to otherwise provisions than advertised (Sub section 3 of section 20)

CHAPTER THREE
ADVERTISEMENT ANALYSIS

3.1 General profile of the data

This report is mainly based on the information provided in the advertisements published by the foreign employment agencies to fulfill the demand obtained from foreign employers. There is a compulsory provision in the Foreign Employment Act 2064 for publishing an advertisements in national daily newspaper incorporating the particular information regarding the working conditions and offered facilities. This information must incorporate the proposed salary and other benefits, tentative costs, minimum qualification, name of employers' company and country, working conditions etc.

Since, over 3000 advertisements published within six months time period from Shrawan to Paush 2070 was initially proposed to analyze, all data could not be entered due to the reason mentioned hereafter. The advertisements published in Kantipur National Daily form Shrawan to Kartic was completely incorporated in the analysis but data of last two months, Mangsir and Paush was partly entered since the data already exceeded the predetermined limit of 3000. Large share of advertisements have been found covered in Kantipur National Daily, data only in small number was entered from Nararik Daily. In total 3295 advertisement cases are incorporated in the analysis.

3.2   Advertisement by month

The advertisement published from Shraban to Paush mainly in Kantipur National Daily and partly from Nagarik Daily are only the source of information for this study. The table below depicts month wise distribution of both Advertised Cases and Advertised Number, however this figure does not reflects the general situation of advertisement. As it mentioned earlier, the number 3295was neither the number of total advertisements published within the analyzed period nor sampled out following any of the random sampling procedures.

Table 3.1: Distribution of Advertisements by Month

S.N.	Name of Months	Advertisement Cases	Percent	Advertised Number	Percent
1	Shrawan	973	29.53	28287	29.73
2	Bhadra	545	16.54	16211	17.04
3	Ashwin	302	9.17	7988	8.40
4	Kartic	575	17.45	16646	17.50
5	Mangsir	65	1.97	1797	1.89
6	Paush	835	25.34	24215	25.45
7	Total	3295	100.00	95144	100.00

Source: Advertisement Analysis, 2013/14

The two figures depicted in the Table 3.1 and after this, under the title of Advertised Cases and Advertised Number are different. Single advertisement used to publish for a same nature of job, however the demanded number would be ranges from one to many. The formal title indicates only the number of advertisements where as the later data counted the demanded numbers as well. Altogether 3295 published advertisement cases were entered and analyzed in this study which incorporates the demand of 95,144 numbers of workforces. Among the entered data, majority (29.5%) are advertised in Shrawan followed by Paush (25.35%) and Kartik (17.45). Somehow the advertised numbers are also proportionately similar to the advertised cases. The detail of this distribution is depicted in Table 3.1.

3.3   Country wise demand distribution

Although more than 109 countries are opened up for foreign employment to Nepalese Workforces, analysis in this report has explored notably fewer countries (11 countries) from which demand of workforces has been received. Among these eleven countries, UAE has the greatest share (29.33%) of demands followed by Qatar 28.03%, Malaysia 20.47% and Kuwait (13.38%). No notable figure of demand has been received from rest of the countries. Although, South Korea is also the major destination country for labour migration from Nepal, it was not found in regular advertisements since different procedure is adopted to select the workforce to South Korea[2]. The detail of the country wise distribution of workforce demand is presented in Table 3.2.

Table 3.2: Advertisements by Country

S.N.	Name of Months	Advertisement Cases	Percent	Advertised Number	Percent
1	UAE	944	28.65	27903	29.33
2	Qatar	1118	33.93	26668	28.03
3	Malaysia	372	11.29	19478	20.47
4	Saudi Arabia	290	8.80	12729	13.38
5	Kuwait	272	8.25	4713	4.95
6	Oman	183	5.55	1588	1.67
7	Bahrain	78	2.37	1476	1.55
8	Cyprus	20	0.61	324	0.34
9	Europe	12	0.36	130	0.14
10	Macau	3	0.09	102	0.11
11	Japan	3	0.09	33	0.03
12	Total	3295	100.00	95144	100.00

Source: Advertisement Analysis, 2013/14

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[2] EPS was the process under which workers were selected for the Korea.

3.4   Demand by occupational category

During the analyzed period, demand of 95,144 workforce under various job titles were observed, which is too long to present in the report and understand by the readers. The job titles are therefore subsumed under the 52 categories which is presented in Annex I. Among these categories, unskilled workers covers large share (25%) of total demand. Under the unskilled category, various job titles are subsumed which does not require any defined skills or prior experience to perform the job such as Labour, factory worker, cleaner, agriculture labour etc. Similarly, second highest obtained demand was of Security Guard which occupies 16% share of total demand. Helpers in skill related jobs are also in significant numbers. Substantial numbers of workforce having skills like carpentry, masonry, plumbing, electrician, mechanical are also found significantly demanded with in the analyzed period. (See Annex I for detail breakdown)

3.5   Demand by skill category

These demanded jobs are further classified as per the level of working efficiency or competency such as Unskilled, Semi-skilled, Skilled and Professionals. Although universal or wide acceptable classification of these terms are difficult to find, attempt was made to define these terms based on international standard and national practice. The definition of these terminologies mentioned hereafter are followed to classify the job categories stated in the previous topic 3.4.

Unskilled jobs: Those nature of jobs that can be performed with out having prior experience or knowledge about the jobs and the offered remuneration is also relatively lower.

Semi-Skilled jobs: Those types of jobs that require some level of prior experience or knowledge but individuals are not capable enough to perform without the supervision or guidelines of seniors. Moreover, the offered remuneration for such jobs is more than 20% than that received by average unskilled job holders.

Skilled Jobs: Those types of Jobs that need sufficient level of prior experience or knowledge and individuals are capable enough to independently perform with out the guidelines of seniors. Moreover, the offered remuneration is also more than 50% than that received by average unskilled job holders.

Table 3.3: Demand by Skill Category

SN	Skill Category	Advertised Cases	Percent	Advertised Number	Percent
1	Unskilled	569	17	25088	26.37
2	Semi-skilled	958	29	33479	35.19
3	Skilled	1627	49	35069	36.86
4	Professional	141	4	1508	1.58
5	Total	3295	100	95144	100

Source: Advertisement Analysis 2013/14

Professional Jobs: Those categories of knowledge-based jobs which require higher level of academic degree and prior knowledge to perform and the offered remuneration was also lucrative.

The advertised title of the jobs were classified based on the above definition. As per this classification, large demand was obtained for skilled workers under various sectors from construction to hotel managements. Among the total demanded numbers, 36.85% demands are of skilled workers, likewise 35.85% for semi-skilled workers, 26.36% are for unskilled and 1.85% demanded numbers falls under professional category. The Table 3.3 depicts the detail of this classification

3.6   Variation in salary level

To explore the information about the offered salary for the advertised posts is also made mandatory by the Foreign Employment Act 2064. This information is also analyzed in this study. The salary offered for these advertised posts ranges between Rs. 10,000 to Rs. 186,521. The mean of that figure is Rs. 38,251 and standard deviation is 18,790.29. The offered salary is not found normally distributed but positive skewed and mesokutic. The detail description of the figure is depicted in the Table 3.4 below.

Table 3.4: Descriptive Statistics on Offered Salary

	N	Range	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Stat.	Stat.	Stat.	Stat.	Stat.	Stat.	Std. Error	Stat.	Std. Error
Salary in terms of Nepali Currency	3295	176521	10000	186521	38251.5	18790.29	3.306	.043	16.29	.085
Valid N (listwise)	3295									

Source: Data Analysis, 2013/14

The advertised cases were also grouped in the interval of every Rs. 5000 beginning from Rs. 15000/ and up to Rs.100,000/-. Another two groups were also formed below Rs. 15000/- and over Rs. 100,000/-. The Chart 3.1 below reflects the detail of this distribution. The large majority of advertised posts (940) falls between the interval of Rs. 25000/- to Rs. 30000/-. This is the mode value of the distribution. The frequency decreases while moving to either sides from the mode value. As it mentioned earlier, the distribution is positively skewed i.e. large majority of advertised cases offered lower amount than the mean salary scales of the distribution. Although, this is the demand situation, the supply situation is also more or less similar to it. It further justifies the lower income level of Nepalese migrant workers as a result of lower level of skills.

Chart 3.1: Distribution by Salary Range
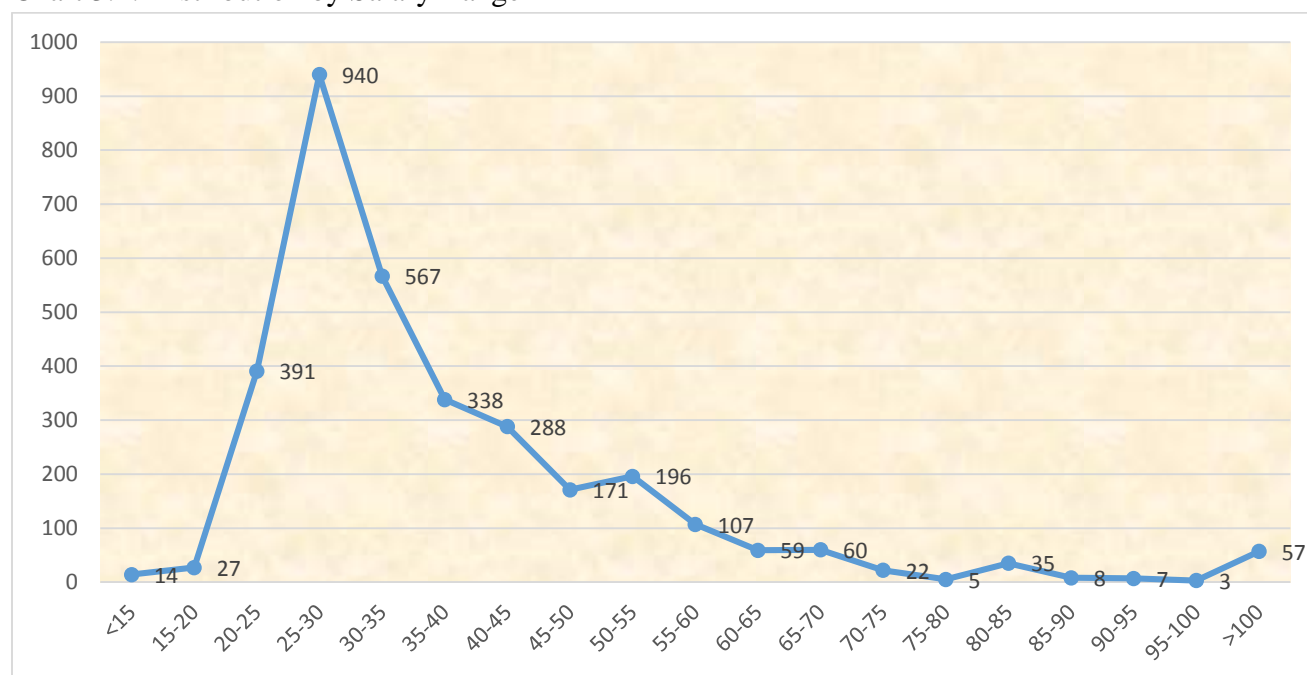
Source: Advertisement Analysis, 2013/14

3.7 Sources of variation in salary

As it is explained in previous topic, large variation in salary is found among the workers. This variation does not depend upon a single factor but numbers of factors such as level of skill and education of individual workers, economic status of destination country and so on. The coming sub topics are devoted to analyze the role of this factors for variation in income level of individuals.

3.7.1 Salary level by destination country

Large variation in the salary level was found among the destination countries. An average skilled individual who want to migrate to japan can expect to earn Rs. 109,553 /per months whereas the corresponding figure for Malaysia is only Rs.29,215. Similarly, the expected income of individual worker is different for different country. The expected salary of a migrants workers in Europeis Rs. 79,348.50 whereas only Rs. 50, 750 can be expected in Cyprus and so on. The value of standard deviation in the last column of Table 3.5 .shows the in-country variation of salary level. The in-country variation of salary level is highest in Kuwait (Rs. 48,722) and lowest in Malaysia (Rs. 8014). While conducting the one-way-ANOVA test of variation among destination countries, this variation is also found statistically significant[3].

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[3] The F-value (31.10) obtained from one-way-ANOVA is significant at 0.00 confidence level.

Table: 3.5: Distribution of Salary by Destination Country

S. N.	Name of Destination Country	Number of Advertised Cases	Mean Salary in NRs.	Std. Deviation
1	Japan	3	109553.33	20697.43
2	Europe (Country not specified	12	79348.50	28954.83
3	Cyprus	20	50750.75	28737.99
4	Kuwait	272	48722.19	28945.37
5	Macau	3	48256.53	19579.31
6	Oman	183	39619.28	15742.58
7	United Arab Emirates	944	38658.88	17121.19
8	Qatar	1118	37696.47	15095.41
9	Bahrain	78	37007.86	27509.94
10	Saudi Arabia	290	36903.42	22831.13
11	Malaysia	372	29215.68	8014.30
12	Total	3295	38251.55	18790.29

Source: Advertisement Analysis, 2013/14

3.7.2 Salary as per the skill category

As it mentioned above, advertisements were classified based on the level of skills. As per this classification the variation in salary level among the skilled categories like Unskilled, Semi-skilled, Skilled and Professionals was also found significantly different to each other while conducting one-way-ANOVA test of variation[4].

Table 3.6: Offered Salary by Skilled Category

SN	Skilled Based Classification	Number of Cases	Average Salary Offered	Std. Deviation
1	Unskilled	569	27170.591	9175.4467
2	Semi-skilled	958	37082.525	14456.6196
3	Skilled	1627	40411.025	26450.0854
4	Professional	141	78296.097	43063.3725
5	Total	3295	38778.031	24324.2805

Source: Advertisement Analysis, 2013/14

The Table 3.6 below shows the detail of the variation in salary as per the skill-wise classification. Large scale of variation in the salary level was found. An unskilled workers can expect to earn

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[4] The F-value (380.10) obtained from one-way-ANOVA is significant at 0.00 confidence level.

Rs. 27,170 from foreign employment whereas the corresponding expectation of semi-skilled, skilled and professional workers are Rs. 37082, Rs. 40411 and Rs. 78296 respectively. The small difference between skilled and semi-skilled category may be due to the confusion in the classification between them.

The standard deviation depicted in the last column measures the inter-categorical variation of salary. This variation is smallest (Rs. 9175) in unskilled category but largest (Rs. 43063) in professional category.

Table 3.7: Salary by Countries and Skilled Category

S.N.	Name of Country	Unskilled		Semi-skilled and Skilled		Professionals	
		Advertised Cases	Mean Salary	Advertised Cases	Mean Salary	Advertised Cases	Mean Salary
1	Malaysia	120	27786.53	248	29145.36	4	76450.00
2	Qatar	170	26582.98	899	38347.52	49	64308.69
3	Saudi Arabia	79	23529.40	207	39848.54	4	148630.25
4	Kuwait	28	26948.00	208	43847.91	36	93820.17
5	UAE	138	25981.69	775	39667.76	31	69870.87
6	Bahrain	6	23243.33	64	32231.77	8	85540.00
7	Oman	8	21862.69	166	38041.97	9	84495.56
8	Japan	2	121503.00	1	85654.00	0	NA
9	Macau	-	-	3	48256.53	0	NA
10	Cyprus	13	44831.38	7	61743.86	0	NA
11	Europe	5	53512.20	7	97803.00	0	NA
12	Total	569	27170.59	2585	38506.41	141	78296.10

Source: Advertisement Analysis 2013/14

The differences in salary between semi-skilled and skilled is small and statistically insignificant[5]. The earlier classification under four categories therefore does not seems realistic. The demanded occupations were reclassified in to three categories merging semiskilled and skilled as a name of skilled. Among the unskilled categories, Cyprus seems as the highest salary offering country. An unskilled worker can expect to earn Rs. 44,831/month migrating to Cyprus where as the corresponding figure for Malaysia is Rs. 27,786. Although, countries like Japan and Europe are also offering notable amount of salary, however the demand in those countries are significantly lower. Similarly UAE emerged as the highest salary offering countries for skilled worker. The expected salary level for a skilled worker in UAE is Rs. 39,667. In the Professional category, only three countries found demanded workforces in notable number whose figure was reliable to mention. Significantly lower demand was obtained from rest of the countries. A person capable to

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[5]The F-value obtained from independent Samples T-Test is .201 and the p-value obtaining such a t value is .654.

perform professional jobs can expect to earn Rs. 93,820 from migrating to Kuwait where as s/he expect to earn only Rs. 69,870 from UAE. The Table 3.7 depicts the detail information in it.

3.7.3 Variation of salary by job category

As it mentioned earlier that long list of job titles was obtained from these advertisements. These job titles are not only skill specific but also working country or working sector specific. The same type of job was called differently in different countries. These job titles were subsumed on the basis of type and nature of work they have to perform and given a common name. The number of demands as per these job titles are mentioned in Annex I. The expected salary level for these job titles which have significant demand in foreign employment are only mentioned and discussed here.

The category- Engineers and Equivalent which includes engineers of various sectors and other equivalent posts is listed in the top of rank with salary level Rs. 116,733/ month. Similarly, Managing Supervisor is in the second order with expected salary level Rs. 79958/month. The Senior Managers which includes project manager, administrative manager, HSE officers have their expected per month salary Rs. 62,235/-. All of these top ranked salaried posts are falls under professional category.

Among the skilled category, Foreman, Chef, Backing Technicians, Auto-equipment Operators (includes various categories Dozer Operator, Roller Operators, Heavy equipment Operators etc.) Housekeeping, Cooking, Electronics Equipment Repairer, General Electrician, Industrial Electricians are highly salaried posts. Those skilled technicians can expect salary between Rs. 35000 to Rs. 45000/- irrespective of countries they migrate.

3.7.4 Distribution by educational qualification

Although educational qualification is not found considered as a signal for the efficiency of the workers in foreign employment. Among the 3295 advertised cases, only 2972 cased were found mention the qualification column. Out of this 2972 cases, Basic literacy was mentioned as a minimum requirements for workers. Similarly, 55 cases mentioned SLC as minimum qualification for workers. In twelve cases, higher secondary was mentioned as minimum qualification. Only one case was found where bachelor degree was indicated as minimum qualification. In large majority (2758) cases, experience and efficiency in similar jobs are mentioned as a basic necessity for the workers who migrate for foreign employment. The distribution by educational qualification therefore does not have any reliability.

3.8 Tentative expenditure

Although, mentioning tentative cost for migration was mandatory as per the foreign employment act 2064, less than half of the advertisement was found mentioning the tentative expenditure for migration in the advertisements. This analysis was carried out by selecting the cases in which such cost was mentioned. Out of 3295 advertised cases, 1410 cases was selected and included in the analysis. Europe was found most expensive destination where migration cost was Rs. 180,833.00,

followed by Cyprus Rs. 131,000.00, and Macau Rs. 67,500.00 All of these countries have only small share in the foreign employment market. If we consider only those countries which occupies significant share, Malaysia was found as an expensive destination where the tentative cost of migration is Rs. 66,857.00 followed by Oman Rs. 65,144.00 and Saudi Arabia Rs. 58,820.00. Kuwait was found the cheapest destination among those countries which provides significant numbers of employment to Nepalese youths. The tentative cost for migrating to Kuwait is Rs. 50,118.01. This variation of cost as per the country is statistically significant at 99.99% confidence level with F-value 26.755.

Table 3.8: Migration Cost by Country

S.N.	Name of destination country	N	Mean	Std. Deviation
1	Europe	12	180833.33	46163.412
2	Cyprus	15	131000	59437.843
3	Macau	3	67500	26339.134
4	Malaysia	315	66857.14	17947.071
5	Oman	69	65144.93	3926.813
6	Saudi Arabia	178	58820.22	60727.801
7	UAE	560	57363.09	34233.281
8	Bahrain	62	55725.81	12734.578
9	Kuwait	161	50118.01	16721.759
10	Japan	3	50000	0
11	Qatar	32	45125	12855.901
12	Total	1410	60711.94	36130.995

Source: Advertisement Analysis, 2013/14

3.9 Variation of migration cost by level of skill

There found large variation in migration cost as per the level of skills, however this variation was significant only in 90% confidence level. The obtained F-value in one-way-ANOVA test (2.558) is significant at only 94.20% confidence level. The one-way-ANOVA test explores the variation of migration cost among the five categories of level of skills. If the difference is compared only between Unskilled and Professional categories by conducting the independent sample T-test, the obtained F-Value is statistically significant at 99% confidence interval. If we observe directly the amount of cost among these three categories, the average cost of migration for unskilled worker is highest (Rs. 64,437), where as the corresponding figure for skilled (Semi-skilled and Skilled) and professional workers are Rs. 60,025 and Rs. 53,365 respectively.

Table 3.9: Migration Cost by Level of Skills

S.N.	Three Category of skills	Average Cost	Number of Advertised Cases	Std. Deviation
1	Unskilled	64437.35	298	35834.594
2	Semi-skilled and Skilled	60025.00	1060	36847.766
3	Professional	53365.38	52	15771.691
4	Total	60711.94	1410	36130.995

Source: Advertisement Analysis, 2013/14

3.10   Provisions of extra facilities

Workers are provided extra facilities like overtime, food facilities, and accommodation facilities. Accommodation facility was found mentioned almost in every advertisements, however food facility is not mentioned in that proportion. Additional analysis was no more required regarding the overtime facility since it is stated in almost every advertisement that it will be provided as per the company rule. Regarding the food facility, 83.3% of advertised posts are offered food facilities. Unlike the 83.3% in total figure, the corresponding figure of unskilled worker is only 76.8% where as that of Skilled and Professionals are 84.4% and 89.4% respectively. While conducting the Chi-square test of association, the calculated figure of Chi-square coefficient (22.888) is significant at almost 100% confidence level. This is the evident of strong association between provision of food facilities and level of skills.

Chart 3.2: Country Wise Demand Composition
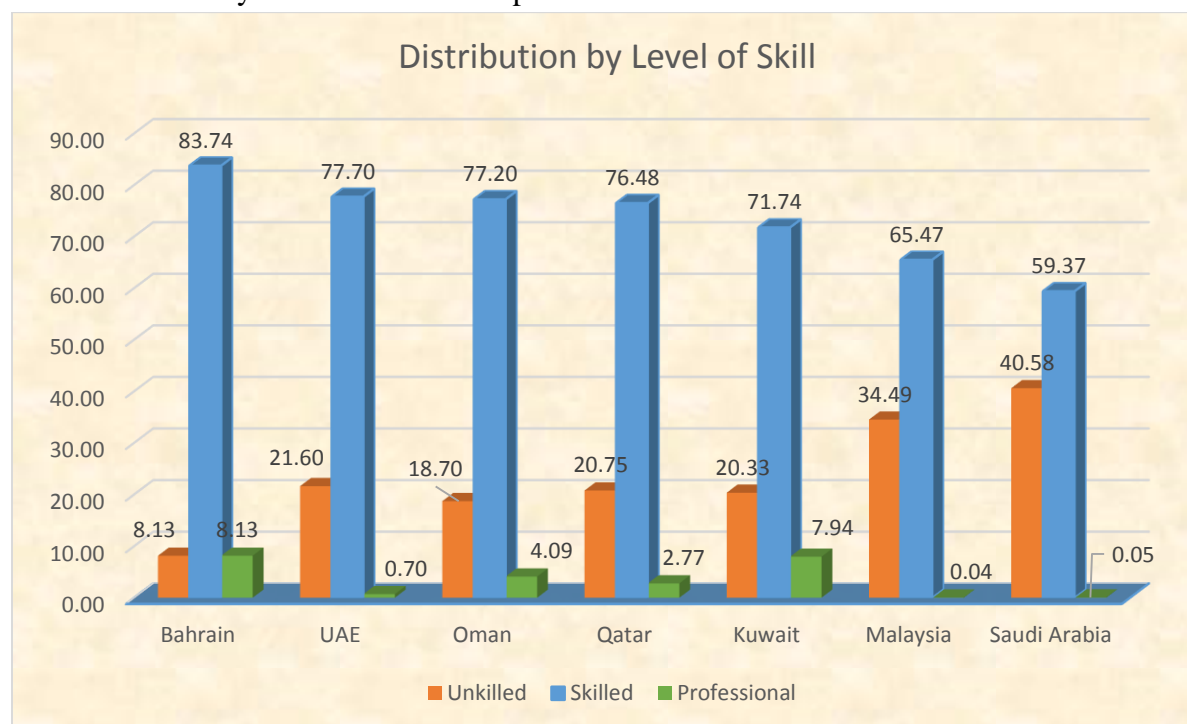
Source: Advertisement Analysis 2013/14

Table 3.10 A: Category of skills vs Food facilities Cross-tabulation

| | | | Food Facilities | | Total |
			yes	No	
Categories of skill	Unskilled	Count	431	130	561
		% within Categories of skills	76.8%	23.2%	100.0%
		% within Food Facilities	15.8%	23.8%	17.1%
	Semi-skilled and Skilled	Count	2170	401	2571
		% within Categories of skills	84.4%	15.6%	100.0%
		% within Food Facilities	79.6%	73.4%	78.6%
	Professional	Count	126	15	141
		% within Categories of skills	89.4%	10.6%	100.0%
		% within Food Facilities	4.6%	2.7%	4.3%
Total		Count	2727	546	3273
		% within Categories of skills	83.3%	16.7%	100.0%
		% within Food Facilities	100.0%	100.0%	100.0%

Chi-Square Tests 'B'

Measurement Type	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	22.888a	2	.000
Likelihood Ratio	21.903	2	.000
Linear-by-Linear Association	22.409	1	.000
N of Valid Cases	3273		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 23.52.

3.11   Composition of human resource

Composition of human resources has the prominent role in economic development. The economic development is the function of productivity of resources which is further the function of composition of workforce. A country is said to be in favorable economic environment, If the stock of human resource of any country has skilled and educated members in higher proportion. Opposite is the situation for otherwise cases. The major problem of Nepal that economists have always been pointing out is the lack of skilled human resources as per the countries requirements. The coming few paragraphs are devoted to explain the present situations of Nepal regarding transformation on composition of Human Resource Stock of the country.

### 3.11.1 Transformation on demand situation

In the last decade vocational training is getting due priority both from government and non governmental sectors. Several bilateral and multilateral donor agencies are supporting these activities by investing substantial resources in it. Skill for Employment Project, Enhanced Vocational and Training (EVENT) Projects and presently Skill Development Projects are some

notable endeavors for skilling Nepalese from government side. Likewise, Training for Employment Projects, F-Skills, Skill Nepal and Employment Fund are some notable efforts put from non-governmental sectors which have great contribution for imparting necessary skills in people. These collective efforts have largely contributed on transformation of skill-composition of country's human resources.

A study carried out by CTEVT Research and Information Division in 2010 have explored a composition of skill in foreign demand. At that time total demand of foreign employment was composed of 37% unskilled, 26% semi-skilled, 36% skilled and 1% professional. A different composition of demand was emerged form this analysis which includes 26% unskilled, 35% semi-skilled, 37% skilled and 2 % professionals. These skill-composition of foreign employment demand in different time period is depicted in the Chart 3.1 A and B. The demand of skilled workforces has been found largely replaced by semi-skilled workforce where as the volume of skilled and professionals workforces are also found slightly increased.

Chart .3.3: Transformation of Demand Composition
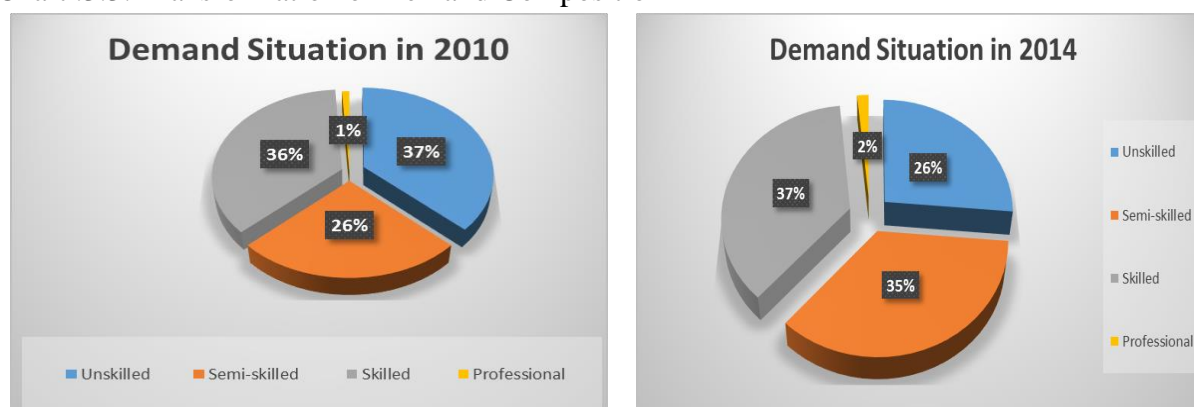
Source: Advertisement Analysis, 2013/14

3.11.2 Transformation of supply composition

Neither a proper record system nor a broader study is available to us regarding distribution of migrant workers by level of levels. Exact status on the dynamics of level of skills is therefore difficult to figure out. A situation was floated by Dr. Ganesh Bahadur Gurung regarding the skill-composition of migrant workers which was largely referred in the professional literature since then. According to Gurung, (2004), the volume of migrant workers at that time was composed of 69% unskilled, 27% Semi-skilled, 3% Skilled and 1% professionals. Some supplementary information was also collected during this advertisement analysis in the form of personal interview or discussion with the owner of foreign employment agencies regarding present situation of foreign employment market for Nepalese workers. Although interviewed group is significantly small (around 10 peoples), they were asked a written questionnaire about the number and type of workers left for foreign employment during the last fiscal year including other questions. The obtained data was compiled, analyzed and aggregated to draw the finding about the skill composition of Nepalese workforces. The finding of this analysis tells that the present labour migrants from Nepal

composed of 51% unskilled. 26% semi-skilled, 20% skilled per the interview or group discussion with such foreign employment professionals, the present composition

Table 3.4: Transformation of Supply Structure
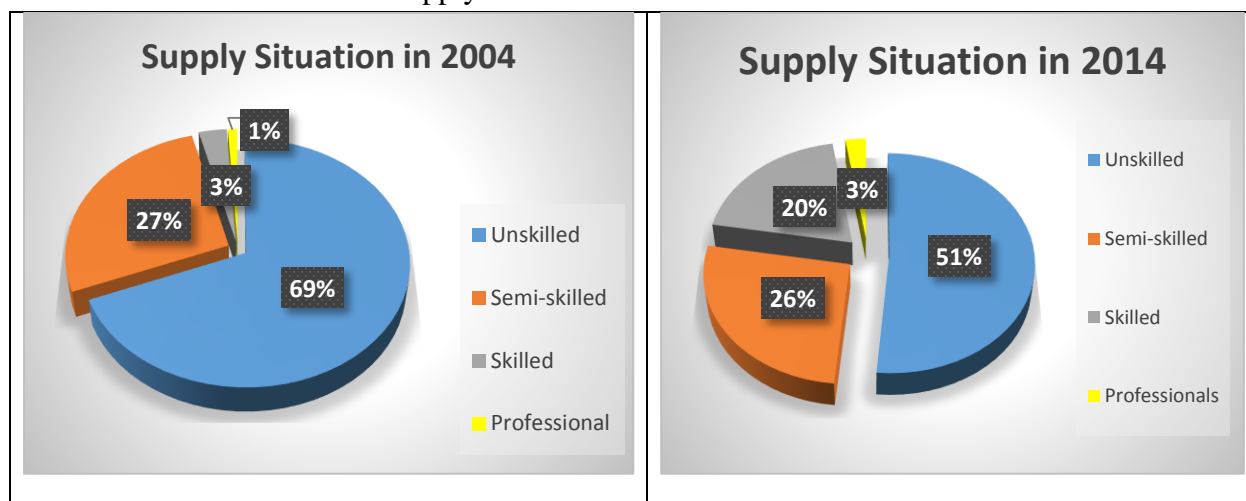
Source: Advertisement Analysis, 2013/14

3.12 Undersupplied and saturated sectors

Although large numbers of training institutes are offering vocational training in general where as some of these institutes focuses their activities towards addressing the demand of foreign employment in particular, human resources in some particular trades are still scare. General discussion was also carried out among these foreign employment professionals regarding the availability and scarcity of such specific human resources. The identified trades and job titles in both cases are listed out as hereunder.

Table 3.11 A: List of Undersupplied Jobs

S.N.	Job Titles	S.N.	Job Titles
1	Accountant	10	Welder Tig/Mig/ 6G
2	Hydraulic Engineers	11	Life Guard
3	Fluid Engineering	12	Mechanical Engineers
4	Diesel Mechanic	13	Aluminum Fabricators
5	Cook	14	Room Maintenance
6	Waiter (Especially for 5 star Hotel)	15	Industrial Electricians
7	Room Maintenance	16	Overseers
8	AC Technicians	17	Steel Fixture
9	Diesel Mechanic	18	

Source: Advertisement Analysis, 2013/14

Table 3.11 B: List of Saturated Jobs

S.N.	Job Titles	S.N.	Job Titles
1	Mobile Technician	6	General Welder
2	Super Market Technician	7	Electrician
3	Painter	8	Junior Plumber
4	Scaffolding	9	General Mason
5	Finishing Carpenter	10	General Electrician

Source: Field Survey 2014

List of under supplied jobs As per their experiences, the According to the foreign employment professionals, there are some fields in which the obtained demand is difficult to meet. There are still lack of such technical human resources in particular fields. In many cases, the requirements of employers in abroad is not properly address even by the trained workers in the related fields. This happens due the technology and skill mismatch. The separate list under the both situation is presented below.

CHAPTER FOUR
FINDINGS AND CONCLUSION

4.1   Major findings

Presently foreign employment and remittance is justified as a central pillar of Nepalese Economy, however Nepal is not reaping the desired benefit from the foreign employment sector. The main gap is the lack of appropriate and sufficient skill in Nepalese Youths. This is the advertisement analysis which is based on the limited data published by foreign employment professionals as an advertisement. This published figure therefore may be exaggerated, however this report fully relied upon this information. The following are the major findings of the analysis carried out in this study.

♥   Unlike the demand of national job market, international job market demands workers with more specialized and technology intensive skills where working environment is also different with an extensive use of safety measures.

♥   There is significant variation in the expected salary among the migrant workers. A skilled worker can expect monthly salary higher by 41% than the expectation of unskilled worker and corresponding expectation of professional workers is 188% higher.

♥   Although level of skill is the foremost component of income variation among migrant workers, this is not a single factor for such variation. Type of skill, economic and social status of destination country, and educational qualification of migrant workers are the other factors that are responsible for income variation.

♥   There is not any significant relationship between expected salary and cost of migration, however the average cost of migration of unskilled workers is found significantly higher than that of skilled and professional workers.

♥   Rapid change can be observed in the skill composition of Nepalese migrant workers in recent years. The proportion of unskilled workers is decreased by 18 percentage point between 2004 to 2014, where as corresponding figures of skilled and professional workers increased by 17 and 1 percentage point with in the same period of time.

♥   Nepalese foreign employment professionals have received increasing demand of skilled workers in recent years. This is also creating pressure to increase the supply of workers accordingly, however the capacity of training institutes in Nepal are not in the position to satisfy the received demand.

♥ Skilled workers gets not only the higher level of salary but also other facilities. The Chi-square test for association between food facility and level of skills of migrant workers justifies the positive association between these two variables.

4.2 Conclusion

There is a perfect interconnection among skills training, income level of migrants and remittance to the country. Although remittance is the bad choice to sustain the economy among the presently available worst choices, this can also be considered as a silver lining in the black cloud. We can make people skilled if or if not stop them from migration, in both case, skills training will be profitable for the nation.

All migrations are not bad but the culture of migration is always bad. If a person migrates either internally or externally, to capitalize his potentials this may be a welcome effort. But those types of migration must be discouraged who migrates to gulf to work in agriculture leaving his own land barren. The later type of migration culture which is proliferating in recent years is becoming huge economic as well as social challenge of the Nation.

Skills training always augments the potentials, enhances productivity thus widens the economic horizons of not only individuals but nation in totality. But majority of graduates of presently available training programs neither gets the employment opportunities in the country nor satisfy the needs of abroad demand. Reason is simple, the aspect of training quality and needs of labour market are not getting due emphasis in every phase from designing to implementation.

4.3   Recommendations

Based on the above conclusion and findings, some points are recommended regarding this issues and as per the objectives of the study. These points are listed out as hereunder.

❖ There seems mismatch between demand and supply of skilled workforce in foreign employment sectors. Scarcity of skilled workforce is still the problem in some trades however some trades are found already saturated in terms of numbers of graduates. Type and number of training should always be the matter of revision in every couple of years.

❖ Safer migration is the function of education and training which includes both hard skills and soft skills. Both skills should be provided as single package. The orientation training provided by Foreign Employment Promotion Board should be linked up with the skills training provided under various institutes under training.

❖ The skilled workers not only expect to earn higher income from foreign employment but also expect to migrate in low cost and enjoy secured jobs, but unskilled workers are

hardly found motivated to take training before flying to abroad. Those people make aware as a mission about such benefit of training.

❖ Tight provision should be incorporated in Foreign Employment Act 2064 regarding " Skill-Certificate for Skill-Job" and implemented according.

❖ The foreign employment professionals are encouraged to publish the detail information regarding the level of skills among other factors.

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ANNEXES

ANNEX ONE

LIST OFNUMBERS AND TYPES OF DEMANDED JOBS

S. N.	Redefined Category of skills	Case Number	Percent	Demand Number	Percent
1	Unskilled Worker	536	16	24191	25
2	Security Guard	269	8	15500	16
3	Helpers for Skill Related Job	185	6	7831	8
4	Driving	235	7	7495	8
5	Sales persons	150	5	4317	5
6	Carpentry	110	3	3652	4
7	Mason	111	3	3502	4
8	Auto-equipment Operator	130	4	3421	4
9	Fitter and Fixture of Various Kinds	101	3	2723	3
10	Waiter and Waitress	137	4	2676	3
11	Scaffolder	40	1	2267	2
12	Electrician	104	3	2175	2
13	Clerk and Assistant	133	4	1779	2
14	Plumber	72	2	1407	1
15	Special Cook (Modern Item)	92	3	1139	1
16	Auto-mechanics and Mechanical	56	2	1040	1
17	Painter	58	2	692	1
18	Welders (In Various Skills)	48	1	645	1
19	Others	40	1	575	1
20	Electronics Repairers and Technicians	42	1	569	1
21	Accountant	42	1	554	1
22	Butcher	30	1	521	1
23	Supervisors	73	2	511	1
24	General Cook (Traditional Items)	50	2	508	1
25	Servicing Staffs	20	1	490	1
26	General Technician	29	1	489	1
27	Backing Staffs	47	1	463	0
28	Laundry Workers	31	1	458	0
29	House Keeping	26	1	446	0
30	Senior Manager	12	0	429	0
31	Restaurant Staffs	12	0	419	0
32	Steward	23	1	341	0

S. N.	Redefined Category of skills	Case Number	Percent	Demand Number	Percent
33	Fish Monger	5	0	210	0
34	Metal Worker	9	0	175	0
35	Sand Blaster	8	0	160	0
36	Chef	31	1	157	0
37	Reinforce Fitter	7	0	152	0
38	Ductman	6	0	148	0
39	Health and Fitness	32	1	142	0
40	Engineers and equivalent	40	1	141	0
41	Care Taker	5	0	95	0
42	Foreman	21	1	93	0
43	Receptionist	20	1	76	0
44	Commis (Comprising different level)	8	0	71	0
45	Room Attendant	8	0	66	0
46	Bar Attendant	10	0	59	0
47	Beautician	12	0	47	0
48	Agriculture Technicians	2	0	32	0
49	Therapist	6	0	31	0
50	Glass Worker and Fitter	7	0	25	0
51	Surveyor	6	0	22	0
52	Gardner	8	0	17	0
53	Total	3295	100	95144	100

ANNEX TWO

SALARY BY NATURE OF JOBS

S. N.	Type of Jobs	Demanded Cases	Expected Salary
1	Engineers (Engineers in various trades)	40	116733.35
2	Managing Supervisors (Higher Level)	47	79958.28
3	Senior Manager (Including Project Manager)	12	62235.67
4	Foreman	21	60846.31
5	Chef	31	58653.52
6	Health and Fitness	32	48895.31
7	Receptionist	20	47138.95
8	Beautician	12	46360.33
9	Others	40	45986.65
10	Backing Staffs	47	45914.72
11	Driving	235	45237.14
12	Auto-equipment Operator	130	45052.93
13	Accountant	42	44417.83
14	Supervisors	26	44105.96
15	Clerk and Assistant	133	42049.49
16	Security Guard	269	40599.19
17	Special Cook (In Modern Item)	92	40524.04
18	House Keeping	26	40164.92
19	Auto-mechanics and Mechanical	56	39483.94
20	Electronics Repairers and Technicians	42	39403.48
21	General Cook (In Traditional Item)	50	38915.74
22	Sales Persons (Sales and Marketing)	150	38539.02
23	Servicing Staffs	20	38358.15
24	General Technician	29	37162.72
25	Electricians	104	36267.48
26	Welders (Incorporating Various Technologies)	48	35394.03
27	Waiter and Waitress	137	35302.55
28	Butcher	30	35185.83
29	Fitter and Fixture(Pipe /Aluminum & Steel)	101	33840.85
30	Painter	58	33798.01
31	Laundry Workers	11	33041.18
32	Carpentry	110	32556.04

S. N.	Type of Jobs	Demanded Cases	Expected Salary
33	Bar Attendant	10	32265.20
34	Plumber	72	32254.51
35	Scaffolding	40	31000.92
36	Mason	111	30752.50
37	Skilled helper	185	28313.52
38	Unskilled worker	536	27268.33
39	Steward	23	25436.87
40	Laundry Helper	20	24210.50

ANNEX THREE

QUESTIONNAIRE FOR QUALITATIVE DATA COLLECTION
अन्तराष्ट्रिय श्रमबजारको माग एवं नेपाली जनशक्ति बिच सीपको अन्तर

बैदेशिक रोजगार व्यावसायीहरु संग लिने जानकारीहरुको बारेमा प्रश्नावली

१.   उत्तरदाताको नाम :

२.   सम्वन्धित निकायको नाम र ठेगाना : ....

३.   स्थापना वर्ष :

:–––––––––––––––––––––––––––प्रश्नावली–––––––––––––––––––

१   यहाँको रोजगार कम्पनीबाट गत बर्षमा वैदेशिक रोजगारमा संलग्न कामदारहरुको संख्या कति थियो ?

सि.नं	पदको नाम	व्यवसायको नाम	कुल संख्या	दक्षताको तह (प्रतिशतमा)			
				उच्च दक्ष	दक्ष	अर्धदक्ष	अदक्ष
१							
२							
३							
४							
५							

२. यहाँको अनुभवमा माग उच्च भएको तर नेपालमा उक्त सीपयुक्त जनशक्तिको अभाव भएको कम्तीमा पाँचबाट व्यावसाय ⁄ पदको नाम उल्लेख गरिदिनु होला ।

१. ....   २. ....

३. ....   ४. ....

५. ....   ६. ....

३. यहाँको अनुभवमा माग न्यून भएको तर नेपालमा उक्त सीपयुक्त जनशक्ति पर्याप्त मात्रामा रहेका पाँचबाट व्यावसाय /पदको नाम उल्लेख गरिदिनु होला ।

१. ……………………………………   २. ………………………………………

३. ……………………………………   ४. ………………………………………

५. ……………………………………   ६. ………………………………………

४. नेपालमा लिएको तालीम अन्तराट्रिय श्रमबजारमा सम्पादन गर्नुपर्ने कार्यसंग सामन्जश्यता भए नभएको बारेमा यहाँको कस्तो जानकारी रहेको छ ?

व्यावसायको नाम	श्रमबजार सगंको सीपको अन्तर
१.	१.
२.	२.
३.	३.
४.	४.
५.	५.

५. बैदेशिक रोजगारीको लागि श्रम शक्तिको मागको प्रवृतिमा विगत केही बर्ष देखि कस्तो परिवर्तन महशुस गर्नु भएको छ ?

………

६. यँहाको वीचारमा बर्तमान अवस्थामा वैदेशिक रोजगारीको क्षेत्रका सीप र तालीम संग सम्वन्धित मुख्य समस्याहरु एवं त्यसका समाधानका उपायहरु के के होलान ?

समस्याहरु	समाधानका संभावित उपायहरु
१.	१.
२.	२.
३.	३.
४.	४.
५.	५.

७. परिषद्को कार्यक्षेत्र एवं यस अनुसन्धान संग सम्वन्धित विषयमा अन्य केही सुभाव दिन चाहानुहुन्छ कि ?

यहाँको अमुल्य समय तथा विचारका लागि परिषद्का तर्फबाट हार्दिक धन्यवाद ।