

Process Monitoring Briefing Note 2: *Seasonal Migration in Mid and Far West Nepal*

The Process Monitoring conducted by MEL in December 2014, building on the baseline report, examined migration and its linkages with the household economy among RAP beneficiaries in Dailkeh, Doti, Kalikot and Jumla. Migration is hugely significant throughout Nepal and the mid and far western districts are no exception. Migration from western areas to the Terai or India (and indeed within these Districts with mountain dwellers moving to the mid hills in winter) has been a regular seasonal choice for thousands of households for generations. The government and other development actors have implemented a number of public wage and social protection programmes to provide seasonal employment opportunities to help people in the mid and far west to cope with livelihood shocks and to address some of the consequences of distress migration.

Study districts were selected to incorporate a range of migration levels. A total of 8 households were consulted in-depth for the study (4 Dalits, and 4 non-Dalits). All of the study households were involved in RAP Socioeconomic Development (SED) activities of which two households in Kalikot were also members of Road Building Groups (RBGs).

The Process Monitoring had three major areas of inquiry, with a fourth inquiry emerging from the research:

- Household economy of migrant families.
- Key drivers of migration.
- Public wage, SED and remittances.
- Consequences of migration on social and gender dynamics.

Household Economy of Migrant Families: Interviews provided insight into the role that migration plays in households' economic wellbeing.

Farming was the primary source of livelihood for the majority of migrants' families. However all of the families interviewed owned less than one hectare of land and **agricultural production contributed less than 4 months in a year for subsistence. All families consulted reported income from remittances.** Six of the eight families received around 73% of their total average annual income from remittances.

Findings from the RAP3 Baseline Report: RAP3 core districts have highlighted the differences in migration patterns across the region and the important role that remittances play for migrant households. The vast majority of migrants are male. Migration levels are highest from Doti and lowest from Jumla. Otherwise, they are broadly uniform across the region surveyed. Better-off households tend to earn more from remittances. The ethnic groups tend to migrate less, and receive lower remittances, than other caste categories.

Whilst all families interviewed reported **income from remittances, there were caste-based differences.** The average remittance income for Dalit families (three out of four Dalit families consulted) was lower than for higher caste families. Two Dalit families in Kalikot received around 60 percent of their annual income from casual labour within their village/district, the highest among the families consulted. For the remaining households, local casual labour accounted for less than 10 percent of their average annual income. All four **Dalit families spent more on food than non-Dalit**

families – 45 percent versus 30 percent of average annual income on food respectively. In relation to this, higher caste families spent more on agriculture inputs than Dalit families with the average annual expenditure of non-Dalits on agriculture inputs around 4 percent of their annual income versus 1 percent of average annual expenditure for Dalit families.

Interviews with the migrant families show that almost all reported some outstanding debt, indicating that indebtedness is pervasive across migrant families. Village money lenders were the primary sources of credit and the interest rate payable on loans was 3 percent per month, a figure that was consistent across districts and by caste. The most regular purpose of the loads was to cover seasonal fluctuations in household spending, especially during the winter season to cover the direct cost of migration and to buy food for the family members who would stay back in the village. Full repayment of such loans typically takes place after the migrant family members returned back to the village. The second most regular purpose, prevalent amongst non-Dalits households, was for longer-term loans to cover educational expenses of their children and health related expenses. Only one family consulted (in Doti) reported purchase of fixed assets such as land and constructing houses from remittance income.

Key Drivers of Migration: Migration-related decision making at the household level is influenced by a **number of complex social, economic and climatic factors**. The majority of the households in the study locations had at least one migrant family member. Around 80 percent of **migration is seasonal** and takes place between November and March. Households had very small savings, and debts accounted for an average of 20 percent of annual household expenses for study households. Diversifying farming was not regarded as a good income generating option largely due to the lack of functional local markets and lack of all-weather connectivity to their villages particularly in these months. Specifically after wheat is sown in November or December, villagers did not have any immediate farming work to look after.

This correlates to the ‘harsh winter’ cited by two families interviewed in Jumla as one of the reasons for migrating. There is no practice or incentive (such as support from development organisations) to engage in winter specific income-generating activities locally (either on or off-farm). Many public wage programmes do not provide employment opportunities in the high lands during winter and road maintenance work through RMUCs had not completed in the study location in Jumla due to heavy snow fall. In other study locations, work was completed before the onset of winter. In both cases, the **‘harsh winter’ can be an impediment to public wage programmes** particularly in high lands where snow can be a physical restriction.

Larger households are more likely to have permanent migrants and a larger number of migrants overall. Migration has been a major means for **alternative livelihood options for families through networks established over generations**. India is the primary migration destination for all migrant households according to those interviewed, which was confirmed by the RAP3 baseline survey. The families interviewed said that they would rather not migrate if they had alternative options locally, but were not hopeful that such choices would be available in the foreseeable future. However, people also found the migration network quite secure in that it provides them with a minimum income guarantee. Further research is needed on the social dimensions of migration. The baseline report indicates that some communities view returned migrants as social reprobates who squander their earnings. However during the Process Monitoring interviews, a few households mentioned that **migrant families have better chances of securing loans** from village money lenders as they are seen as better able to repay loans on time. Migrant youths have better prospects of getting married into relatively better off families than non-migrant youths according to some.

Findings from the RAP3 Baseline Report: Work related migration accounts for around 40% to 50% of respondent households with migrant members.

Public wage, SED and Remittance: All families consulted in the Process Monitoring are recipients of RAP SED support whilst two families in Kalikot are also RBG members. As the majority of migrants are seasonal migrants, the same people who migrate are often also involved in SED and road building programmes. Income from RAP interventions – SED and road building – accounts for a low percentage of annual household income of the families consulted. Families consulted in Doti and Dailkeh receive less than 7 percent of their annual household income from the sale of agricultural goods generated as a result of SED activities. RAP accounts for about 11 percent of household income in Kalikot. The average direct financial cost per migrant across the families consulted was around NR 5,000 per migrant.

Consequences of Migration on Social and Gender dynamics: The absence of male members of the family during seasonal migration has increased the work burden of the remaining members, especially women. Female family members are responsible for collecting firewood, fodder for cattle and looking after their children during the absence of the male members. As migration is seasonal, major household decisions such as marriages, sales and purchases of land and other capital assets are put on hold until the migrating family members return back to the village. In the case of permanent migration, women members of the families are responsible for major household related decisions.

Summary of Findings

The links between public works, SED support and migration is an important policy issue for programmes like RAP. Although termed ‘distress migration’, this can also be seen as ‘income smoothing’ for the lean winter months. Hence **remittances are likely to remain a major source of household income** for the majority of the RAP direct beneficiaries in the foreseeable future. As a component of SED support, RAP could provide skill development trainings to potential migrants to improve their income prospects while they migrate. The high cost and unfavourable terms and conditions associated with borrowing from informal sources has largely enforced the cycle of indebtedness and distress migration among primary beneficiaries. RAP could strengthen initiatives to improve access to credit and strengthen RAP supported saving groups as part of SED support. In the long run, this initiative could lead to reduced indebtedness and thereby reduce distress migration in two ways. First, access to formal and favourable sources of credit directly lowers the cost of borrowing resulting in improved savings or reduction of debt levels. Second, favourable terms and conditions of credit and improved household savings (i.e. a ‘smoothed income stream’) might encourage direct beneficiaries to upscale SED activities and engage in self-employment locally. DFID Nepal's existing access to credit programmes overlaps with some of the RAP core districts.

Social protection activities such as KEP are being implemented to provide a choice for employment during the winter season. The monitoring of KEPTA activities in winter seasons (December-February) including the **winter wage component could draw lessons as to how public wage programmes can address seasonal distress of primary beneficiaries**. In KEPTA supported regions, the winter wage programme has been perceived as a timely intervention, as it has supported families smooth their food consumption in the winter when it is difficult to find work opportunities. Further research is needed to draw lessons from this initial success and how these lessons can inform RAP activities in non-KEPTA supported areas.