Child Trafficking and Bonded Labor in the Carpet Industry and Sending Areas in Nepal

Research Project on Children Working in the Carpet Industry in India, Nepal and Pakistan

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The Story of Pragati: A Migrant Child Working in a Carpet Factory in Kathmandu

Pragati was born in a village in the Sarlahi district of Nepal. Most of the inhabitants in her village were Tamang, and their major source of income was selling firewood. Her family consisted of father, mother, and two brothers. One of her brothers worked in a different carpet factory. Her father had emigrated to a place called Hariaun to work. The rest of her family gathered firewood and sold it in a local market to make a living. Her family was poor and did not have much cultivated land. She used to take care of her younger brother, but when he grew older she joined the other members of her household in collecting firewood. She used to earn 30 rupees (0.37 USD) per day, and 60 rupees (0.74 USD) on a good day, by selling the firewood. However, there were times when they could not sell firewood and had to sleep with empty stomachs.

Pragati quit school after passing the third grade. Her family could not afford school expenses, and her mother also advised her to stop going to school so that she could do the household chores and take care of her baby brother. She wished she had continued going to school because she could not perform simple mathematical calculations, and this was why she was frightened about shopping on her own. Many children in her village did not go to school. Even those who started school quit after the second or third grade.

Those children migrated to work in carpet factories in the Kathmandu valley. Labor contractors told them about the earning opportunities in Kathmandu and about eating good food and having nice clothes, which were the reasons why Pragati went to work in the factory. The contractor also paid her mother an advance of 3,000 rupees (37.00 USD) before Pragati left the village.

While she was in her training period, learning to weave carpets, the contractor used to beat her and her friends for being slow learners. When she told him that she wanted to leave the factory, he said she could not leave because of her debt with him. She needed to pay the contractor 7,000 rupees (85.80 USD), but she did not know the basis for that amount or how it was calculated. In order to pay off the debt, Pragati had to work for another 6 months. She was not aware of how much she earned or should be earning because there were no records. Even if she were to run away from the factory, the contractor could easily find her. Then her parents would have to pay the debt, which they could not afford. That was why she had decided to stay and work in the factory. She worked every day from 4:30 in the morning until 9:00 in the evening, and she was fed two meals a day. Pragati regretted coming to the factory because life was tough and she had to live away from her family and village. She said that she might leave the factory when she became 18 and might learn to become a tailor.

Source: Sending Areas (SA) Study -- Case Studies of Child Migrant Carpet Workers (Case No. 4)

PREFACE

In 2007, the Bureau of International Labor Affairs, United States Department of Labor (ILAB-USDOL) funded a cooperative agreement with Macro International (ICF) [1] entitled "Research on Children Working in the Carpet Industry of India, Nepal, and Pakistan" (Carpet Project). The Carpet Project's overall objective was to develop reliable and accurate data and information about the prevalence, working conditions, and demand for children's work and child labor in the production process of the handmade-carpet export industry in India, Nepal, and Pakistan. To accomplish its objectives, the Carpet Project designed and conducted six major quantitative research studies as well as semi-structured qualitative research activities. These included the following.

- Three Prevalence and Conditions (PC) Studies for India, Nepal and Pakistan. These were large-scale quantitative studies conducted to produce reliable, statistically sound, and nationally representative estimates of the prevalence of working children and the prevalence and nature of child labor as well as detailed descriptions of children's working conditions in the production process of the national carpet industries.
- The Labor Demand (LD) Survey. This was a longitudinal panel study of establishments producing carpets in all three countries to understand the underlying causes of variation in management's decisions about employing children in the carpet industry.
- The Sending Areas (SA) Study in Nepal. This was a qualitative rapid assessment of child trafficking and bonded labor focused on rural children who migrated to work in the carpet factories in the Kathmandu valley.
- The Schooling Incentives Project Evaluation (SIPE) Study in Nepal. This was a randomized controlled trial to assess the impact of two educational interventions on children's attendance and success in school.
- The Best Practices (BP) Review. This was a qualitative meta-analysis of existing and documented good practices to identify the most effective programs and interventions that targeted child labor in the industry.

This Sending Areas Study report for Nepal was written by Art Hansen and Pablo Diego Rosell on behalf of the ICF research team, which acknowledged the important role played by New ERA in Nepal.

[1] The company was Macro International when the Cooperative Agreement was signed with USDOL. The company was ICF International, hereafter referred to as ICF, when this report was written.

CONTENTS

LIST OF TABLES

LIST OF FIGURES

ABBREVIATIONS AND ACRONYMS

HH	Household
ILO	International Labour Organization (United Nations)
IDMC	Internal Displacement Monitoring Centre
KTM	Kathmandu (Nepal)
NGO	Non-Governmental Organization
NPLFS	Nepal Labor Force Survey
OCFT	Office of Child Labor, Forced Labor, and Human Trafficking (USDOL)
PC Study	Prevalence and Conditions Study
SA	Sending Areas (locations in Nepal)
SIMPOC	Statistical Information and Monitoring Programme on Child Labour (ILO)
UNCHR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
USDOL	United States Department of Labor
VDC	Village Development Committee
WFCL	Worst Forms of Child Labor

ABSTRACT

This report presents the results of a rapid assessment of child trafficking and bonded labor in the carpet industry in Nepal. This study complemented the project's large-scale Prevalence and Conditions Study in Nepal to further our understanding of the existence and conditions of child trafficking and bonded labor. Carpet production in Nepal was highly concentrated in factories in the Kathmandu (KTM) valley, where the factory-based labor force was primarily composed of hired workers, most of whom had migrated to KTM to work in the carpet factories. For that reason, research on child trafficking in the carpet industry in Nepal concentrated on the migration of children from rural areas to work in the carpet factories in the Kathmandu (KTM) valley.[2]

This rapid assessment had a mixed methodology design that started with households in the sending areas (source of migrants) and tracked the journey of children from there to where they worked in the carpet factories. The methods included a survey of sending and non-sending households, qualitative interviews with school teachers/principals in sending areas, focus group discussions with children in sending areas, structured interviews with and case studies of child workers in carpet factories, and interviews with labor contractors and managers of carpet factories.

Families that had a child working in a carpet factory (sending families) were predominantly ethnically Tamang, as seemed to be the case with most households in the local communities where sending families were concentrated. When sending families were compared to non-sending families (families that did not send any children to work in carpet factories) in the same communities, the sending families were larger and poorer and had other family members who had previously migrated to work in the carpet factories.

Sending families were characterized by poorer educational indicators, including low education levels among adult members, low levels of school participation and enrollment among children, and a greater age-grade delay for the children who were enrolled. Those educational differences appeared to be related with household attitudes toward work and education. Heads of household of sending families seemed to have lower expectations about education and to be more open towards child work in general and towards the positive aspects of work in the carpet industry in particular.

Children who emigrated to work in carpet factories dropped out of school before emigrating. Some of those children may have been performing poorly or were not interested in school, but

[2] Throughout this report, all references to carpet factories in Nepal refer to carpet factories in the Kathmandu valley.

most seemed to be pushed to migrate due to household poverty or family conflicts. Most children travelled during the Dashain and Tihar festival period, a time when workers and labor contractors from carpet factories who had returned to visit their hometowns were returning to KTM. Those visitors from the carpet factories may have enticed children to emigrate, either directly through promises or cash advances to the child's parents, or indirectly by providing role models to children, who were impressed by the visitors' apparent wealth and lifestyle.

The migration process was highly organized. Although children usually agreed to migrate, the move was usually arranged by a labor contractor, who would sometimes give an advance payment to the child's parents. Children generally migrated to work with a labor contractor, relatives, and/or friends, travelling by bus to KTM. Once the children arrived in KTM, they typically lived and slept in the carpet factories. Some children migrated multiple times, returning to the villages for festivals and then returning to KTM.

Once they arrived at the factory, inexperienced children spent between two and three months in training, during which time they received only lodging and sometimes food as compensation. When they had learned the required weaving skills, children started being paid in cash and kind (food and lodging), in most cases receiving a fixed salary from the labor contractor. Once a child became an experienced weaver, he or she might be able to negotiate the terms of payment. That would typically mean an upgrade to being paid on a piece-rate basis, although that upgrade might happen only after the child shifted to another factory.

Most children working in the carpet factories endured poor working and living conditions, including unsanitary surroundings, low quality food, long work hours, and abuse from supervisors. Children were vulnerable to deceptive and coercive practices from factory managers and contractors. In many cases, children started in debt or became indebted to the contractor and/or factory manager and had to work for long periods of time before the debts were cancelled and the children were permitted to leave their jobs. The exploitative working conditions of those children qualified as forced or bonded labor, which meant that the organized process of transferring the children from their rural homes for the purpose of working in the carpet factories in KTM was child trafficking.

INTRODUCTION

The purpose of this Sending Areas (SA) Study was to further our understanding of the existence and conditions of child trafficking and bonded labor. The study was located in Nepal because previous research (the PC Study) revealed that Nepal had the highest rate of child trafficking among the three countries that were studied. Carpet production in Nepal was highly concentrated in factories in the Kathmandu (KTM) valley. The factory-based labor force was primarily composed of hired workers, most of whom had migrated to KTM to work in the carpet factories, and most of the children working in those carpet factories had left their rural communities of birth unaccompanied by their parents. For that reason, research on child trafficking in the carpet industry in Nepal concentrated on the migration of children from rural areas (sending areas) to work in the carpet factories in the Kathmandu (KTM) valley.[3]

The study had two objectives. The first objective was to identify and understand the characteristics and motivation of the children who migrated to work in the carpet factories and the families that sent their children to work in the carpet factories (sending families). The research questions that addressed the first objective were as follows:

1. What were the socio-economic and socio-demographic characteristics of the families whose children migrated to work in the carpet factories?
2. How did the characteristics of sending families compare with families whose children did not migrate to work in the carpet factories?
3. Which children within sending families were most likely to migrate to work, and why?
4. How did children and their families evaluate the relative importance of education/schooling versus working?
5. What motivated children to migrate to work in the carpet factories?
6. What motivated families to send children to work in the carpet factories?
7. Was the decision to migrate made by the child, the child's family, or a third party?

The second objective was to identify and analyze migration patterns and increase our understanding of the existence and characteristics of child trafficking and bonded labor in Nepal. The research questions that addressed the second objective were as follows:

8. What were the migration patterns of families in the sending areas?
9. What were the migration patterns of children who went to work in the carpet factories?
10. Were the decisions for children to migrate voluntary, induced by family debts and poverty, or forced/coerced?

[3] Throughout this report, all references to carpet factories in Nepal refer to carpet factories in the Kathmandu valley.

11. Was the migration organized by a third party (neither child nor parents)?
12. Was there evidence of bonded labor, forced labor, or child trafficking?

This research was necessary because accurate information about the nature and prevalence of forced and bonded labor and child trafficking in the carpet industry in Nepal had been difficult to obtain. The Prevalence and Conditions (PC) Study in Nepal had obtained basic quantitative information about child trafficking to the carpet factories and bonded labor in the carpet industry by interviewing a sample of children working in the carpet factories. However, the PC Study was limited to collecting information from children at the endpoint of the migration process and had no way to verify the conditions that existed in those children's households at the time the decisions to migrate were made.

This SA Study complemented and expanded the findings from the PC Study by incorporating information from both ends of the migration pipeline and by providing an opportunity for the children's voices to be heard. This study was a rapid assessment with a mixed methodology design that collected detailed information on the circumstances and conditions existing in children's homes before the children migrated and then traced and interviewed children from those households who were working in the carpet factories in the KTM valley. The sending areas that were surveyed in this rapid assessment were the districts of Makawanpur, Sarlahi, Sindhuli and Sindhupalchok (and specific wards and communities within those districts), from which many children had migrated to work in the KTM carpet factories. The information about the migration and potential for child trafficking included inputs from multiple critical informants in both the sending areas (families of migrant children, school teachers/principals, community children, and labor contractors) and the receiving area (working children, labor contractors, and factory managers).

The study interviewed child migrant workers in private away from the carpet factories, which was more conducive to the children being more forthcoming about their working conditions. The children were also more comfortable and trusting because the interviewers had already talked with the children's families and had reached the children through information provided by the families. The more encouraging setting for the working child interviews, the collection of individual case studies of migrant children, and the focus group discussions with children

Focus Group Discussion in Sarlahi – April 2010

living in the sending areas enabled the researchers to hear and transmit the voices of those migrant children as well as the voices of other children who remained in the sending areas.

The complex set of additional information collected by this study provided a more complete and nuanced understanding of the factors related to the migration of children to work in the carpet factories, including the children's motivations, the mechanisms and patterns of their migration, and the anticipated and actual outcomes of their migration to work. The children's voices were heard explaining their expectations and experiences with schooling, their families, indebtedness, and work in the carpet factories.

RESEARCH FRAMEWORK

1.1. UNITED NATIONS INSTRUMENTS ON CHILD LABOR, BONDED LABOR, AND TRAFFICKING

The international legal framework for this study consisted of the United Nations instruments that defined and regulated children's work, child labor, forced and bonded labor, and child trafficking.

- ILO Convention 29 on Forced or Compulsory Labor (1930). Nepal ratified this Convention in 2002.
- ILO Convention 90 on Night Work of Young Persons (Industry) (1948)
- UN Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery (1956)
- ILO Convention 105 on the Abolition of Forced Labor (1957). Nepal ratified this convention in 2007.
- ILO Convention 138 on Minimum Working Age (1973), as amended by Recommendation 146 (1973). Nepal ratified this Convention in 1997.
- UN International Convention on the Rights of a Child (UNCRC, 1990) and the Optional Protocol. Nepal was a signatory to the UNCRC in 1990 and ratified the Optional Protocol in 2006.
- ILO Convention 182 on the Worst Forms of Child Labor (1999) as amended by Recommendation 190 (1999). Nepal ratified this Convention in 2002.
- UN Trafficking Protocol, also known as the Palermo Protocol (2000) or the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, Supplementing the UN Convention Against Transnational Organized Crime
- Note on the definition of 'child trafficking' (2007). This note resulted from a dialogue among the ILO's program Towards the Elimination of the Worst Forms of Child Labour (TECL), the UN Office on Drugs and Crime, and the International Organization for Migration (IOM).

1.2. LEGAL PROTECTIONS FOR CHILDREN IN THE NEPAL CARPET INDUSTRY

Nepal ratified ILO Conventions 29, 105, 138 and 182, was a signatory to the UN Convention on the Rights of the Child, and ratified the Optional Protocol on the Sale of a Child. While most definitions used in this study were based on international conventions, the Nepal national legal framework was used to define aspects not covered by the international framework. The following instruments were in force at the time this research was conducted.

Constitution of Nepal (2007, interim)

- Pending the promulgation of a new constitution, Nepal was governed at the time of this report under the 2007 interim constitution, which replaced the 1990 constitution.
- Prohibited employing minors in factories, mines, and other hazardous work, as well as in the army, police, or in conflicts.
- Forbid forced labor, human trafficking, slavery, and bonded labor.

The Children's Rights and Welfare Act (1992)

- Defined a child as a person below the age of 16 years.
- Prohibited employing children below the minimum age of 14 years.
- Prohibited employing children below 16 years of age in hazardous work
- Prohibited forced labor and required equal remuneration for equal work.
- Entitled working children below 16 years of age to a half-hour break for every three hours of work and to one day off a week.

The Labour Act (1992) and Labour Rules (1993)

- Defined a child as a person below 14 years and a minor as a person 14-18 years of age.
- Prohibited employing children below 14 years of age in any establishment, but the workshop had to employ ten or more workers to be defined as an establishment.
- Prohibited employing children below age 16 (defined by the Act as minors) to work with dangerous machinery or in hazardous operations.
- Permitted employing children age 14-15 (defined by the Act as minors) but limited them to working no more than six hours a day and 36 hours a week.
- Permitted employing children age 16-17 (defined by the Act as minors) to work between 6 p.m. and 6 a.m. (nighttime hours).
- Limited all workers to working no more than eight hours a day and 48 hours a week with one day off a week.

The Child Labour (Prohibition and Regulation) Act (1999)

- Amended the 1992 Labour Act.
- Defined a child as a person below 16 years of age.
- Prohibited employing children below 14 years of age to work as laborers.
- Prohibited employing children below 16 years of age to work in listed risky (hazardous) businesses. The list included carpet weaving, dyeing, and wool cleaning.
- Limited children below 16 years of age to working no more than six hours a day and 36 hours a week with a half-hour break after three consecutive hours of work.
- Prohibited employing children below 16 years of age from working between 6 p.m. and 6 a.m. (nighttime).
- Prohibited forced child labor.
- Required that children (defined as minors) be trained before working.

Bonded Labour (Prohibition) Act (2001)

- Outlawed bonded labor, freed rural farmers and their children from debt bondage to their landlords, and extinguished debt flowing from such arrangements.

1.3. Differences between International and Nepal Standards

This study relied on international standards, utilized the international definition of a child as any person younger than 18 years of age, and applied the international definitions of child labor to the work and working conditions of all children who were employed in the carpet industry, even when they were working in their own household with their family or in workshops (factories or sheds) of any size.

One important difference between international standards and Nepalese standards was the age of a child. International standards defined a child as a person under 18 years of age. Those standards were the basis for this study, which considered all carpet workers under the age of 18 to be child carpet workers. Nepal's child labor legislation (specifically the 1999 Child Labour Act) defined a child as a person under 16 years of age. For that reason, Nepal's legal protection of children differed from international standards because it failed to protect children 16-17 years of age.

Another important difference between international standards and Nepalese standards concerned the establishments that were regulated. The 1992 Labour Act prohibited employing children below 14 years of age (minimum working age) in any establishment, but the Act defined establishments as employing ten or more workers. That Act did not regulate establishments with fewer than ten employees, where one-fourth of Nepal's factory-based child carpet workers were employed.[4] That Act also did not cover children who were self-employed and, according to Gilligan (2003:51), appeared to provide for legal child labor for children younger than 14 years of age.

1.4. Key Definitions

Carpet Factory: This study defined a carpet factory as a carpet industry establishment where the majority of the workers were hired, which meant that the labor-management relationship was commercial and contractual. This category included workshops that were too small (fewer than 10 employees) to be legally defined as factories by Nepal's labor laws.

Sending Area: This was a district in Nepal that had been identified in the PC Study as the district of origin for some of the children working in carpet factories. For the purposes of this study, these were Makwanpur, Sindhuli, Sarlahi, and Sindhupalchok districts.

[4] Information provided by the PC Study in Nepal.

Family: A family was defined in this study to include all related household members and all children (sons and daughters) of the head of household, whether they were living in the household or not. The reason to include non-resident children of the head of household was to collect information about children who had migrated.

Sending Family: This was a family with at least one child (ages 5 to 17) working in a carpet factory in the KTM valley at the time of the survey.

Non-Sending Family: This was a family with no family members working in a carpet factory in the KTM valley at the time of the survey. To be included in the study, a non-sending family had to have at least one child between the ages of 10 to 17 years old. That age range was chosen for greater comparability with Ssnding families, as those were the ages of most child carpet workers.

Child Trafficking: This study used the definition of child trafficking that was in the UN 2000 Trafficking Protocol as interpreted by the 2007 note from the South African meetings. Deceit or force were not necessary conditions in the case of children. Even if the child moved voluntarily, any child who was recruited, transported, transferred, harbored, or received for the purpose of exploitation would be considered a trafficked child.

Forced Labor: This study used the definition of forced labor that was in C182: All work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily, and includes indentured labor.

Bonded Labor: This study used the definition of bonded labor that was in the UN's 1956 supplementary convention, where bonded labor was classified as a practice similar to forced labor: the status or condition arising from a pledge by a debtor of his personal services or of those of a person under his control as security for a debt, if the value of those services as reasonably assessed is not applied towards the liquidation of the debt or the length and nature of those services are not respectively limited and defined.

BACKGROUND

2.1. MIGRATION PATTERNS IN NEPAL

The children's labor migration was not unusual since migration was a common feature in Nepal, and the children migrating to the carpet factories were probably not the first from their households to migrate.

Nepal had well-documented patterns of forced and voluntary migration. There were two international flows that were clearly forced migration (refugees). There were domestic and international flows that were clearly voluntary labor migration. There were other domestic and international flows that were less clearly defined as forced (trafficking) or voluntary.

The two major international flows that were clearly forced migrants were the waves of refugees into Nepal from Tibet and Bhutan.

- Tibetan refugees started to arrive in Nepal after the Chinese invasion (or annexation) of Tibet in 1950 and the subsequent Tibetan uprising of 1959. An estimated 15,000 Tibetan refugees were in Nepal at the time of this study, and many more had passed through Nepal en route to India (UNCHR, 2010). In the beginning of the influx, the Tibetan refugees established themselves in the Himalayan border districts of Mustang, Nubri, and Solokhumbu. Later, the Tibetans spread to other rural and urban areas in Nepal, including the KTM valley. These refugees were a critical factor in the Nepalese carpet industry. The Tibetans brought with them their traditional weaving crafts, and many Nepalese credited the Tibetans for starting or greatly expanding the carpet industry in Nepal (O'Neill, 1999).

- Bhutanese refugees started arriving in Nepal in 1990 when the Bhutanese government started forcibly evicting Bhutanese residents of Nepalese ethnicity. Unlike the Tibetans in Nepal, who over the years had moved away from refugee settlements, almost all Bhutanese refugees remained in and around the camps in the eastern districts of Jhapa and Morang. The camps, which were administered by the United Nations Office of the High Commissioner for Refugees (UNHCR), held more than 70,000 Bhutanese refugees at the time of this research (UNCHR, 2010). At the time of this research (2008-2011), the Bhutanese refugees were very important to the Nepalese carpet industry because they were the majority of the workers processing (carding and spinning) the raw wool into thread. Although "supply chain" activities were widespread in Nepal, the primary locations for wool-processing were in and immediately surrounding the Bhutanese refugee camps in the eastern districts.

Another flow of clearly forced migrants was internal to Nepal. The lengthy Maoist insurgency had forced the displacement of many rural families and their children who fled conflicted zones to settle in other areas in Nepal that were less impacted by the hostilities. As of 2010, there were still an estimated 70,000 internally displaced people due to the extended civil conflict (IDMC, 2010).

There were also long-established and well-documented domestic and international flows that were clearly voluntary labor migration. In 2008, one-third of the total population of Nepal had migrated to the place where they were living, and 80 percent of those were rural-urban migrants. Almost 44 percent of Nepalese households had at least one member absent, usually working elsewhere (NPLFS, 2008). More than one-fourth (29 percent) of the households in Nepal had at least one member living outside Nepal (Graner, 2001), and Nepal could be classified as an international labor reserve that consistently exported many workers, with the primary destinations including the Gulf countries and Malaysia (NPLFS, 2008). The economic importance of those absent members was shown by the fact that 30 percent of Nepalese households were receiving remittances (NPLFS, 2008).

Internally, the rural-urban flow of workers, especially to the KTM area, was well-established (Gurung, 2008). Other internal flows of voluntary labor migrants were less documented, such as the inter- and intra-district movement of workers from rural areas to roadside and urban employment.

Another major internal and international flow of voluntary migration concerned land settlement in the Terai region, which was the primary location of the sending areas of workers to the carpet factories. That migration is described below.

In addition to the migration flows noted above that were clearly forced or voluntary, other flows were less clearly defined or documented. Those included flows that were suspected of being trafficking. There were reports that adults, especially women, and children were trafficked (especially for the sex trade) within Nepal and also across the borders into India and more distant destinations. In the case of the carpet industry, there was the migration or trafficking of children from sending areas to work in the carpet factories, as well as reports that Nepalese children were being trafficked to work in the carpet belt districts of Utter Pradesh State in India (Stafford, 2007). Research into those suspect flows had to address several issues:

- One issue was the prevalence of forced labor. To what extent had the children migrated voluntarily, i.e., the prevalence of forced versus voluntary migration for those children?.

- Another issue was the prevalence of bonded labor. To what extent had the children's migration been caused by, or their working conditions impacted by, family indebtedness

prior to the children's migration or indebtedness contracted by the children when they were working?

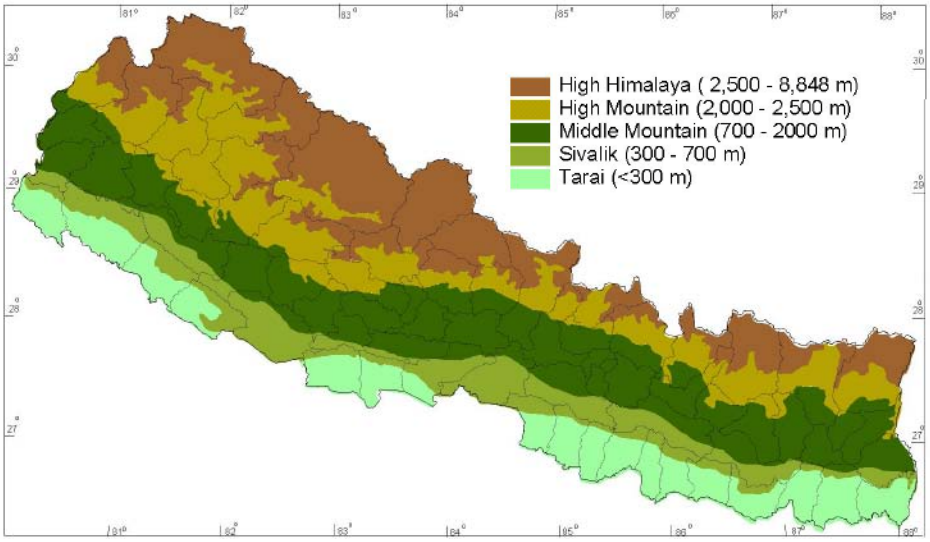
- A third issue was the prevalence of child trafficking. Child trafficking did not depend on the child being forced, coerced, or tricked into moving into a situation where the child was exploited. Child trafficking could occur even in the absence of forced or bonded labor. If the child worker had been moved for the purpose of being exploited, that movement or transfer of the child into that situation would constitute child trafficking.

2.2. Characteristics of the Terai Region and the Sending Areas

There were five ecological zones or regions in Nepal. They varied in altitude, starting at the top with the High Himalaya, high mountain, and middle mountain regions and ending with the Sivalik (or inner Terai) and Terai (or outer Terai) regions. The five regions were often simplified into the Mountain, Hill, and Terai regions. The central KTM valley was in the middle mountain region.

The lowest region was the Terai (also called the Outer Terai), which was a fertile strip of lowland that was similar in climate and geography to the neighboring plains of northern India. The Outer Terai was a strip of land that extended from west to east throughout southern Nepal. The Sivalik region (also called the Inner Terai) was a transitional area between the lowland Terai plains and the mountain regions and was marked by the Sivalik hills that reached a maximum height of 700 meters.

Figure 1. Physiographic Regions of Nepal



Source: Topographic Survey Branch, Department of Survey, His Majesty's Government of Nepal, 1983.

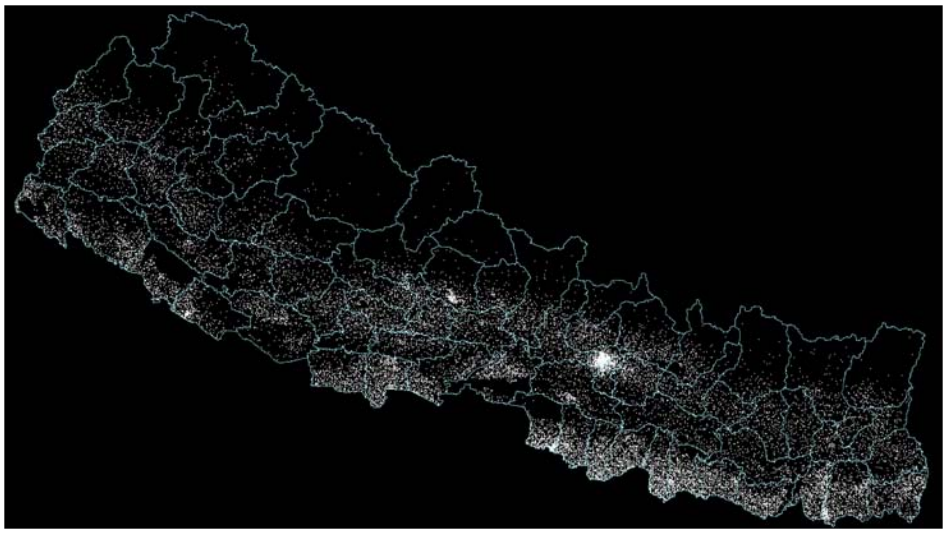
The Inner and Outer Terai regions constituted 20 of Nepal's 75 districts. More than three-fourths of the migrant child workers who were interviewed in the PC Study's factory survey had migrated from districts in the Eastern Terai and Sivalik regions. The districts that contained the main sending areas were Makwanpur and Sindhuli in the Eastern Sivalik (Inner Terai) region and Sarlahi, Rautahat, and Bara in the Eastern (Outer) Terai region.

By the time of this study, the Inner and Outer Terai regions contained almost half of Nepal's total population. The districts in the KTM valley were the most densely populated area in the country, but the second most densely populated area were the Eastern Terai districts, and the Mahendra or East-West Highway that connected the Terai regions across the width of the country was the longest highway in Nepal. Information collected during the second and third phases of this study noted that most of the villages of origin for the migrant children were close to East-West Highway. All this meant that the main sending regions in the Terai were densely populated and relatively close to the carpet factories.

Almost densely populated at the time of this study, the sending areas in the Terai were largely unpopulated until the 1950s because of malaria. The only inhabitants were indigenous tribes (such as the Tharu) with genetic resistance to the disease and other hunter-gatherer tribes (Terrenato et al., 1988). The success of the Malaria Eradication Program, which was launched with assistance from the United States Overseas Mission and the World Health Organization, enabled other populations to enter and settle.

One domestic flow of migrants originated in the Nepalese hill areas. The proportion of the Terai population that originated from the hill areas (Pahadi people) increased dramatically from six percent in 1951 to 33 percent in 2001, according to the International Crisis Group (ICG, 2007). The influx of those indigenous and caste groups from the hills transformed the society and economy of the Terai. One of the immigrant indigenous groups was the Tamang. According to the PC Study, a majority (73.7 percent) of the migrant children working in the carpet factories were of Tamang ethnicity. The Tamang were indigenous to the Hill region and, according to the 2001 Nepal Population Census, represented 5.6 percent of the total population of Nepal. The Census noted that the Tamang were the third largest indigenous group in Nepal and the fifth largest ethnic group overall.

Figure 2. Population Distribution in Nepal (2001)



Source: Nepal Central Bureau of Statistics.
Note: Each white dot represents 1,000 inhabitants.

Another major and highly debated (domestic and/or international?) migrant flow (Madhesi people) settling in the Terai originated from the plains areas (adjacent to India). The Madhesi were categorized in very different ways; they were (a) people from the plains, (b) non-tribal, caste Hindus of Indian origin who lived in the Terai, or (c) simply non-pahadis, regardless of birthplace or residence (ICG, 2007). The term Madhesi had been deconstructed and reconstructed multiple times for political reasons with the extreme sensitivity being related to the question of whether the Madhesi were immigrants from India who represented a territorial cross-border invasion from India.

The low-lying Terai region adjacent to northern India had a comparative advantage to the rest of Nepal in terms of infrastructure, agriculture, and industrial development. The Terai and the KTM valley region were the main economic engines of the country, contained more than 60 percent of the agricultural land, and contributed more than two-thirds of the country's Gross Domestic Product (ICG, 2007).

There were four major population categories in the Terai. Two were considered to be indigenous, including people who were indigenous to the Terai and others who were indigenous to the Hill region and had immigrated recently into the Terai. The other two categories were non-tribal (not indigenous), caste Hindus, including Pahadi, who were originally from the Hill region and had immigrated recently into the Terai, and Madhesi, who were originally from the Terai region or bordering areas in India.

There were major disparities in the distribution of wealth and other socioeconomic characteristics in the Terai. The distribution of wealth in the rural areas was determined to a great

extent by the distribution of land, which appeared to be highly correlated with caste and ethnicity. The Eastern Terai in particular held a large population of landless farm laborers belonging to Terai Dalit castes. The 2003/04 Nepal Living Standards Survey (NLSS) documented a clear pattern of the higher hill and Terai castes having much larger landholdings than hill or Terai Dalits and Muslims, but the NLSS did not separate the Tamang ethnic group to identify its wealth and landholdings. Besides wealth and landholdings, there were clear differences in the Terai in education levels and health indicators by ethnicity. Those and other disparities between hill and plains groups (under-representation in the political system, civil service, media etc.) had led to ethnic-based political unrest in the region that continued at the time of this research.

2.3. Evidence of Child Trafficking from the Sending Areas

Research on child trafficking in the carpet industry in Nepal concentrated on the migrant children working in the carpet factories. The carpet industry's production process included processing wool (supply chain) to produce the thread and the production and finishing of the carpets until they were export-ready. Children were not migrating to work in the supply chain activities in Nepal, as those were primarily sited in households (HHs), and the HH labor force was almost completely family-based. The majority of the supply chain HHs were located in and around the Bhutanese refugee camps, while other supply chain HHs were widely dispersed around the country.

The children were migrating to produce carpets, and carpet production in Nepal was almost completely concentrated in factories in the Kathmandu (KTM) valley. The labor force in the carpet factories was primarily composed of hired workers, most of whom had migrated to KTM to work. The carpet project's 2009-2010 Prevalence and Conditions (PC) Study in Nepal was the most recent source of data about labor migration and child labor in the carpet industry of Nepal. More than a third (35 percent) of Nepal's carpet industry work force was factory-based; almost all carpet factories were located in the KTM valley; and one-fifth (20 percent) of Nepal's child carpet workers worked in those carpet factories.

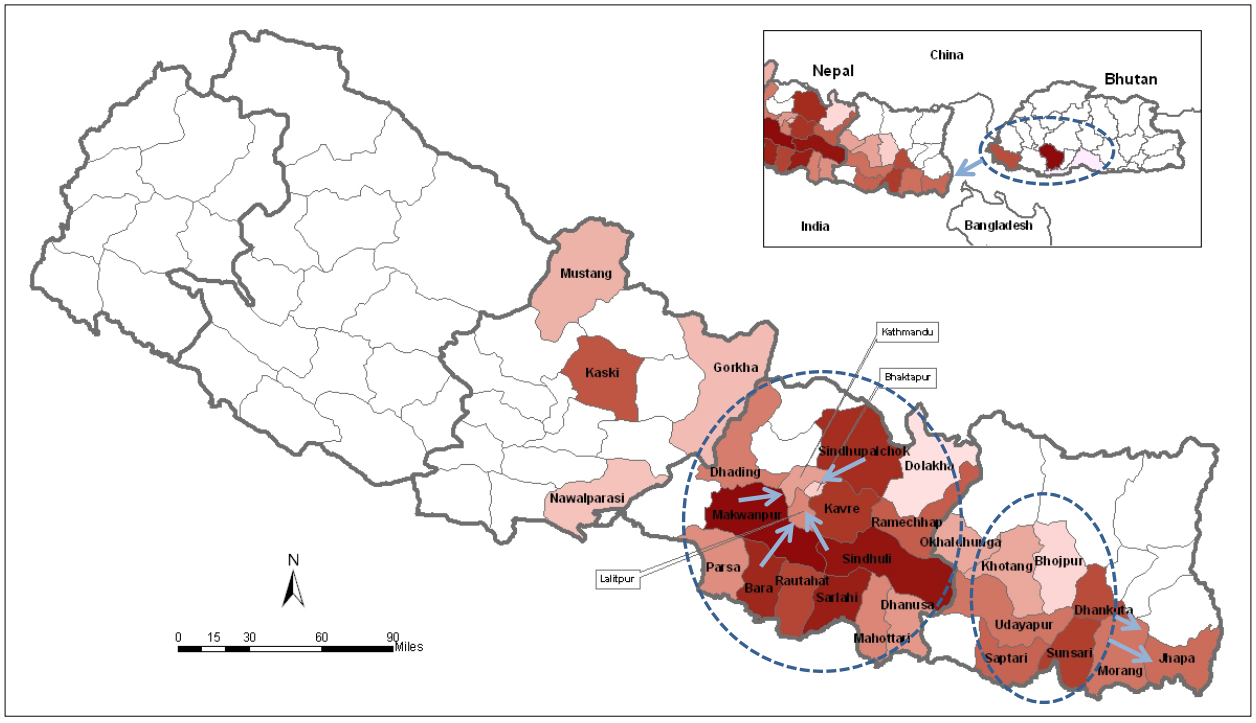
The PC Study surveyed a random sample of those carpet factories and interviewed a random sample of workers, stratified by age, in each of the factories. Based on the survey, the carpet project calculated that there were 2,160 child workers and 17,363 total workers in the carpet factories in Nepal.[5] The prevalence of children was 12 percent of the total factory workforce, i.e., one in every eight factory workers was a child.

The children working in the carpet factories were mostly first generation migrants, with 94.7 percent of them being born in a location different than their KTM workplaces. The children

[5] These were weighted estimates extrapolated from samples.

migrated to the carpet factories from 25 different districts (all within Nepal). Almost two-thirds (63.6 percent) of the children came from only three districts in the Terai of the Central Development Region. Makawanpur was the most important district of origin for child workers (35.6 percent of the children), followed by Sindhuli (15.5 percent) and Sarlahi (12.5 percent).

Figure 3. Distribution of Migrant Child Carpet Workers by Districts of Origin in Nepal



Sources: Nepal PC Factory Worker Survey (April-July 2009) and Nepal PC Household Child Survey (Dec. 2008-April 2009)

Before the PC Study, the most important previous study of the status of child workers in Nepal's carpet industry was a 2002 ILO/IPEC rapid assessment. That study estimated that there were a total of 7,689 child workers in the carpet industry within the KTM valley, representing 12 percent of the workforce in the carpet industry. Most (96 percent) of those children were immigrants from surrounding districts, mainly Makwanpur (19.7 percent), Sarlahi (17.3 percent), and Sindhupalchok (9.3 percent). Most of the children belonged to the Tamang (58.5 percent) or Magar ethnicities (11.4 percent). The children were mostly living in the factories, working extremely long hours, and suffering from work-related health problems, such as respiratory problems caused by the wool dust or musculoskeletal deformations.

The location of the sending areas was confirmed by contact lists provided by the NGO RugMark, which suggested that most children working in the carpet factories had migrated from poor, remote districts in the central plains (Terai) of Nepal and were, in terms of their ethnicity, mostly from the Tamang, Magar, and Rai tribes.

Family members, neighbors, labor contractors (*Thekedar*), and labor recruiters (*Naike*) were reported to be involved in the recruitment of many children from those sending areas. In its 2002 rapid assessment, ILO/IPEC reported that about 40 percent of the children who migrated to KTM carpet factories travelled unaccompanied by their families and usually under the custody of a *Thekedar*, who might be in financial control of the children and their future earnings. The 2002 rapid assessment estimated that as many as 63 percent of those children might have been in conditions of bonded labor as a consequence.

The 2002 ILO/IPEC rapid assessment also conducted a small-scale sending areas study in one Village Development Committee (VDC) area of Sarlahi district. Aside from that study, the carpet project could not identify any previous studies that had attempted to better understand why children entered the carpet sector by adequately surveying those districts of origin. The ILO/IPEC study interviewed 11 sending family households (HHs) that had children working in carpet factories and 11 non-sending family HHs without child labor. Although the small sample only allowed tentative conclusions, the report concluded that family vulnerability factors drove child migration to the KTM carpet factories. The family vulnerability factors included adult illiteracy, parental attitudes towards education, unemployment, sexual abuse, domestic violence, poverty, and low incomes. Another factor was a family history of sisters, brothers, or close relatives who already worked in the carpet factories. The report also indicated that the majority of the children who migrated to the carpet factories went with relatives or friends, with a few having been recruited by local brokers who may have worked in the carpet factories for many years. Children, particularly younger ones, often worked under the *Thekedar* system, whereby an adult worker acted as a mediator between the child and the factory manager and effectively controlled the child's earnings.

Earlier studies had noted the existence of the *peskii* system of advances, which was assumed to increase the likelihood of workers becoming victims of debt bondage. The *peskii* system consisted of workers or their families taking wage advances, with the possible consequence that the workers would be in bonded labor if their salaries were insufficient to cover the initial advances. In those cases, the workers would have to continue working for their employers (sometimes indefinitely) in order to pay off their debts (O'Neill, 2004).

The PC Study estimated that 17 to 76 percent of the children working in the carpet factories were trafficked. Child trafficking, unlike the trafficking of adults, occurred even when the child entered voluntarily into the exploitative situation. That feature was very relevant in the sending area research in Nepal. The project had conducted preliminary research in the rural sending areas in late 2010, and it appeared that most of the children had voluntarily migrated to the carpet factories. That was consistent with reports from child carpet workers interviewed in the PC Study, where most children had reported that they had moved willingly (90.5 percent) and by their own decision (65.7 percent).

METHODOLOGY

3.1. RESEARCH DESIGN

This Sending Areas (SA) Study used mixed methods within a rapid assessment framework. In general, the rapid assessment framework covered a range of approaches and methods. According to the ILO, the four constant features were that (a) the research was supposed to be rapid (be conducted in a relatively short time); (b) there were no large-scale formal surveys; (c) mixed qualitative and quantitative methods (possibly including a small-scale survey) were used to collect data; and (d) the scope of the study was local or regional, not national (ILO, 2005).

This study was not designed to produce representative statistical estimates, but to provide more of an in-depth understanding of the personal, cultural, and socio-economic mechanisms driving children to migrate to work in KTM carpet factories, to provide an opportunity to hear the actual voices of the migrant child workers tell us their stories, and to improve our understanding of the dimensions and characteristics of child migration and trafficking. Given the importance of the in-depth and subjective nature of the study, it required the personal attention and extended in-country presence of the carpet project's director and research manager. Those two social scientists personally conducted preliminary field research to ground-truth the subsequent phases, and then the research manager supervised a team of trained interviewers from a subcontracted data management agency (New ERA) that had experience collecting and processing the data from the carpet project's earlier PC Study in Nepal.

The scope of this rapid Assessment was confined to a single sector (the carpet industry) and a restricted area (sending areas). The study utilized a sequential combination of qualitative and quantitative methods. There were a total of four phases of research, including two preliminary phases that collected background information to design the final two phases. The first phase was the analysis of the PC Study data. The second phase consisted of key informant interviews and a rapid informal survey in the sending areas. The third phase was a small-scale formal survey in the sending areas, and the fourth phase consisted of follow-up interviews and case studies of migrant child carpet workers in the KTM valley.

3.1.1. THE FIRST PHASE: ANALYSIS OF THE PC STUDY DATA

The first phase consisted of a desk review and analysis of the findings from the Prevalence and Conditions (PC) Study in Nepal[6]. Among other things, the PC study collected data on the origins of migrant children working in the carpet industry, which identified the sending areas in the Terai that generated the majority of immigrant children. Those data provided the sampling frame

[6] A summary of this analysis was presented in another section of this report.

that the SA Study used for the second preliminary phase. For the second phase, the study selected a sample of SAs in the three Terai districts of Makwanpur, Sindhuli, and Sarlahi[7].

3.1.2. THE SECOND PHASE: KEY INFORMANT INTERVIEWS AND A RAPID INFORMAL SURVEY

The second preliminary phase occurred in late November 2010. It began in Kathmandu (KTM) where ICF's project director and New ERA's project director interviewed key informants from NGOs who had personal in-depth knowledge of child trafficking in Nepal in the carpet industry and other industries. Information from those experts helped guide the development of the study, and the informants also provided access to important records and documents.

Then the research manager joined the project directors, and the team went to the three sending area districts in the Terai that had been identified in the first phase. The three-person team of experienced field workers and social scientists (the ICF and New ERA project directors and ICF's research manager) spent eight days (11/21-28) travelling through those districts conducting a rapid informal survey and assessment.

The team interviewed and observed many families with different migration histories. The key families were those whose children had emigrated to work in the KTM carpet factories, but non-sending families were also interviewed. Non-sending families included families whose members had emigrated to work in other industries in KTM or elsewhere. The team was interested in comparing those sending families with non-sending families to put their backgrounds in perspective. How did the socio-economic, socio-demographic, and cultural characteristics of sending families compare with non-sending families? The interviews with families whose children or adults migrated to work in other industries or other places helped the team understand the decision making process that explained why certain people migrated to certain industries. The team interviewed children and young adults who had returned home after working in the carpet factories and also met and interviewed two children who were about to leave for the first time to work in the carpet factories. This allowed the team to gain first-hand accounts of the motivations and mechanisms of the labor migration cycle.

These interviews provided valuable information about socioeconomic status and inequality in the sending areas, the status, cost, and evaluation of education, the perceptions of parents about the children's motivations for emigrating, the conditions and usual timing of children's emigration, and the existence of debts owed by families. Other important information helped guide the design of the later phases; the team learned that there was very little contact between the families

[7] Those districts were representative of the sending areas at the time of the 2009 PC Study, but might not have been representative of the distribution of sending areas in late 2010. However, the sample should have been a sufficiently good approximation for the purposes of this study.

and their children while they were working in the carpet factories. Most of the families knew very little about their children's working conditions in the factories or their actual physical location in the KTM valley.

There were two main reasons for this lack of knowledge. One reason was the restricted communication. The main link to the migrant child was that the family usually knew the number of their child's mobile phone or a mobile phone owned by someone else who could get a message to the child. When a family wanted to contact a child, the family would call that mobile phone and make arrangements to meet somewhere. The other main means of communication was when the children returned to their homes for a visit during the Dasain and Tihar holidays (usually around October-November).

The second main reason why some families knew so little about their children was that the children had cut off ties with their families. Some children, particularly the older ones, eloped or ran away from home with their friends without parental consent, and some of those children may never again communicate with their families.

3.1.3. The Third Phase: A Small-Scale Formal Survey in the Sending Areas

The third phase consisted of a small-scale formal survey of families in the three Terai districts visited during the previous phase (Makawanpur, Sindhuli, and Sarlahi) and in Sindhupalchok, a mountain district that was considered to be another significant source of migrant children. The objective was to collect quantitative and qualitative information on the families and community-level factors that might explain the migration of children to KTM carpet factories. In addition to the formal survey of families, this phase included interviews with key community informants, including school teachers and principals and local labor contractors involved in the recruitment of workers for the carpet factories, and focus groups composed of community children. The study also collected contact information for children who were currently working in the carpet factories, a sample of whom were interviewed in the KTM valley during the fourth phase.

3.1.4. The Fourth Phase: Follow-Up interviews with Migrant Child Workers in the Kathmandu Valley

A primary objective of this fourth and final phase was to hear the voices of the children who had migrated to work. A secondary objective was to identify any discrepancies between what the parents had reported in the sending areas and what the children reported when interviewed in the KTM valley.

This phase was carried out in the KTM valley where the research team collected information from children who had migrated to work in the carpet factories and from factory managers and labor contractors. The team interviewed and collected case studies from a sample of children working in carpet factories who had been identified by their families that were interviewed in the sending areas. The research team contacted the children using the cell phone numbers provided by the parents. That approach had two advantages:

- Children could be contacted by phone to arrange to meet outside the factory for a more private talk, which eliminated any potential problems of getting past the manager or the child being intimidated by the manager's presence. In many cases, the parents had contacted their children before the interviewer phoned, which diminished any worries that the child might have had about being contacted by a stranger for an interview.

- Parental and community background information was available to compare and contrast with the information provided by the children. This enabled the research team to complement the parents' perspective with the child's.

The study directly asked children about their motivation to migrate and the mechanisms involved and compared the children's answers with the perspective offered by the families. In order to obtain a more holistic perspective of the labor migration experience and its context, the study also conducted in-depth case studies of 10 of the migrant children working in the carpet factories. The in-depth interviews and case studies were designed to explore the situation of the child before, during, and after migrating to work in the factories.

In addition to child interviews and case studies, the study also interviewed carpet factory managers and labor contractors who recruited child labor for the factories. The factory managers were asked about the economics of contracting for labor, the payments made to the contractors or workers during the first two-three months of training, changes in the industry, changes in the workforce, etc. Some contractors were identified and contacted in the sending areas, while other contractors were interviewed in the the carpet factories. The contractors were asked about the economics of recruiting child workers, advancing money to recruits and their parents, the costs of training, changes in the industry, etc.

3.2. SAMPLING DESIGN

The sampling design for this study was built iteratively, starting during the first phase of the study with a review of data from the PC study. Based on that review, it was determined that the districts of Makawanpur, Sarlahi, and Sindhuli were the main areas of origin (sending areas) of migrant children working in the carpet factories. The research team selected those three districts for exploratory field visits during the second phase of the study. During those exploratory visits,

the team discovered that communities of sending families were scattered, and some communities that had migrant children in KTM carpet factories at the time of the PC Study did not have any children in the factories at the time of the SA Study, while other communities in the vicinity had become more active as sending areas.

From its experience during the exploratory visits, the team knew there was a possibility that the third phase might find that some selected villages or wards were inactive or were only sparsely populated without the required number of sending family households. The study aimed to select sending areas that were active at the time of the study, so the initial list from the PC Study was only used as a starting guide. In those situations where replacement sending areas would be needed during the third phase, the research team was authorized to identify and select active replacement areas while conducting the research rather than restricting the selection of replacements to the list of sending areas that had been identified in the PC Study. Sending areas identified in the PC Study were kept as a back-up if needed.

Each district was divided into Village Development Committees (VDCs). Each VDC generally consisted of nine wards. The research team noted that concentrations of sending families were scattered and not evenly distributed through different wards. Based on those preliminary observations and the ward level information collected during the PC Study's factory survey, research participants in the sending areas were selected using the following methodology during the third phase of the study:

(1) First, seven wards were selected (six in the Terai districts of Makawanpur, Sarlahi, and Sindhuli and one in Sindhupalchok) based on the wards' presence in the PC Study's sample of child migrant workers in the carpet factories. ICF and New ERA selected the initial list of wards to be visited before starting data collection.
(2) A team was sent to each pre-selected ward.
(3) The team met briefly with one or two informal focus groups or interviewed key informants to learn where in the ward were the communities with sending families and the communities that did not contain sending families. A secondary goal was identifying labor contractors in the ward who were involved in sending children to the carpet factories.
(4) The team visited the communities or villages that had been identified as having sending families.
(5) Families in those communities were screened to identify which families had children working in the carpet factories at the time of the survey (were actively sending families) and which families did not (were non-sending families).
(6) A total of 210 sending families were surveyed to learn family backgrounds, head of household attitudes, household SES, and to obtain migrant children's contact information in KTM.

(7) A total of 105 non-sending families were surveyed to learn family backgrounds, head of household attitudes, and household SES to be able to compare characteristics of sending and non-sending families.
(8) A total of eight focus groups of children, segmented by age and gender, were questioned about their attitudes regarding school and the value of education, intention to migrate to work and possible destinations, value of labor migration to Kathmandu vs. labor migration to surrounding areas vs. staying at home, peer pressure to migrate, and the importance of role models.
(9) A total of 15 school principals or school teachers were interviewed to learn about school-related factors that might predict or explain why children migrated to work in the carpet factories.

During the fourth phase of the study, which was conducted in the KTM valley, research participants were selected using the following methodology:

(10) A total of 50 children working in KTM carpet factories were selected and contacted using contact information obtained from their families in the sending areas.
(11) Forty of those child carpet workers were surveyed using structured interview instruments. The team used semi-structured interviews to collect case study information from the other ten children.
(12) The team used a convenience sampling approach to select and interview a total of 10 contractors in the rural sending areas and in the KTM valley.
(13) The team also used a convenience sampling approach to select and interview a total of 10 factory managers in KTM carpet factories.

This study did not intend to produce projections to the total population. Population projections of key indicators had already been obtained through the PC Study's surveys. The purpose of the SA Study was to understand more in depth the background and motivation of migrant children and their families, the circumstances surrounding the children's emigration, and the children's perspectives.

3.3. CHARACTERISTICS OF THE SAMPLES

Six samples of respondents were selected for this study. Three samples were selected and studied in the sending areas (families, school teachers, and community children). Two samples were selected and studied in the KTM valley (migrant children and factory managers), and one sample was recruited in both areas (labor contractors).

Table 1: Key Sample Characteristics by Type of Family

	Sending	Non-Sending
n=	209	105
Ethnicity (% Tamang)	80.4%	72.4%
Median Number of Family Members	7.0	6.0
Median Number of Adults	3.0	2.0
Median Number of Children	4.0	3.0
Education Level of Head of HH (% who have never attended school)	75.1%	57.1%
Food Self-sufficiency (Median Number of Months per Year Can Feed Family From Own Crops)	6	10

Source: Nepal Sending Areas Family Survey (April-June 2011)

- **Sample of Families**: Families in the selected communities were screened to identify which of them had children working in the carpet factories at the time of the study and which families did not. A total of 209 sending families and 105 non-sending families were interviewed. A majority of those families were of Tamang ethnicity[8].

  - **Sending families** had a median of seven family members, with three adult members and four children, and 75.1 percent of the heads of household had never been to school. Sending families produced enough food to feed their family for an annual median of only six months.

  - **Non-sending families** had a median of six family members, with a median of two adult members and three children, and 57.1 percent of the heads of HH had never been to school. Non-sending families produced enough food to feed their families for an annual median of 10 months.

  In summary, sending families were slightly larger than non-sending families, were less likely to have an educated head of HH, and had lower levels of food self-sufficiency.

- **School teachers/principals:** A total of 15 school teachers or school principals were interviewed in primary and secondary schools in sending areas; 11 of the 15 teachers were male.

- **Community Children:** This study conducted a total of eight focus group discussions (FGDs) with children in the sending areas. Each FGD included between six and eight children

[8] The fact that both the sending and non-sending families were predominantly Tamang was explained by the ethnic or caste-based segregation of rural communities, typical of Hindu societies in general, and the Nepalese Terai in particular. In a given village, there would be different sub-villages, by and large corresponding to the different castes and ethnicities in the village. If sending families happened to be Tamang, non-sending families selected in the vicinity would also tend to be Tamang.

recruited in sending communities, irrespective of the children´s history of migration. The focus groups were segmented by age and gender, with the distribution shown in Table 2.

Table 2: Characteristics of Focus Groups

Gender	Ages	Number of groups
Male	10-13	3
	14-17	1
Female	10-13	2
	14-17	2

Source: Nepal Sending Areas Focus Groups (April-June 2011)

- **Migrant Children:** This study interviewed 50 migrant children currently working in the carpet factories. Two different formats were used: a quantitative interview format and a qualitative case study format. Children were assigned to the quantitative or qualitative format at random. Each sample is described below (see Table 3).

Table 3: Key Characteristics of Children Working in KTM Carpet factories

Key Characteristics	
n=	40
Gender (% Male)	55.0%
Median Age	15.0
School Attendance Status (% attending currently)	2.5%
Median years of education	2.0

Source: Nepal Migrant Children Interviews (April-June 2011).

- **Quantitative interviews**: A total of 40 migrant children currently working in KTM carpet factories were interviewed using a quantitative interview format. Fifty-five percent of these children were male, and their median age was 15 years. Children in the sample had completed a median of two years of formal education, and only one of them was attending school.

- **Qualitative Case Studies:** A total of 10 migrant children currently working in KTM carpet factories were interviewed using a qualitative interview format to produce case studies. Out of the 10 children, six were female. In terms of their ages, five were between 11 and 12 years of age, and five were between 14 and 17 years of age.

- **Labor Contractors:** A total of 10 contractors were interviewed in the rural sending areas and in factories in the KTM valley. They were all male and had been working in the carpet industry for a median of 15 years at the time of the interview.

- **Factory Managers:** A total of 10 factory managers were interviewed in factories in the KTM valley. They were all male and had been working in the carpet industry for a median of 23.5 years at the time of the interview.

3.4. INSTRUMENTS

This study included a total of seven research instruments. The main instrument for the research in the sending areas was a family questionnaire with four main modules:

1. A family screener to identify families that had children (17 years old or younger) who were working in KTM carpet factories at the time of the survey.
2. A family roster that collected information on demographic characteristics, educational status, and migration history of each member of the family and the reasons and conditions of migration for those members in the carpet factories.
3. A head of household module on attitudes about children's work and education
4. A household module on the socioeconomic status (SES) of the household.

In addition to the family survey instrument, the following two qualitative instruments were used in the sending areas:

- School principal/teacher interview guide
- Child focus group discussion guide

The main instrument for the research in the KTM valley was a migrant child questionnaire with four main modules:

- Mobility/migration, including questions about motivations, timing, logistics, and working conditions during the first and the last trip to work in a KTM carpet factory.
- Education, including questions about school attendance and progress and attitudes towards education.
- Earnings, including questions about the mode and amount of payments currently and during the initial apprenticeship period.
- Debt, including questions about levels, conditions, and sources of debt, and bonded labor conditions.

In addition to that questionnaire, the following three qualitative instruments were used in the KTM valley:

- Migrant child In-depth interview guide
- Labor contractor interview guide
- Factory manager interview guide

The final questionnaires that were used for data collection, back translated into English, may be found in the appendices.

3.5. ANALYSIS

This study used a mixed-method approach to collect quantitative and qualitative data from multiple sources. Quantitative and qualitative outputs were combined in the analysis to provide greater depth of understanding and to analyze discrepancies between different sources.

This study selected and interviewed a reference group of non-sending families to provide a comparison with sending families. Non-sending families were families with children, none of whom were working in a KTM carpet factory, that were chosen within the same vicinities as sending families. Those criteria were designed to select a reference group that would be as similar as possible to the sending families, except for the variable of interest --whether the family had children working in the carpet factories. Comparisons between those different groups of children allowed for greater analytical insight and even suggested possible causes of child migration to the carpet factories. As with any non-experimental methodology, the reference group analysis did not provide statistical evidence of causality.

The structure of this report follows the chronology of the migration process. The report starts with an examination of the socioeconomic and cultural factors that may push children into labor migration, followed by a description of the labor migration process itself, and ends with the conditions of children once they arrived at their destination. Then there is a discussion of the evidence that indicated the existence of child trafficking and forced or bonded labor.

This report used two basic statistics for reporting quantitative data. For the analysis of distributions, the report used percentages. For the analysis of central tendencies, the report used the median value of the sample.[9] Since the study aimed to provide depth, rather than representativeness, the sample was non-probabilistic, and significance testing for differences between groups did not apply.

[9] Given the relatively small samples, the median was used to obtain a robust measure of central tendency that was less affected by outliers than the arithmetic mean.

Qualitative data was used to give a voice to research participants and add depth to the quantitative findings. Qualitative quotes were reported to illustrate specific issues and provide greater insight. They were selected based on their eloquence and representativeness. Two types of qualitative quotes were used in this report:

- Verbatim quotes were English translations of the respondents' exact words. Those verbatim quotes were reported as pull-out quotes in italics.
- Paraphrased quotes were used in the case of children's case studies. The children´s stories were condensed and synthesized for greater clarity. Excerpts from children's case studies were presented as text boxes in the body of the report.

In order to preserve the privacy of research participants, the children's names mentioned in this report were fictional.

RESULTS

This section begins with a brief summary description of the six samples that were studied in the third and fourth phases. This is followed by an extensive description of the characteristics of the sending families and a comparison of sending and non-sending families. Next, the characteristics of the children who had migrated to work in the KTM carpet factories are described, followed by a description of the attitudes and motivation of the families and children about education and work. The labor migration process is described, including the logistics, the factors influencing the decision to migrate to the carpet factories, the roles of the various actors, the contracting arrangements, and the use of advance payments to the parents. The section ends with a description of the available evidence regarding the existence and prevalence of forced and bonded child labor and child trafficking.

4.1. CHARACTERISTICS OF SENDING AND NON-SENDING FAMILIES

This section seeks to address the following research questions:

- **What were the socio-economic and socio-demographic characteristics of the families whose children emigrated to work in the carpet factories?**
- **How did the characteristics of sending families compare with families whose children did not emigrate to work in the carpet factories?**
- **What were the migration patterns of families in the sending areas?**

4.1.1. ETHNICITY

The PC Study showed that almost three-quarters of the children working in the carpet factories were of Tamang ethnicity (73.7 percent). Information collected during the second phase of this study corroborated that families of the Tamang ethnic group were the primary senders of children to the carpet factories from the sending areas visited. The Tamang were often separately settled in clustered hamlets and segregated from other ethnic groups (e.g. Chhetri, Brahmin) within the Village Development Committee (VDC) areas.

The majority of the sending and non-sending families interviewed in the third phase of the study were Tamang (see Table 41) although four ethnicity/caste categories were represented, including forward castes (Brahmin, Chetri, Thakuri), indigenous groups (Tamang, Magar, Danuwar, Bankaria, Gharti-Bhujel, Chepang),and backward castes (Kami, Damai/Dholi, Chamar, Musahar, Majhi), and Madhesis (Kushawaha).

The fact that both the sending and non-sending families were predominantly Tamang was explained by the ethnic or caste-based segregation of rural communities, typical of Hindu

societies in general, and the Nepalese Terai in particular. In a given village, there would be different sub-villages, by and large corresponding to the different castes and ethnicities in the village. Tamang families were clustered together. If sending families happened to be Tamang, non-sending families selected in the vicinity would also tend to be Tamang. It is however difficult to make causal inferences about the relationship between ethnicity and labor migration in the carpet industry, beyond stating that migrant child carpet workers were more likely to belong to Tamang ethnic groups.

4.1.2. HOUSEHOLD COMPOSITION

Sending families appeared to be slightly larger than non-sending families, with a median of seven members vs. six members. Sending families had a greater number of both adults (18 years of age or older) and children (under 18 years of age). Sending families had a median of three adult members and four children, compared to two adults and three children for non-sending families (see Table 42). A majority of the families interviewed had more than five members, but the proportion of small non-sending families (five or fewer members) was almost double (41.9 percent vs. only 23.0 percent) that of sending families. As many as 9.1 percent of sending families were very large, having 10 or more members, as compared to only 5.7 percent of non-sending families.

4.1.3. ECONOMIC STATUS

This section begins by describing the general economic features of the area, after which the economic status of the sending families and non-sending families are compared. Exploratory research during the second phase of the study noted that the sending areas had poor infrastructure and were, in most cases, only accessible by dirt roads or through dry river beds. Creeks or rivers sometimes had to be forded to reach the sending areas. Those hard to access areas were often completely isolated during the monsoon season.

The third phase of the study confirmed that the economic development of the sending areas was generally quite low, and most of the families in sending areas had few assets. Most households in sending areas, both sending and non-sending families, derived their livelihoods exclusively from subsistence agriculture. Staple crops in the areas included rice, corn, finger millet, soybeans, lentils, and vegetables such as

Sending Family in Makwanpur – Nov. 2010

cauliflowers, tomatoes, chilies, etc. Most families also raised some livestock and might have some cows, bulls, or oxen as beasts of burden, as well as some goats and chickens. Pigs, buffalos, donkeys, horses and other hoofed cattle were rarely seen.

In those subsistence farming sending areas, the amount of land cultivated by the household was a critical measure of economic status and self-sufficiency. Many of the households did not own any land of their own and might be cultivating some land that was owned by the household, some land owned by the government in nature reserves and other supposedly protected areas, and possibly some land cultivated under tenancy rights, where the household (tenant) did not own the land but had the right to cultivate it. During the preliminary visits, the researchers learned that households tended to refer to the land they cultivated as their land, whether or not it was owned by the household or the government or was tenancy land. For that reason, the study probed for all three types of land holdings.

In this already difficult environment, the sending families tended to have the poorest, least productive, and least accessible land, often being the land that was the farthest up the hillsides. The median extension of land cultivated by sending families was 3,386.3 square meters, less than the median extension (4,063 square meters) cultivated by non-sending families. The sending families had the lowest levels of owned and tenancy land, and the majority of sending families relied on cultivating government land (Table 49). The land owned by sending families was also reported to be of lower quality. Almost all households that were sampled had some livestock, but the proportion of non-sending families with livestock (99.0 percent) was greater than for sending families (93.8 percent). More specifically, the non-sending families also appeared to have more goats and chickens.

Beyond objective indicators of wealth such as land and livestock, sending families also reported greater levels of economic hardship than non-sending families (Table 4). Both sending and non-sending families reported that they were not self-sufficient in food production. Based on self-reported food sufficiency, the sending families could subsist on their own crops for a median of only six months, a much lower figure than the median of 10 months reported by the non-sending families. Nearly one in five sending families (18.7 percent) reported that their income was not sufficient to maintain a household where nobody went to sleep hungry, compared to only one in ten non-sending families (10.5 percent). The proportion of sending families (37.8 percent) that reported not having enough money for food was double the proportion of non-sending families (18.1 percent).

Table 4: Self-Reported Economic Situation by Type of Family

	Sending Families	Non-Sending
n=	209	105
"Is the income your household makes sufficient to maintain a household where nobody goes to sleep hungry?"		
Yes, nobody ever goes hungry	81.3%	89.5%
Yes, except during the worst time of the year	17.7%	10.5%
No, people do go sleep hungry	1.0%	0.0%
"Which answer best reflects your family's financial situation?"		
We don't have enough money for food	37.8%	18.1%
We have enough money for food, but buying clothes is difficult	46.9%	31.4%
We have enough money for food and clothes and can save a bit, but not enough to buy expensive goods such as a TV set or a refrigerator	13.9%	41.9%
We can afford to buy certain expensive goods such as a TV set or a refrigerator	1.4%	7.6%
We can afford to buy whatever we want	0.0%	1.0%

Source: Nepal Sending Areas Family Survey (April-June 2011)

In summary, based on both objective and subjective indicators and considering that the areas under study were already poor on average, it seemed that the sending families were among the poorest of the poor when compared with neighboring non-sending families.

4.1.4. DEBT AND SHOCKS

Sending families appeared to borrow money more often than non-sending families (Table 50), and a greater proportion of sending families (58.4 percent) than non-sending families (43.8 percent) had some household member who had acquired any debts. Debts were incurred for various reasons, ranging from purchasing food or items for personal use, buying a home/land, expanding or maintaining a business, or conducting a ceremony. Sending families that owed money owed a median of 16,000 Nepalese Rupees (about 189 US dollars)[10], which was slightly less than the median amount of 20,000 rupees (USD 236) owed by non-sending families.

The priorities for acquiring debt appeared to differ with sending families acquiring debt first and foremost to buy food (29.5 percent), then for medical treatment (14.8 percent.) or to go abroad (14.8 percent). Non-sending families, on the other hand, acquired debt to go abroad (19.6 percent) and to buy food (15.2 percent), but also to purchase a house or expand/improve an existing house (15.2 percent). If the reasons to acquire debt were split between consumption versus investment reasons,[11] sending families reported investment reasons in only 39.4 percent

[10] At an exchange rate of 1 USD = 84.60 rupees (NPR), as of December 20, 2011.

[11] Investments would include: Purchase house or to expand or improve existing house, Purchase of land, To expand family business, To go abroad (foreign employment), and To buy cattle.

of the cases, while non-sending families cited investment reasons in 58.7 percent of the cases. Although both sending and non-sending families had significant levels of debt, sending families were driven to acquire debt mainly to finance their short-term basic consumption needs, whereas non-sending families were acquiring debt mainly for longer-term investment.

Household debt was not necessarily detrimental, unless families had to struggle to repay their debts, and the debt became an unmanageable burden. That seemed to be true for a majority of households in sending areas, and with sending families in particular (Table 52). Nearly two in three sending families (64.8 percent) reported having some difficulty repaying their debt during the previous 12 months. That was higher than the percentage of non-s-Sending families who had difficulties, although more than half (52.2 percent) of the non-sending families also had difficulty. The main reason for the difficulties appeared to be related to unexpected shocks, especially to lower than expected agricultural production.

Other major shocks included sickness of a family member, particularly among sending families (38.0 percent). That type of difficulty was a typical feature of the integrated rural poverty cycle (e.g. Chambers, 1983), where poor families with limited resources became vulnerable to health problems, which in turn limited the productivity of their agricultural activities, which led to deeper poverty.

Those difficulties would often strain families to the extent that they would be unable to honor their debts. In those cases, both sending non-sending families would expect to accumulate fees or debt or to be punished with a higher interest rate (Table 53). Both of those consequences would deepen the vicious cycle of debt and poverty.

Besides being an indicator of the economic status of the household, bad household debt might also have been a push factor for labor migration. Sometimes, debts may have led directly to bonded labor situations if the debtors pledged their labor, or the labor of persons under their control, as the security for the debts. In the case of the surveyed sending families, that seemed a relatively minor concern. Of those sending families that had acquired some debt, only 1.6 percent reported that they were paying off any of the debt by directly providing labor or workers to the issuer of the debt. That was a lower percentage than among non-sending families.

Table 5: Household Members Working to Pay Back Debt by Type of Family

"Does household pay off any debt by directly providing labor or workers to the issuer of the debt?"	Sending Families	Non-Sending
n=	122	46
Yes	1.6%	4.3%
No	98.4%	95.7%

Source: Nepal Sending Areas Family Survey (April-June 2011)
Base: Households that have acquired any debt.

4.1.5. EDUCATION

Education level of adult family members

Adult members of sending families typically had a lower education level than non-sending families (Table 54). About three in four (75.1 percent) heads of sending family households had never attended school, compared to 57.1 percent among non-sending family heads of HH. No sending family head of HH had completed secondary education. This pattern was similar for other adult members of sending family households.

School attendance status of children in the family

School participation rates were lower for children in sending families than in non-sending families, with up to one-sixth (16.3 percent) of sending family children reporting that they had never attended school, more than double the rate (7.7 percent) of children in non-sending families. Current school enrollment among sending family children was lower than among non-sending family children. Less than half (45.7 percent) of the sending family children were attending school, compared with four-fifths (80.3 percent) of N- sending family children.

Table 6: School Attendance Status of Children by Type of Family

	Sending	Non-Sending
n=	692	300
Never attended school	16.3%	7.7%
Attended school In the past	38.0%	12.0%
Currently attending school	45.7%	80.3%

Source: Nepal Sending Areas Family Survey (April-June 2011)
Base: Children identified in Nepal Sending Areas Family Survey.

Age-grade delay of children in the family

Children in Nepal were expected to enter primary school by the time they became five years old. Secondary education went through the 12th grade, with school children's expected ages ranging from 10 to 16 years[12]. However, a majority of the children in sending areas who were currently attending school were behind their supposed grade in school (Table 55). This was particularly the case for children in sending families, who had a median age-grade delay of three years, which was greater than for children in non-sending families (two years).

[12] See World Bank EdStats 5.3 http://go.worldbank.org/ITABCOGIV1

Accumulating such an age-grade delay was detrimental, as it indicated that children were not achieving the minimum academic standards for their age. Age-grade delays would also precipitate dropping out of school in some cases,

> *G. and A. were 13 and 14 years old, respectively, and were students in the 4th grade. They were upset about studying with younger children. They were also upset about being taller than other children in the class room, making them look different.* **(School teacher No. 15)**

However, according to most school teachers and principals, children who dropped out of school to work in the carpet factories were of the same age as their peers, and, in those cases where the dropouts were older, the teachers did not think that age-grade delay was a major reason why children migrated to work in the carpet factories,

> *The carpet going children were of same age and grade. Some of those students were older than their other classmates. But it seems there was no effect of the age difference amongst these children even though these kids were studying in lower level class than they should have been. Nevertheless, they hadn't left the class for this reason.* **(School teacher No. 9).**

Reasons for stopping or never attending school

Only a small proportion of sSending families explicitly reported that their children dropped out or never attended school in order to work (8.0 percent), although this proportion was much higher than among non-sending families (1.7 percent). Family informants, both in sending families (54.5 percent) and in non-sending families (50.8 percent), reported that most children in sending areas dropped out or never attended school because children were not interested in school. Some of the school teachers and principals who were interviewed indicated that some migrant children had been performing poorly before they emigrated due to lack of interest in school.

> *The children who usually go to work in a carpet factory are not regular at school, do not show much interest in school and school work. As a whole, they were performing poorly in comparison with non-carpet going students. The students were weak at school mainly because they did not pay attention in class and do not really care whether they are at school or not. They do not understand the value of education.* (**School Teacher No. 1**)

However, a majority of school teachers and principals indicated that, in general, children who left to work in the carpet factories were performing well or at least at an average level. According to those informants, poverty pushed those children out of school and towards work in

the carpet factories. Even those children who were performing worse than their peers, they were having trouble keeping up because of limited time and resources.

> *Children who went to work at factory were performing well in their school work. They were compelled to work despite being good students. However, there were some children who had poor performance at school because they did not have the time to study at home. They had to take care of household chores in addition to cattle herding and fodder collection.* **(School Teacher No. 4)**

Families may have underestimated the difficulties that children faced keeping up with their school assignments and attributed the children's subsequent poor performance to lack of interest in school. Still, a significant proportion of families reported that the reason children never enrolled or dropped out of school was that the families could not afford schooling. This was particularly the case for sending families (27.7 percent), almost three times the proportion among non-sending families (10.2 percent).

Schooling costs in government primary schools might indeed represent a significant expense for these families. Costs typically included school uniforms, books/stationery and exam fees. School uniforms were required in most schools and were the costliest item (between 350 and 600 Nepali Rupees), according to key informants interviewed during the second phase of the study. Annual stationery costs would typically be in the range of 100-200 Nepalese Rupees per child, while exam fees would be around 10-30 Nepalese Rupees per exam, with a usual total of two to three exams per child/year. Some informants also reported paying an annual enrollment fee between 50 and 125 Nepalese Rupees in addition to exam fees. Total annual schooling costs per child might thus roughly range between 500 and 1,000 Nepalese Rupees per child.

Case Study 3: Gita quit going to school when she was in 2nd grade. She had irregular attendance, had enrolled later than most of the children at her age, and was not performing well at school. She said that only the rich ones attend school regularly, and children from poor families quit going to school because they do not have the time and resources for it. They usually start working early.

Finally, distance to school was a recurring theme emerging from qualitative research. Distance seemed to have the greatest impact when children shifted from primary to secondary school. In many of the sending areas surveyed, secondary schools appeared to be fewer and farther away than primary schools. One of the reasons why children may have dropped out after completing primary school was because of the distance that they would have to walk to the nearest secondary school.

One interesting finding was that non-sending families reported that the "school is too far" to a much greater degree (28.8 percent) than sending families (8.0 percent). It was unlikely that non-sending families were actually farther away from schools than sending families, as families were selected within the same vicinities in the same wards, and distance to schools should be roughly the same for all sending and non-sending families in the sample. It was possible that priorities were different for sending families and non-sending families, with sending families being more sensitive to affordability than distance, which was reasonable considering their strained economic status.

4.1.6. FAMILY CONFLICT

Qualitative information collected during this study indicated that family problems may represent a significant push factor for children who emigrated to work in the carpet factories. Alcoholism, family disputes, and domestic violence were factors that the focus groups of both the community children and the migrant children themselves reported spontaneously.

Focus group participants in Sarlahi district mentioned that some of the parents of children who ended up working in KTM-Carpet factories were in second marriages. Another factor was when the father lived away from the village in order to work, and, as a result, the mothers could not provide enough food for their families (**FG with females 10-13**). Focus group participants in Sindhuli district mentioned that the girls they knew who went to the carpet factories had dire economic situations at home. Their families did not have enough to eat or wear and, in addition, their fathers had two wives.

Case Study 1: Anjana was raised by her uncle, as her mother died when she was two, and the father was mostly away from the house for work. Her grandfather worked very hard to send her to school, but that changed when her father married again. The step-mother stopped paying for the school expenses and started to yell and punish her. She now lived with her uncle and grandfather after her father moved out of the house along with his wife and another daughter. The family owned a small amount of land which fed them for only two months of the year. The family of three depended on the daily wages earned by Anjana and her uncle.

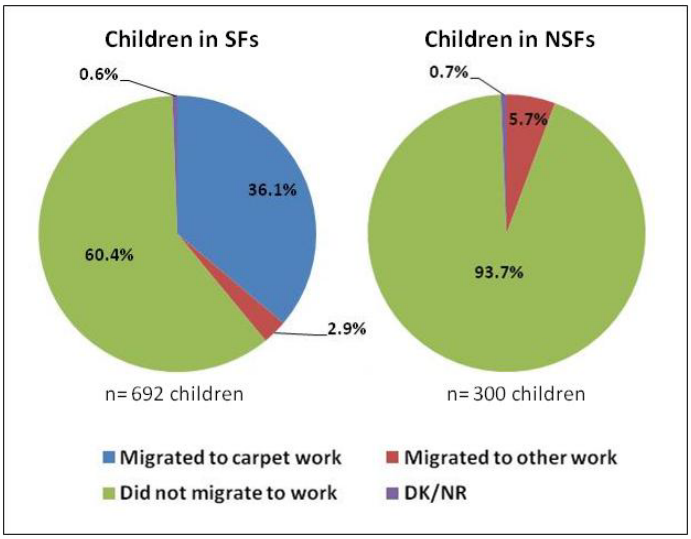
Alcohol abuse and domestic violence were also mentioned as reasons for children to leave their homes. Focus group participants in Sarlahi district mentioned that the fathers of children who went to work in the carpet factories always drank alcohol and beat the mothers and children (**FG with females 14-17**).

Case Study 5: Sabita's family consisted of father, mother, four brothers, and a sister. Her eldest brother lived with relatives and studied. Two other brothers also worked in a carpet factory in Kathmandu. The parents worked for other people as wage laborers while the children gathered firewood and sold it in the market to buy food. Her family was poor and did not have any land. The parents drank alcohol most of the time and fought with each other. Sabita said she did not miss her home or village because she preferred being here in a carpet factory rather than being witness to her parent's constant arguments after getting drunk.

4.2. Characteristics of Migrating Children

This section addresses the following research question -- Which children within sending families are most likely to emigrate to work, and why? More than a third of all the children in sending families had emigrated to work in the carpet factories at some point, with an additional 2.9 percent emigrating to work in other industries. The median age of emigrating children in sending families was 16 years. Their median age was only 13 years when they first emigrated to work. Labor migrant children tended to be the first-born in their families, irrespective of whether they emigrated to carpet work or other work. First-borns represented 70.1 percent of the children in sending families who had ever migrated and 68.4 percent of the children in non-sending families who had ever migrated (Table 45).

Figure 4: Child Labor Migration Status by Type of Family



Case studies of migrant child workers corroborated that it was usually the oldest child who worked in a carpet factory. The oldest bore the burden of providing for the family, while the

parents stayed behind to look after the household and younger siblings. The study also learned that, when there was a narrow age gap between two siblings, both emigrated together or joined each other sooner or later.

Case Study 4: Pragati's family consisted of father, mother, and two brothers. One of her brothers also worked in a different carpet factory. Pragati quit school after passing third grade. The family could not afford school expenses, and her mother also advised her to stop going to school so that she could do the household chores and take care of her baby brother.

When they were interviewed, factory managers and labor contractors indicated that more females than males were now entering the carpet industry because males preferred to seek work abroad rather than work in a carpet factory, as jobs abroad were more lucrative.

> *There is a shortage of skilled laborers because they go abroad. (New workers) come during the months of November and December because they finish their agricultural work. They come from Makwanpur district. There is a growing trend for female workers and educated individuals to join the carpet industry. Carpet industry attracts them because they can work inside and hours are flexible and it is easy to migrate and educate children at school.* ***(Manager No. 6)***

Education status of migrant children

The feedback from migrant children in the carpet factories about their levels of school participation was not unlike that from sending family children in general (see Table 10). A majority of the migrant children working in the carpet factories had completed little or no education, with only 22.5 percent completing primary or above, and almost one in five (17.5 percent) had never attended school. One clear difference from the children in the sending areas was that virtually no children working in the carpet factories were currently attending school (2.5 percent).

Reasons given by the migrant child workers for never attending or dropping out of school were also similar to reasons given by sending families, although, given the specificity of the sample, it was not surprising that a majority of children (56.3 percent) reported leaving school "in order to work," followed by "Poor performance or failing/not interested in school" (40.6 percent), and being unable to "afford schooling" (37.5 percent).

History of migration in the migrant child's family

Most labor migrant children lived in families that had a prior history of labor migration (66.8 percent in sending families and 69.1 percent in non-sending families, see Table 46). An ample majority of those family labor migrants remained in Nepal, with only a few emigrating to Malaysia, India, or the Gulf countries.

More specifically, labor migrant children in sending families had a significant history of family migration to the KTM valley and to the carpet industry. More than half (50.9 percent) of the family members who had migrated earlier had gone to work in Kathmandu, and a few had also gone to the other two districts in KTM valley: Bhaktapur (2.5 percent) and Lalitpur (2.7 percent) (Table 47). Almost half (46.5 percent) of the family members who had migrated earlier had gone to work in the carpet factories (Table 48).

Interviews with factory managers and contractors suggested that this pattern of labor migration had been in existence for a long time and that migrant children usually knew a family member or relation who already worked in the industry. In some of the cases, it was found that the child's brother, sister, or father was working in the factory, and that particular child had gone to the carpet factory with their family members. Even though there may not have been an immediate family member who worked in a factory, there was always the presence of relatives and/or family friends who knew how to get into a particular factory.

> *People are attracted to this profession because of free room/board and sense of security since they know friends or relatives who work here.* **(Contractor No. 7)**

The non-sending families did not have any children working in the carpet factories. However, a small percentage of the children (5.7 percent) in non-sending families had at some time migrated to work in other sectors. Migrant children in non-sending families were approximately the same age as migrant children from sending families, although they were predominantly male (78.9 percent). Most family members in non-sending families had no history of migration to the carpet industry. Those who had migrated to work had greater rates of local migration, either within their district of residence or to neighboring districts, such as Makwanpur, Sarlahi, Sindhuli, Chitwan, and Dhanusha.

4.3. ATTITUDES AND MOTIVATIONS OF SENDING FAMILIES AND CHILDREN

Preliminary qualitative research during the second phase of this study indicated that attitudes towards work, school, and education may play a significant role the dynamics of children's migration to the carpet factories. This section analyzes the following research question:

- **How do children and their families evaluate the relative importance of education/schooling versus working?**

This section starts by incorporating the voice of the community children expressed in focus group discussions (FGD). Their attitudes and opinions are then contrasted with the attitudes of adult heads of household of sending and non-sending families.

4.3.1. ATTITUDES TOWARDS WORK, SCHOOL AND EDUCATION

Community children in sending areas who participated in focus group discussions (FGD) were keenly aware of the importance of education. Most of the children wanted to become educated professionals (teachers, doctors, engineers, and social workers), learn a trade, or join the army or the police when they grew up, both to be respected within their communities and to have a positive impact in their society. Most children in FGDs agreed that this year they wanted to continue attending school, helping at home with household chores, and taking care of their crops and animals. They mentioned that it was important for them to finish school because they would get better jobs in the future, which would make them happier. They would also get smarter and be less likely to be cheated.

Children had different expectations about their future education level, depending on their professional aspirations. Most children acknowledged that having the School Leaving Certificate (SLC or 12th grade) would mean that they could get decent jobs, including army or police jobs or even learning how to drive. Without the SLC, it would be very difficult to get any kind of job. Thus, most children would like to complete at least the SLC, as this would allow them to access most non-professional jobs. For example, many children aspired to become teachers, and they reckoned that passing the SLC would allow them to teach in rural areas. Children acknowledged that teaching in urban areas would require a Bachelor's degree. Those children who aspired to teach in urban areas or become trained professionals expected to complete a Bachelor's degree.

Sending area children's hopes and expectations were generally aligned with those of their parents, who expected them to stay in school through their SLC or even Bachelor's degree, while also helping with household chores, animals, and crops. However, some FGDs suggested that, since parents themselves were not educated, the parents were not able to provide guidance or suggestions regarding education and career.

There were some nuances to this general attitude, depending on the gender of the child. Female FGDs, particularly those with older girls (14-17), suggested that finding a good husband was an important expectation for their parents.

> *It is important to get married with a nice guy because getting married with a nice man secures my future, and my reputation shall be maintained in the community* (**FGD with girls 14-17**).

According to the FGD participants, parents told their daughters that, in any case, education and skills like making clothes would help them find better husbands.

While most children in the sending area communities appeared to have positive attitudes towards education, family support, and a clear motivation to stay in school, interviews with school teachers and school principals indicated that there were clear differences between the attitudes of children who left to work in the carpet factories and the rest. A recurring comment from community teachers was that the parents of children who went to the carpet factories were typically uneducated and did not understand the value of education.

> *There are many factors that contribute towards poor performance in school. First of all, the family background of these children is not that great. The parents do not show any interest in their children's school or their performance. Instead, they encourage their children to go to carpet factory and work because studying at school does not bring money at home but working in a caret factory does.* **(School teacher No. 1)**

In addition to the qualitative research, this study developed several quantitative instruments to measure attitudes of the head of household towards child work, school, and education. The first of those tools was a time allocation scale, where the head of HH was asked to think about the time children in general should spend doing five basic activities on a regular day, including work, chores, school/homework, play/free time, and sleep/rest. Respondents were given 24 tokens, representing the 24 hours of the day, and asked to allocate them among the five activities, as represented by five pictures on a showcard. This scale appeared to yield valid results, although, in spite of extensive coaching by interviewers, it was too difficult to understand for many heads of HH.[13] In the end, responses could be collected from only 135 of 314 heads of household.

[13] Non-response was greater among heads of HH from sending families and heads of HH who had never attended school. Since those who had never attended school reported lower average scores on their attitudes towards school and education, and higher average scores on attitudes towards work, non-response is likely to understate the attitude differences between heads of HH from sending families and heads of HH from non-sending families.

The pattern of responses was suggestive of different attitudes between sending families and non-sending families, particularly regarding attitudes towards time allocation for work and education among older children (see Table 7). Heads of HH from sending families reported that children who were 14 to 17 years of age should work a median of five hours, one hour more than heads of HH from non-sending families. Heads of HH from sending families also reported that both children who were 11 to 13 and who were 14 to 17 years of age should spend a median of six hours on school or homework, one hour less than reported by heads of HH from non-sending families.

Table 7: Head of Household Attitudes Towards Ages for Work and School by Gender and Type of Family

"How many hours per day do you think a child who is (age group) should spend doing (activity)?" (Median)	Sending			Non-Sending		
	6-10	11-13	14-17	6-10	11-13	14-17
n=	87	87	86	48	46	46
Work	2.0	4.0	5.0	2.0	4.0	4.0
Chores	2.0	2.0	2.0	2.0	2.5	2.0
School/Homework	6.0	6.0	6.0	6.0	7.0	7.0
Play/Free Time	4.0	3.0	2.0	4.0	3.0	2.0
Sleep/Rest	9.0	8.0	8.0	8.5	8.0	8.0

Source: Nepal Sending Areas Family Survey (April-June 2011)

Note: 182 HoHH responses missing.

Those results appeared to indicate that heads of HH of sending families considered that children, particularly older ones, should spend more time working and less time studying, when compared to the heads of HH of non-sending families.

Heads of HH were further asked in an open-ended fashion about the positive and negative aspects, in their opinion, of children going to school. There were no differences between sending non-sending families regarding the perceived positive aspects of education. The most frequently mentioned positive aspect was that children would have increased knowledge and good job opportunities. Additionally, a few heads of HH mentioned that other people would not be able to take advantage of their children if they were educated, and that children would have increased income and social respect.

A majority of heads of HH reported that education had no disadvantages. However, the proportion reporting that education had no disadvantages was much lower among sending families (58.6 percent) than non-sending families (80.4 percent). Furthermore, almost one in three sending family heads of HH reported that a disadvantage of children going to school was that the family would have less income, and it would be difficult to meet school expenses. Some also reported that education interfered with the work of children.

Heads of HH were also asked about the positive and negative aspects of children working in general. There were no differences between sending and non-sending families regarding the perceived positive aspects of work. Most heads of HH mentioned that children's work could be positive for income generation and could help improving the family´s financial status. Some also mentioned that work taught children skills and allowed them to become smart and independent.

When asked if there was anything negative about children working in general, most heads of HH reported that it interfered with education. About two in five also reported that work was negative because of the bad effects on health due to the dust particles of carpets.[14]

4.3.2. GENDER DIFFERENCES

A final quantitative measure of attitudes asked heads of HH about their opinions about gender differences. In general, to what ages and grades should girls and boys stay in school, and at what ages should they start working? This measure identified a difference in attitudes between sending and non-sending families, particularly regarding school. Heads of HH from sending families reported that both girls and boys should stay in school until grade 10, two grades less than heads of HH from non-sending families. Heads of HH from sending families also reported that girls and boys should stay in school until age 18, two years less than heads of HH from non-sending families in the case of boys, and one less in the case of girls. Finally, heads of HH from sending families reported that girls should start working at age 12, one year before heads of HH from non-sending families.

Those results indicated that sending families placed less importance on education than non-sending families. The lack of distinction between girls and boys in sending families could also explain why sending families sent more of their girls to work, compared to non-sending families. It was also interesting that both sending and non-sending families built some degree of age-grade delay into their attitudes about schooling. The general model for Nepal was that children should complete grade 10 by age 16 and grade 12 by age 18. However heads of HH in the sendi8ng areas added two years to those expected grades, irrespective of how long they thought children should go to school.

[14] It must be noted that those responses were spontaneously provided by HoHH when asked about work *in general*. Carpet work among children in these communities was so prevalent that HoHH may associate work *in general* with work *in the carpet industry*.

Table 8: Head of Household Attitudes Towards Ages for Work and School by Gender and Type of Family

	Sending Families		Non-Sending	
	Girls	Boys	Girls	Boys
n=	209	209	105	105
To what grade should stay in school (median)	10.0	10.0	12.0	12.0
To what age should stay in school (median)	18.0	18.0	19.0	20.0
At what age should start working (median)	12.0	12.0	13.0	12.0

Source: Nepal Sending Areas Family Survey (April-June 2011)

4.3.3. ATTITUDES TOWARDS LABOR MIGRATION

This section offers another opportunity to incorporate the voice of community children who participated in FGDs in the sending areas. When asked about their attitudes towards labor migration, community children reported that they were currently focused on their education and did not have any expectations to emigrate for work in the immediate future. Most FGD participants, particularly those in the younger age groups (10-13 years), had not yet formed any attitudes as to the possibility of labor migration. Older children (14-17 years) did acknowledge that, if they had to leave their hometowns and go somewhere else, they would want to go abroad to earn good money or go to Kathmandu and get a job or further their studies.

There was only one FGD of girls in which the children actually expected to emigrate for work. Those participants would like to move to Kathmandu or Middle East countries such as Lebanon, Israel, and Kuwait when they grew up. This was because the cities had all the modern facilities and were fun to live in. Children reported that many older girls from their villages had gone abroad to work, and people in the villages thought highly of them. When they grew up, they also wanted to take up dancing, cooking, and bartending training.[15] Even those girls reported that they would like to focus on their school work right now because that way, when they migrated to bigger cities or other countries, people would not be able to take advantage of them. There appeared to be a connection between parental and child attitudes towards education and migration. Those children´s parents were not educated and had not said anything to the participating children in regards to education. All that their parents had told them was to migrate to bigger places, earn their own living, find a good husband, and live happily. It was worth noting that, even in that FGD, children still expected to complete their SLC (**FGD with girls 10-13**).

[15] It seems highly unlikely that the general desire of 10-13 year-old girls in SAs of Nepal is to become bartenders, cooks, and dancers. In urban areas of Nepal, some of these occupations may be gateways to prostitution, and this input was only obtained from one FGD.

Data from the household survey indicated that parents were not necessarily always supportive of the child´s decision to migrate. When the migrant was a child, only about half of the sending families (55.5 percent) supported the child's decision to move to a carpet factory. The proportion that approved of migration was much higher in the case of adult migrants (71.7 percent).

4.3.4. ATTITUDES TOWARDS WORK IN THE CARPET INDUSTRY

An examination of the voice of community children and adults in sending areas indicated that, generally speaking, there seemed to be a certain social stigma in those communities regarding labor migration to the carpet factories. Most community children participating in FGDs had not considered working in the carpet industry. That was because they were focused on their education and also because of negative attitudes towards work in the carpet industry. FGD participants reported that those who went were only the poor children (**10-13 y/o males, Makwanpur**), and villagers looked down on those children who migrated to work in the carpet factories (**14-17 y/o females, Sindhuli).** One telling anecdote occurred in a FGD with 10-13 y/o males in Makwanpur. Initially, only one child in this FGD mentioned that he wanted to go to work in the carpet factories. Most of the other children reported that they wanted to grow up to be doctors, teachers, or policemen. After hearing some of the comments from his peers, both regarding their own career expectations and their attitudes toward the carpet industry, the one child who had said that he wanted to work in the carpet industry changed his stance and aligned himself with his peers, saying thereafter that he wanted to study and become a policeman.

In addition to the apparent social stigma attached to the children who emigrated to work in the carpet factories, most children in the sending areas mentioned the opportunity cost of migrating to work in a carpet factory. Children who worked in the carpet factories missed out on their education. The children also mentioned health risks, including lung and respiratory diseases due to dust particles and wool fibers, as well as hand blisters and pains. Finally, they mentioned the difficult working and living conditions. Child workers were constantly monitored by contractors, sometimes were physically abused, worked for long hours, could not get holidays when they wanted, and earned low salaries. Furthermore, the children working in the carpet factories might not be paid on time, and contractors might deduct money from their salary for grocery expenses. Living conditions for the factory workers were also poor: the workers were exposed to lice and fleas in the factory dorms and received low-quality meals.

FGDs suggested that the children perceived that the advantages of working in the carpet industry (earning cash, learning skills, living in a city, watching movies, and not having to work under extreme weather conditions) did not compensate for its many disadvantages. Most FGD participants knew some child who had gone to work in a carpet factory. After hearing their accounts of the difficult working and living conditions, most believed that those children had

made a mistake by going to work in a carpet factory, although some acknowledged that those children had few other alternatives.

Heads of HH attitudes towards work in the carpet industry were quite similar to those of community children, although there were some clear differences depending on the migratory status of the household. Sending family heads of HH were more likely to bring up the positive aspects of work in the carpet industry, including income generation (84.3 percent vs. 58.8 percent among non-sending heads of HH) and learning skills (24.6 percent vs. 12.4 percent among non-sending heads of HH). Non-sending heads of HH were more likely to mention that carpet work had no benefits (21.6 percent vs. 13.1 percent among sending family heads of HH). There were no differences regarding the negative aspects of work in the carpet industry, with both sending and non-sending heads of HH acknowledging similar negative aspects, such as the health effects of carpet work, the foregone education opportunities or having to be away from the family.

To summarize, there were some clearly widespread negative attitudes and perceptions in sending areas about work in the carpet industry. The positive aspects of work in the carpet industry appeared to be more relevant for some families or children, particularly those with a deprived background or socioeconomic status.

4.4. THE LABOR MIGRATION PROCESS

This section describes the migration process of children to work in the carpet factories and analyzes the following research questions:

- **What motivates children to emigrate to work in the carpet factories?**
- **What motivates families to send children to work in the carpet factories?**
- **Is the decision to emigrate made by the child, the child's family or a third party?**
- **What are the migration patterns of children that go to work in the carpet factories?**
- **Are the decisions for children to emigrate voluntary, induced by family debts and poverty, or forced/coerced?**

4.4.1. THE MIGRATION CYCLE

A majority of children working in the carpet factories identified in the household survey had migrated recently, with a median of one year in their current job (Table 57). Most of the working children in the carpet factories who were interviewed for this study (80 percent) had migrated to work once, with a further 12.5 percent having migrated twice.

Most children travelled during the months of November and December (Table 12). Those months represented the aftermath of the Dashain and Tihar festivals, which were typically celebrated in October and November. The Dashain and Tihar festival season was one of the major holidays in Nepal, when many migrant workers returned to their hometowns to visit friends and family after a whole year of work. It was at this time when workers and contractors from the carpet factories might recruit new workers from the sending areas and take them to KTM with the returning workers after the festivals.

> *During festive seasons such as Dashain and Tihar, the children who had gone to work in carpet factories return home for holidays. They talk with other children and take them to work along with them when they go back to carpet factory. Final exams are after the holidays so the children leave school in the middle of school year* (**School teacher No. 8**).

Labor migrants, including children, may migrate to work multiple times within this yearly migration cycle, often traveling together with friends, relatives, or other acquaintances from their home village.

4.4.2. THE DECISION TO MIGRATE

According to sending family informants, most children left to work in the carpet industry to supplement family income (Table 58). Compared to adult migrants, children also left more often to cover their own personal expenses, food, and clothing (7.2 percent) or to learn skills (3.6 percent). Those responses suggested that, for some families, migrating to work in the carpet industry was part of the process of emancipation or transition into adulthood and self-sufficiency.

A small proportion (1.2 percent) of sending families also reported that children had left to pay outstanding family debt. This was a sign of the linkage of poverty, debt, and migration, and potentially also an indication of bonded labor conditions. Finally, some children (2.4 percent) left to work in the carpet factories to elope. Based on information collected earlier during the second phase of the study, elopements and engagements in the factories among teenagers were common. Considering also that the issue of elopements and love marriages may be a social taboo in those rural communities, sending family informants may have under-reported the total number of elopements.

Migrant children's own reports offered a slightly different perspective on the reasons to migrate. Most reported that they first left to work in the carpet factories "to get to the city." The excitement of leaving those isolated rural communities for a new life in the city was mentioned often in the qualitative interviews.

> *During the festive season of Dashain, the people who had left to work for carpet factory return home for the festivals. They return home in new clothes and attitudes. Children want to be like them and get attracted towards their lifestyle. These children follow the people who came back from the carpet factory and the contractor right after the festival season.* (**School teacher No. 4**).

The second most common reason to emigrate that migrant children reported was because families were facing economic difficulties. Children who had migrated multiple times also reported mainly economic reasons.

Although slightly different, reports from sending family parents and from emigrant child workers were compatible. Sending family informants may be more sensitive to the economic reasons for the emigration of children to the carpet factories, whereas the top-of-mind perception for children who emigrated for the first time may be more focused on the excitement and adventure, even if they were also aware of the economic underpinnings of their situation. The economic causes of labor migration may become more obvious to children in subsequent trips after the excitement had faded.

Finally, the proportion of migrant children who reported working in the carpet factories to help pay for family debt was low (5.0 percent in the first trip, 12.5 percent in the second), but consistent with sending family reports.

According to sending family informants, in most cases (51.2 percent) children were the ones making the decision to emigrate to the carpet industry (Table 59). The child's father (25.6 percent), mother (14.0 percent), or other relative were also mentioned often. Only in a few cases had someone outside the family made the decision, including employers (2.0 percent) and friends (2.0 percent).

Children gave themselves even greater autonomy when asked who had made the decision to emigrate, as 80.0 percent reported that they were the ones making the decision to emigrate during their first episode of migration to the carpet factories (see Table 15), and an even greater proportion said they were the ones making the decision during the last episode (87.5 percent). When prompted specifically as to whether they made the decision to emigrate because they wanted or because their families wanted it, most migrant children (82.5 percent) insisted that they themselves made the decision to emigrate (Table 16).

Qualitative research brought out the importance of poverty as a push factor for children emigrating to the carpet factories. Community FGDs with children and interviews with school teachers seemed to agree that poverty was indeed the main factor explaining the decision to emigrate.

Last year, 16 students quit their school in middle of the school year in order to work in a carpet factory. They were doing well in their school work. Due to the settlement in remote areas and poverty, children were bound to work in carpet factories. Parents send their children away with the intention to manage household costs. Contractors and other children who already work at the factory come to the village during festivals (Dashain and Tihar) with new clothes. These contractors give the parents an advance up to 5,000-10,000 Rupees. These factors influence parents to send their children to work at the carpet factory. **(School teacher No. 6)**

Community children in sending areas were aware of those issues, which came up in focus group discussions. In one such discussion with a group of girls between 10 and 13 years of age, they noted that their friends who were working in carpet factories had a lot of problems at home. They were poor, did not have enough to eat, and had to work a lot. Some of their fathers had two wives, and parents could not provide enough food for the children. The parents also could not afford schooling, which was another reason why those friends did not have any interest in studying.

4.4.3. LOGISTICS OF MIGRATION

All migrant children who were interviewed had travelled to KTM valley by bus. In a majority of cases, the contractor arranged (57.5 percent) and paid (55.0 percent) for transportation for the first trip, while half of the children arranged and paid for their own transportation on their last trip (Table 18). All the children traveled with someone else, in most cases a contractor (52.5 percent), a relative (42.5 percent), or friends (30.0 percent). On their first trip, most children stayed at the factory (67.5 percent). The remaining children stayed at a hall rented by the contractor (15.0 percent), a relative's home (12.5 percent), or an apartment rented by friends (5.0 percent). All children who had migrated multiple times stayed at the factory on their last trip.

4.4.4. THE ROLE OF THE PEER GROUP

Friends were an important facilitator of the migration process. As was noted earlier, children were introduced into carpet factories mostly through friends or other acquaintances who already worked there. Almost all migrant children were working in the same factory as their friends and relatives (Table 20). Moreover, children usually timed their departure to the carpet factories to coincide with other friends that were going to work in the same carpet factories. When asked about the reasons for leaving their villages when they did, 85 percent of children interviewed in the carpet factories reported that they had left at that time because their friends were leaving as well.

Case Study 9: Mauje Lal was born in Sarlahi district. His father died when he was an infant., and he had a mother and an older sister at home. The entire family worked as wage laborers for survival. He had to work every day to aid the family, so he did not have time to attend school. After passing the second grade, he stopped going to school altogether. He said that he only knew how to write his name in Nepali language and nothing more than that. Tired of his life in the village, he wanted to get away and that was when he met some of his friends who worked in a carpet factory. They told him about the opportunities of living in a city and working, which made him want to go with them. Thus, after celebrating Dashain and before Tihar, he came to Kathmandu with some friends.

4.4.5. THE ROLE OF THE LABOR CONTRACTOR

Most of the labor migrations of the children interviewed in the carpet factories appeared to have been organized. A majority of children reported they had a job arranged before getting to the KTM valley. In most cases, a contractor helped the children find a job, particularly during the first trip (60.0 percent), but also for half of the children (50.0 percent, see Table 21) during the last trip. This feedback was consistent with sending family reports, even if the proportion reporting that a contractor was involved was slightly lower (54.4 percent). The labor contractors were very active in those sending areas, and their role was not limited to contracting child workers. A contractor was also involved in 44.8 percent of the cases of recruitment of adult migrant workers.

Types of contractors

Carpet contractors were often workers in the carpet factories. At the beginning, they may have been migrant child workers themselves. First, a child would come to work in carpet industry as a weaver, receive training from an expert weaver for two to three months, and then become a paid weaver. After a few years of work, once he had developed good weaving skills and earned the factory manager's or owner's trust, then he might start playing the role of labor contractor. Even though the proportion of male and female workers in the carpet factories was even, male weavers appeared to be more likely to become labor contractors.

There were two main types of contractors. The first type was the weaver-cum-contractor, who worked as a weaver and, when he went home during festivals or vacation, recruited new workers from his home town. The second type was the contractor who did not work as a weaver, although he might have worked as a weaver in the past.

I started working in this sector at the age of eight and it has been 24 years altogether that I am involved in this business. My older brother used to work in a carpet factory and he was the one who brought me in as a weaver. Now I work as a contractor but sometimes I weave as well. **(Contractor No. 9)**

Labor contractors may have a varying degree of familiarity with the children that they recruited to work in the carpet factories. In most cases, they were at least from the same village as their recruits. Often, they were either acquaintances, friends, or even relatives of the children.

Case Study 3: It was her own aunt who convinced her mother to send Gita to work in a carpet factory. The aunt gave her mother 2,000 rupees as an advance before Kali left the village and another 2,000 rupees after she arrived to Kathmandu. Gita is not aware how much she earns. Other children in the factory are also ignorant about it, and there is no system of record keeping. She had come to Kathmandu after celebrating Dashain in her village, so she is not allowed to go home until next Dashain. It is not possible to leave the carpet factory because her contractor aunt and mother would yell and beat her, so she plans to be working for the next few years.

Description of contracting arrangements

There were two types of contracting arrangement. The first type was usually known as the *Thekedar* system. The labor contractor was for all practical purposes the employer of the worker, selling the worker's labor to the factory manager and controlling the worker's salary. In the second type of arrangement, the labor contractor worked as an agent of the factory owner, limiting the contractor's role to the recruitment of the worker.

It takes about one month to learn the weaving skill and during that period they get free room and board. I have to go to villages to recruit people and for skilled worker I pay advance of 10,000 Rupees and 5,000 Rupees for new workers. I take care of their transportation costs as well which later on gets deducted from their monthly salary. We don't pay them during the training period because they are still learning and are not productive. They work for the factory owner and all I do is introduce them to the factory. **(Contractor No. 4).**

The contracting arrangements were informal. There was no any written document of contract between worker and contractor/manager. Contracting arrangements were just verbal. In most cases, the contractor would talk with the family of the potential worker and try to convince the family members and the prospective person by describing the advantages of working in the carpet factory. To attract the probable candidate, the contractor would explain that the worker

would get good food, good clothing, and free lodging. The worker also would have lot of friends, would not have to work outdoors in rain or hot or cold weather, would be able to see and experience city life, would not have to worry about travel costs, would receive an advance right there before emigrating to work, and so on.

The use of advance payments

According to sending family informants (Table 60), contractors sometimes provided some compensation to the sending family in exchange for the family member emigrating to work in the carpet factories, particularly in the case of child workers (26.0 percent), although sometimes also in the case of adult workers (12.6 percent). The amount of the advance may vary greatly, depending on such factors as the demand for advances, the availability of workers, and the skill of the individual worker. The median amount paid in the case of child workers was 3,000 Rupees (about 35.50 USD), with a greater median amount in the case of adult workers (2,000 Rupees, or about 23.60 USD). Those rates were consistent with reports from migrant children in the carpet factories, 25 percent of whom acknowledged that their family had received some compensation in exchange for their first trip to the KTM valley. The children reported that the median value of the advance had been 2,250 Rupees (26.60 USD).

> *When I go to the village during the holidays, local people ask me to take their children and take advance in return. I give the people 5,000 to 10,000 NPR in advance and sometimes even 30,000 Rupees depending upon the need and circumstances.* **(Contractor No. 1)**

> *I usually go to villages to recruit new workers and I give new workers 2,000 to 5,000 Rupees and 10,000 for skilled workers.* **(Contractor No. 8)**

In nearly all cases, the child's parents were the recipients of the advance compensation (Table 24). Parents may sometimes visit their children in KTM to obtain further advances, which would be added to the child's debt with the contractor (see, for example, Case Study No. 5).

Case Study 5: Sabita came to Kathmandu with a few other friends from the same village. A contractor came to her village and talked with her parents. Then her mother sent her away. She saw that the contractor had given her mother 3,000 rupees. She does not have any information about her salary or debts. She does not have to pay for room and board and sometimes gets weekly spending money from the contractor. Her parents came to Kathmandu twice and took 2,000 rupees in advances the first time and 1,500 rupees the second time. She wishes her parents would stop coming to get the money because she knows they are going to waste it on alcohol, and the additional loans will add to her debt.

In summary, labor contractors play a significant role in recruiting, transporting, training, and supervising children. However, although labor contractors may often bear the ultimate responsibility for the recruitment and subsequent employment of children in the carpet factories, the contractors were but one element of a complex socioeconomic system that was conducive to the labor migration of children.

> *Some children quit school and go to the carpet factories due to poverty and family's lack of education, while some leave school to follow their friends despite parents' wish to send them to school. Contractors are also known to lure the children to work in a carpet factory, telling them about the wonders of living in a city such as good food, money, nice clothes and traveling around the city* **(School teacher No. 6).**

4.4.6. THE ROLE OF THE FACTORY MANAGER

Most factory managers in the carpet industry started their careers as weavers when they were children or teenagers themselves. While some were initiated into the industry by their family members, most of them had entered the field on their own.

> *I started in the year 1991 and it has been 20 years that I started to work in a carpet industry. My brother came to Kathmandu to work in a carpet factory seven years before I did and I joined him later. I started as a weaver then became a master and now I am a manager.* **(Manager No. 1)**

Factory managers typically depended on contractors to recruit new workers from the villages. The factory manager provided an advance to the contractor, who then gave advances to workers and/or their families. Transportation costs were also covered to bring workers from the village to Kathmandu. The total debt would be deducted from the workers' salaries. If they wanted to quit, the workers first needed to pay off their debts.

> *I use contractor to recruit new people and give them 10,000 Rupees per person for advance payment. If they want to quit then they have to pay for the room and board and any other advances they might have taken.* **(Manager No. 2)**

Although the main labor recruitment model was the manager used labor contractors as middle men, some managers themselves played the role of contractor. Some other managers might not engage in any active recruitment, relying instead on referrals or walk-in applications of skilled workers.

We do not hire new workers anymore and try to bring only the skilled ones by giving them 10,000-20,000 NPR as advances. We do not use contractors to bring new workers. **(Manager No. 2)**

4.5. Factory Conditions Related to Finances and Freedom

This section represents the viewpoint and experiences of the migrant children working in the carpet factories who were interviewed during the study. Their voices provided important information concerning how they were paid, the financial relationship they maintained with their families in the sending areas, the children's continued indebtedness, their job satisfaction, and their perceptions about their freedom to leave their workplaces.

4.5.1. Salary Arrangements

The children reported that newcomers coming to work in the carpet factories for the first time typically went through an apprenticeship or training period, typically lasting two months, until the new workers perfected their carpet weaving skills (Table 23). During that period, the children were not paid. They received shelter (100 percent) and, in some cases, food or clothing (5.0 percent) and medical support (12.5 percent) for a median estimated income of 600 Rupees (7 USD) per week.

After the training period, children were typically paid in kind (shelter, food, clothing, and medical support in some cases) and cash. They were typically paid on a monthly basis (60.0 percent), although in some cases they were paid by piece rate (35.0 percent), or upon completion of a task (2.5 percent), or in some other way. The median weekly earnings of children during that post-training period were 1,100 Rupees (13 USD).

Case Study 9: It took Mauje Lal two months to learn the skills to weave a carpet. During the learning phase, she was not paid any money but was provided with free room, board, and clothing. She was paid 1,500 rupees per month after the learning period was over. She later learned that her friends were being paid 2,000 rupees per month. When she complained about it with the contractor, he beat her. Then she left that place and started working at a new place where she was working during the time of the study. She preferred this factory because she was paid 2,000 rupees per month; the owner took care of medical bills; and room/board were free. She had no intentions of leaving the factory because she did not have any other skills to work elsewhere, and she liked the contractor here. She may take lessons to drive after a few years and drive the night bus.

Some children were paid directly by the factory (37.5 percent), but most children were paid by their contractor (57.5 percent) or a relative (5.0 percent, see Table 26) under what was known as the *Thekedar* (contractor) system. In that system, children's earnings were controlled by the contractor, who also may have been working as a loom master for the factory manager. The contractor might be paid a piece rate by the factory manager, but he would typically pay a monthly rate to the weavers he supervised. Once a weaver was skilled and independent, the weaver might be able to negotiate his or her own terms, which would typically mean an upgrade to a piece rate salary.

Case Study 1: Anjana said the main reason why children migrated to work was poverty. Contractors took advantage of the migrant workers. They made the children work long hours, did not give them holidays, did not pay on time, and so forth. When the children were going home for holidays, only then would the contractors look at the calculations, and, if the children still owed money, the contractors did not let the children go home. Later on, when the children became good at weaving and demanded to be paid by measurement (square meters), then the contractor fixed things with the owner, but the child still worked under the contractor.

4.5.2. REMITTANCES

Migrant children working in the carpet factories represented a significant source of remittance income for sending families (Table 61). Sending families reported that about half of the migrant children (50.8 percent) sent money to a family member in the last 12 months, with a median of 4,000 rupees (47.30 USD) sent in remittances in the last 12 months. In this regard, child workers provided as much support to their families as adult migrant workers, who sent remittances in similar proportions and amounts.

Migrant children's reports of their remittances were consistent with sending family (parental) reports, indicating that 60.0 percent of the children sent some money to their parents/family in the past 12 months (Table 27). Additionally, 17.5 percent reported that employers or contractors sent money as well. According to the children, the amount sent was higher, with a median of 6,000 rupees (71 USD). Although this difference might be explained by sampling or measurement error, there was also the possibility that, since some of the remittances were controlled by employers/contractors, the amount the child believed was sent was less than the amount that was actually received by the family.

4.5.3. CHILD DEBT

The typical contracting arrangement for labor migrants in the carpet factories was conducive to debt. Contractors often paid for transportation costs from the sending areas and sometimes paid advances on the worker's salaries to family members before the workers even left the sending area. Additionally, workers acquired debt with contractors and factory managers to pay for the workers' own sustenance during the unpaid training period. Finally, workers themselves sometimes requested salary advances from contractors or factory managers. As a result of those practices, most children (65.0 percent) working in the carpet factories reported owing money, either to the contractor (57.7 percent of those who owed money) or to the factory manager (42.3 percent). The median amount owed was 6,000 rupees, or about 71 USD (Table 28), equivalent to more than a month's median salary. In most cases (73.1 percent), debt was mainly a consequence of salary advances. Only in some cases (7.7 percent) was the debt due to transportation costs or personal expenses during the apprenticeship period. According to case studies, some children did not even know how they got into debt.

Case Study 2: Naveen's mother had made the decision for him to go and work in a carpet factory. The contractor was also from the same village and, after talking with the contractor, his mother advised him to go to Kathmandu to work so that the family could pay off its debt. He still did not know how much he earned or how much money the contractor sent to his family. He had never been paid. Other children in the factory also did not know anything about their payment arrangements. The contractor had told him that he still owed 18,000 rupees, but Naveen did not know how that number came into existence.

At the time of their interviews, children working in the carpet factories had been in debt for a median of four months, and nearly all (96.2 percent) were repaying their debts from their own salaries. No children appeared to be paying interest on their debts (Table 31), although up to 30.8 percent reported that their salary was not sufficient to cover their living expenses and repay their debts. Perhaps a more objective measure of whether children were entering a debt trap was whether their debt had increased or decreased recently. Using that measure, only 7.7 percent reported that their debt had increased in the last three months; 46.2 percent reported that the debt had remained the same; and 42.3 percent reported that the debt had decreased.

More than two in five of the migrant children (42.5 percent) reported that in their first trip they had to pay off a median debt of 3,000 rupees (36 USD) with their manager or contractor before they could leave their jobs. It did not seem that this was a trap that children could learn to avoid in subsequent jobs. Of the eight children who had migrated to the carpet factories multiple times, 60.0 percent also reported having to pay off debts with the manager/contractor before being able to leave their jobs (Table 33).

4.5.4. FORCE, DECEPTION, AND COERCION

Dissatisfaction with their jobs may have been an early warning sign that indicated the existence of deceptive or coercive working conditions. About half (55.0 percent) of the migrant children interviewed reported that they were not satisfied with their jobs on their first trip to KTM valley. As might be expected, this proportion was lower (20.0 percent) among children who had traveled to KTM multiple times. Children were asked more specifically whether their job in the carpet factories met their expectations. The results mirrored the general job satisfaction question, with 45.0 percent reporting that their jobs did not meet their expectations on their first trip, and 20 percent reporting the same on their last trip.

Child Carpet Worker, April 2011

A majority of children in the carpet factories (65.0 percent) reported not being free to leave their jobs at their will, mostly (85.5 percent) because they first had to pay off a debt, or because their boss threatened to harm them if they left (11.5 percent). When asked directly, 40.0 percent of children reported that their boss or contractor would threaten or punish them if they decided to leave their jobs.

Similarly, children who owed money to their managers or contractors reported that they would receive some penalty for not repaying their debts, mainly being charged interest (50.0 percent) or being beaten or scolded by the employers (30.8 percent). Factory managers and contractors generally acknowledged that a worker had to repay his or her debt before leaving a job, although some added that they did not have the means to enforce this repayment.

> *New workers do not get paid for two months of training period but room/board are free. There has been increase in payment as well. There is 25 rupee increment per square meter. They are required to work for me at least year but if they leave or run away before the contract is over, there is nothing I can do about it* (**Manager No. 10**).

DISCUSSION

This section discusses the following research question -- What is the evidence of bonded labor, forced labor, or child trafficking among the children working in the carpet industry in Nepal? The SA Study focused on the child carpet workers who migrated to work in the carpet factories in the Kathmandu (KTM) valley. For that reason, this section focuses on the evidence for the children working in the carpet factories and does not look at the children working in households. The PC Study already collected a lot of information to measure the existence of unacceptable work and working conditions (child labor) in the carpet industry in Nepal. This section starts by describing the evidence that was developed by the PC Study based on quantitative measures in the factory survey. Afterwards, the additional complementary evidence provided by the SA Study is summarized.

Evidence from the Prevalence and Conditions (PC) Study

The PC Study measured the existence of child labor in two ways. First, at a very general level, the study measured a broad range of characteristics of the family background and working conditions of child carpet workers that might indicate the existence of child labor. Those were characteristics of the family and working conditions that were conducive to the development of child labor. Then, at a very specific level, the PC Study also developed operational measures that were used to indicate the existence of child labor and sometimes to calculate estimates of prevalence. The following focuses on the specific operational measures and findings.

The PC Study calculated the prevalence of excessive work among child carpet workers. Excessive work was defined simply as the children having to work too many hours, which was measured by calculating each child's total number of hours of work per week and comparing that with international standards.

- The PC Study concluded that slightly more than half (52 percent) of all child carpet workers in Nepal were in conditions of child labor based on their working too many hours. The prevalence of child labor was much higher (89%) in the carpet factories, where the children were migrants, than among the children working in the household-based industry (35%).

The PC Study also calculated the prevalence among child carpet workers of hazardous work and working conditions. International standards identified hazardous work as being unacceptable work for children. The PC Study measured the existence of hazardous work by (a) whether Nepal had legally defined the industry or occupation as hazardous and by (b) identifying specific working conditions that were defined as being hazardous.

- The PC Study concluded that all (100 percent) of the child carpet workers in Nepal were in child labor conditions because of hazardous work and working conditions.

The PC Study concluded that there were few indications of a direct link between family poverty and forced/bonded labor conditions, but there were strong indications that there was some forced/bonded labor, and that it was found predominantly in unaccompanied migrant children working away from their families in carpet factories, who could not leave the job because the employer would punish or harm the child if he or she tried to leave the job.

Child trafficking referred to the process of delivering or transferring the child into an exploitive work situation. Based on the 2000 Palermo protocol, the PC Study defined child trafficking as the organized movement of a child for the purpose of labor exploitation. International standards stated that child trafficking did not require that the trafficker use force, coercion, fraud, deceit, or abuse of authority. Child trafficking would exist even if the child entered voluntarily into the exploitive work situation.

The PC Study estimated the existence and prevalence of child trafficking by looking at a number of factors: whether the child was working and had migrated to the carpet factory to work, whether the child was living with his/her parents or spouse, whether a third party had been involved in the decision to migrate and the actual movement, and whether the child ended in a situation of child labor. These measures established clear indications of child trafficking in the factory-based carpet industry in Nepal, a finding that was consistent with exploratory research and previous studies. Based on those factors the PC Study estimated that 16.9 percent of the children working in the carpet factories in the Kathmandu valley showed indications of being possible victims of child trafficking.

Evidence from this Sending Area (SA) Study

This SA Study complemented the earlier PC Study by providing additional information. First, this study focused on collecting information from both ends (sending and receiving) of the migration pipeline, whereas the PC Study (and most studies of the WFCL) collected all of its data at the destination end of the pipeline. Second, this study was focused on child trafficking and forced and bonded labor, whereas the PC Study had to cover a much broader range of subject. Third, this study combined qualitative and quantitative methods because the goal was to achieve more insights into the motivations of families and children, whereas the PC Study utilized a large-scale formal survey based on a representative sample because a primary goal was to calculate statistical estimates of the prevalence of child labor and the WFCL. Each approach had its advantages and disadvantages. The combination of approaches provided a much more robust description of the recruitment and workplace situation of migrant child carpet workers in the carpet factories.

The major contributions of this study were its exploration of the conditions that obtained in the sending areas before children emigrated, its collection of information from the parents and other children in the sending areas and the children who had migrated to KTM, and its providing an opportunity to hear the actual voices of the child carpet workers and the other children who had remained in the sending areas. As a consequence, this study was able to develop a robust description of the characteristics and motivation of both generations (parents and children) and a much more detailed understanding of the web of indebtedness that enveloped the child carpet workers.

The study revealed a number of characteristics of the sending families that appeared to be closely related to their children's emigration to work. The most relevant concerned poverty, indebtedness, lack of education, the perceived cost and benefit of education versus work, and a family history of labor migration to the carpet industry. The first two features (poverty and indebtedness) were also closely related to the potential for bonded and forced child labor and child trafficking.

The sending families were poorer and more indebted than the non-sending families and were self-sufficient in feeding themselves from their own lands for only half the year. More than one-third of the sending families reported that they did not have enough money to buy the food they needed, and almost one-fifth reported that household members sometimes went to sleep hungry. Almost three-fifths of the sending families had a member who was in debt, and the debts were primarily incurred to finance short-term basic consumption needs. Three-fourths of the migrant children and seven-eighths of the parents agreed that the primary reason that the children emigrated was to supplement family income. This was supported by the fact that half of the migrant children reported remitting money back to their families in the sending areas. However, very few sending families admitted paying off any debt by working for the creditor, and very few reported that children had emigrated to work to pay off incurred family debts.

The parents in the sending families provided information about poverty and indebtedness in the sending areas and how that might have influenced the children's decisions to emigrate. The migrant child carpet workers provided their own perspectives of their reasons for emigrating and were able to complement that by describing the evidence of the complex of indebtedness that enveloped and bonded the children to their workplaces. The child laborers noted the contractors' lack of transparency and accountability, their own ignorance of the terms and size of their debts, their inability to repay the debts from their earnings in the carpet factories, and their powerlessness and the abuse they endured in relationships with contractors and factory managers.

The existence of child trafficking did not depend on the children being forced or bonded to their work. If children were being exploited at work, that exploitation was sufficient evidence to

demonstrate that the children were victims of child trafficking. The children in the sending area focus groups reported the exploitation when they discussed the numerous negative aspects of working in the carpet industry.

Summarizing the Evidence of Forced Labor

According to ILO Convention 29, forced labor existed if a person had been recruited deceptively or involuntarily and was working under some type of coercion or menace of a penalty. About half of the children interviewed in the carpet factories reported that their job did not meet their expectations, which was an indicator of deceptive recruitment. About two-thirds of the child workers reported that they were unable to leave their job because of the need to repay debts or the menace of a penalty. Given that evidence, a large proportion of the migrant children working in the carpet factories were working in conditions similar to forced labor.

An additional approach provided by the UN 1956 Supplementary Convention on Forced Labor appeared particularly suitable in the case of migrant children. The information analyzed for this study (as well as previous information from the PC Study) indicated that around half of the migrant children were delivered or transferred by their natural parents to other persons (labor contractors or factory managers).[16] Given the generally abusive conditions of work in the carpet factories, the purpose of the child's delivery by his parents or guardians would appear to be for the purpose of labor exploitation. Based on that, about half of the children in the carpet factories would appear to be in forced labor conditions.

Summarizing the Evidence of Bonded Labor

According to the UN Supplementary Convention 156, another criterion classifying children to be in forced labor was when the child was working in bonded labor conditions. Bonded labor was a complex situation where a worker was using his or her labor to repay a debt, but the value of the work was not compensated fairly towards the liquidation of the debt, or the length and nature of the work was not limited or defined.

The nature of labor contracting in the carpet factories clearly appeared to be conducive to the child's continuing indebtedness. Parents took advances from the labor contractor on behalf of the child's work, and the child accumulated debt to pay for his or her sustenance during the training period or to take further advances. Nearly two-thirds of the children working in the carpet factories reported owing money to the contractor or manager. The child was to repay the debt using his or her work as a security for the debt. In the case of children working in the carpet factories, the nature of this work was clearly defined (typically, weaving carpets). However, it

[16] This condition would not be met for children who migrated against their parent's will, which would apply to nearly half of the cases (Table 15).

appeared in some cases that the value of the work was not compensated fairly towards the liquidation of the debts. According to children's case studies, many did not know how much they owed or how their debts had been formed. Further, about one-third of the migrant children in the carpet factories reported that their income from working was not sufficient to cover their living expenses and repay their debt, and about half the children noted that their debt had increased or stayed the same in the last three months.

That pattern of responses suggested the presence of bonded labor among migrant children in the carpet factories. Children became indebted in the process of entering the carpet industry or while working in the factory. Those children were clearly aware that they had to repay their debts with their labor contractor or factory manager before they could leave their jobs, although many were having a hard time getting out of that debt.

Summarizing the Evidence of Child Trafficking

Information collected in this study and earlier information from the PC Study clearly indicated that the majority of the children migrating to work in the carpet factories were recruited, transported, transferred, harbored, and received for the purpose of labor exploitation. It seemed clear that the movement of children was organized, since a majority of children had a job aligned before getting to the KTM valley, and in most cases a contractor helped the children get to the KTM valley and find a job in a carpet factory. The children ended up working in exploitative conditions, as evidenced by the abusive working and living conditions in the carpet factories and the presence of forced and bonded labor conditions. Based on that information, it appeared that many of the children who migrated to work in the carpet factories had been trafficked.

Strengths of this Study

The research design of the SA Study allowed greater insight into the dynamics of child trafficking than the design used for the PC Study and other previous research done on that subject. There were several reasons for this:

- The SA Study used a tracer design, starting by interviewing families and other adults and children in the sending areas and finishing by interviewing migrant children and factory-related adults in the receiving area. That provided more thorough information on the motives, mechanisms, and outcomes of child trafficking by incorporating inputs from all the actors involved.

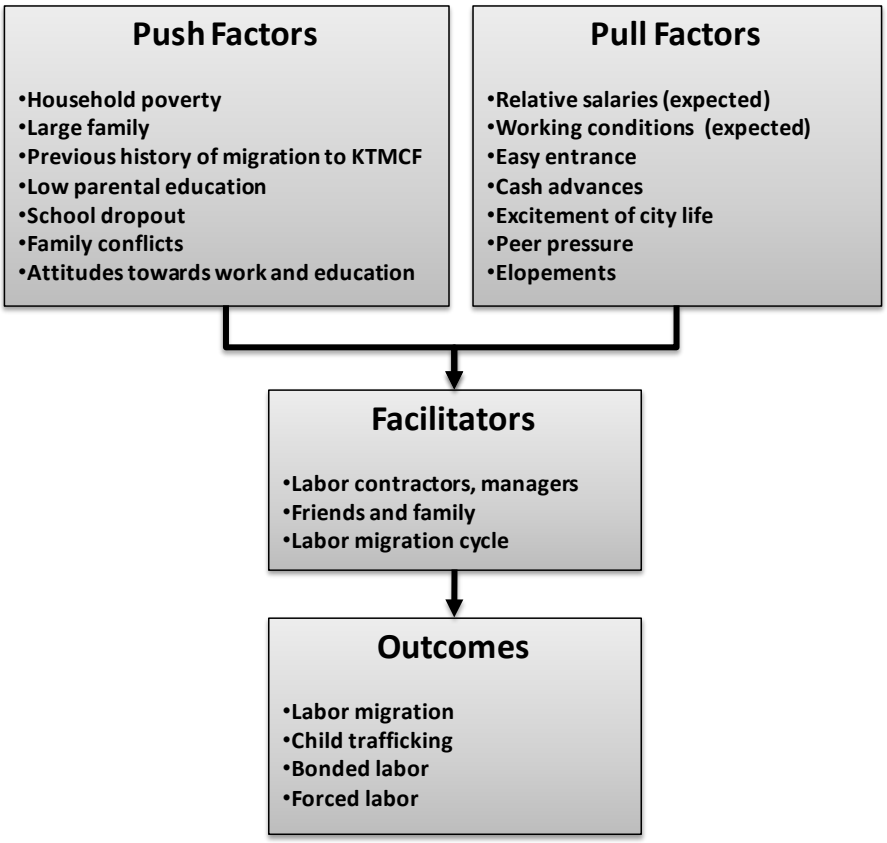
- The SA Study interviewed children outside the carpet factory, unlike the PC Study that interviewed child workers inside the carpet factory. Even though the PC Study used clear protocols to guarantee confidentiality of the results and to maximize privacy during the

interview, it was possible that children´s reports were more valid and revealing when they were interviewed outside the factory.

- Interviews for the SA Study were focused on child trafficking, forced labor, and bonded labor. The restricted focus permitted spending more time exploring those issues in greater depth than the PC Study, which had to collect information about a broad range of topics, including working conditions and the characteristics and prevalence of all forms of child labor.

This study attempted to identify and understand the factors that explained the process of labor migration of children from the rural areas of Nepal to the carpet factories in Kathmandu Valley. It may be helpful for the reader to summarize those factors into a logical taxonomy, which would include push factors, pull factors, facilitators and outcomes (see Figure 5).

Figure 5: Child Labor Migration Model



One of the most recurring inputs from the different sources consulted was that household poverty was the main push factor for children migrating to work in carpet factories in the Kathmandu valley. That factor had many subcomponents and manifestations (omitted from Figure 5), including low levels of food sufficiency and vulnerability to shocks and household debt, and was also likely related to the other push factors, such as household size, previous family history of migration to the carpet factories, education level of adult family members, school dropout of child family members, family conflicts, and head of household's attitudes towards work and education.

Indeed, a comparison of some key features of sending and non-sending families supports this conclusion: the main differences between sending families and non-sending families were that sending families were larger, less likely to have an educated head of household, and had lower levels of food self-sufficiency than non-sending families (see Table 1).

Faced with those conditions at home, labor migration may have been the logical alternative for many of the children working in the carpet factories. Some of them may have gravitated towards work in the carpet factories given pull factors, such as the expectation of good working conditions and salaries, at least relative to the alternatives available, the low entry requirements of the carpet industry, and the use of cash advances by labor contractors to persuade the parents of the children. In addition to the industry-specific pull factors, children appeared to find excitement in the idea of migrating to live in Kathmandu with their friends, and in some cases may have used the opportunity to elope.

Those different push and pull factors provided the motivational elements that culminated in the decision to migrate. That decision was aided by the well-established cycle of chain migration, a process that was widely known in those rural areas, and the existing network of factory managers and labor contractors that facilitated and organized the migration of children to the carpet factories.

In many cases, the child migration process ended with the child working in conditions that resembled forced labor. That appeared to be particularly due to the debt-inducing nature of the labor migration process: children got in debt with the contractor and/or factory manager and ended having to work for long periods of time before they could cancel their debts and leave their jobs. Many of those children, which were living away from their family and had been removed from their familiar social environment, were vulnerable to deceptive and coercive practices from factory managers and contractors, and may have been trapped in bonded labor.

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APPENDIX A – THE RESEARCH TEAM

The SA study was conducted between April and June 2011 by ICF International, who administered all contracts, monitored and secured the flow of all necessary funds, and obtained all necessary permissions and authorizations including human subjects' approval. ICF International also supported the principal researcher with methodological design, questionnaire development, tabulation of data, and professional editing of the report. ICF International has final reporting responsibilities to USDOL.

ICF International executes its projects through a team structure placing the project director at the center of the project with authority to make all necessary decisions while providing an integrated team of qualified staff to plan and implement projects.

Dr. Art Hansen is the Principal Investigator/Project Director (PI/PD) for the project. He has led project teams over the last 20 years with a special focus on child labor and child welfare. He has conducted projects for a range of USG agencies including USDOL-ILAB as well as international donor agencies such as the UN.

Pablo Diego is the Research Consultant for the project. He has 8 years of experience conducting research studies and has worked in child labor data collection projects in multiple developing countries (Nigeria, Peru, Afghanistan, Haiti, Uganda, Paraguay).

New Era was the implementing institution in Nepal, in charge of data collection, fieldwork quality control, data processing and data cleaning. New Era, a Kathmandu-based non-profit research organization founded in 1971, is the primary social research organization in Nepal, having completed over 450 projects, including studies of children working in the carpet industry; large-scale surveys and RAs. New Era has also conducted projects with ICF International for the USAID funded Demographic and Health Surveys (DHS).

APPENDIX B – MIGRANT CHILD TABLES

Table 9: School Attendance Status of Migrant Children	
n=	40
Never attended school	17.5%
Attended school In the past	80.0%
Currently attending school	2.5%
Source: Nepal Migrant Children Interviews (April-June 2011)	

Table 10: Educational Level of Migrant Children	
n=	40
Never Attended School[1]	32.5%
Primary Incomplete[2]	45.0%
Primary Complete[3]	15.0%
Secondary Incomplete	7.5%
Secondary Complete[4]	0.0%
Higher	0.0%
Source: Nepal Migrant Children Interviews (April-June 2011) [1] Includes those who have never attended school and those that have only attended nursery/kindergarten [2] Includes those who have completed 1-4 years of school [3] Completed grade 5 at the primary level [4] School Leaving Certificate (SLC). Completed grade 10 grade at the secondary level	

Table 11: Migrant Children's Reasons for Leaving School	
n=	32
In order to work	56.3%
Poor performance on failing/not interested in school	40.6%
Could not afford schooling	37.5%
To help at home	21.9%
School too far to walk	3.1%
Other	12.5%
Source: Nepal Migrant Children Interviews (April-June 2011). Base: Children who are not currently attending school. Note: Multiple response items. Totals may not add-up to 100%.	

Table 12: Month of the Year When Children Migrate to Work in the Carpet Industry (First and Last Trip).		
	First Trip[1]	Last Trip[2]
n=	40	8
January	5.0%	12.5%
February	2.5%	12.5%
March	12.5%	0.0%
April	0.0%	0.0%
May	2.5%	0.0%
June	5.0%	12.5%
July	0.0%	0.0%
August	5.0%	12.5%
September	2.5%	12.5%
October	7.5%	0.0%
November	35.0%	37.5%
December	20.0%	0.0%
DK/Refused	2.5%	0.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times.

Table 13: Number of Times Child Has Migrated to Work in the Carpet Industry	
n=	40
One time	80.0%
Two times	12.5%
More than two times	7.5%
Median	1.0

Source: Nepal Migrant Children Interviews (April-June 2011).

Table 14: Migrant Children's Main Reason for Going to Work to a Carpet Factory		
	First Trip[1]	Last Trip[2]
n=	40	8
To get to the city	50.0%	25.0%
Family facing economic difficulties	37.5%	62.5%
To help pay for family debt	5.0%	12.5%
To be with friends	2.5%	0.0%
Others	5.0%	0.0%
DK/Refused	0.0%	0.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

Note: Multiple response items. Totals may not add-up to 100%.

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times.

Table 15: Who Made Decision to Migrate to Carpet Industry		
	First Trip[1]	Last Trip[2]
n=	40	8
Migrant	80.0%	87.50%
Other relative	7.5%	0.0%
Father	5.0%	12.50%
Mother	5.0%	0.0%
Labor contractor	2.5%	0.0%
Friend	0.0%	0.0%
Employer	0.0%	0.0%
Source: Nepal Migrant Children Interviews (April-June 2011). [1] Base: Migrant children working in the carpet industry. [2] Base: Migrant children working in the carpet industry who have migrated multiple times.		

Table 16: Did Child Migrate to Carpet Industry of Own Will		
	First Trip[1]	Last Trip[2]
"Did you come to work here because you wanted to or because your family wanted you to?"		
n=	40	8
I wanted	82.5%	87.5%
My family wanted	17.5%	12.5%
Source: Nepal Migrant Children Interviews (April-June 2011).		

Table 17: Who Did Child Travel with to Carpet Industry	
"Who did you come with on that first trip?"	
n=	40
Alone	0.0%
With friends	30.0%
With relative	42.5%
With contractor	52.5%
Source: Nepal Migrant Children Interviews (April-June 2011). Note: Multiple response items. Totals may not add-up to 100%. Base: Migrant children working in the carpet industry.	

Table 18: Transportation of Children Migrating to Work in the Carpet Industry		
	First Trip[1]	Last Trip[2]
n=	40	8
"What means of transportation did you use to come here?"		
Bus	100.0%	100.0%
Private Car	0.0%	0.0%
"Who arranged for the transportation?"		
Contractor	57.5%	37.5%
Myself	5.0%	50.0%
Parents/relatives	35.0%	12.5%
Friend	2.5%	0.0%
"Who paid for the transportation?"		
Contractor	55.0%	50.0%
Myself	12.5%	50.0%
Parents/relatives	27.5%	0.0%
Friend	2.5%	0.0%
Others	2.5%	0.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times.

Table 19: Lodging of Children Migrating to Work in the Carpet Industry		
	First Trip[1]	Last Trip[2]
n=	40	8
Factory	67.5%	100.0%
Hall rented by contractor	15.0%	0.0%
Relative's home	12.5%	0.0%
Rented apartment with friends	5.0%	0.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times.

Table 20: Work with Friends/Relatives among Children Migrating to Work in the Carpet Industry		
	First Trip[1]	Last Trip[2]
n=	40	4
Working in the same factory as friends/relatives	95.0%	100.0%
Not working in the same factory as friends/relatives	5.0%	0.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times. 4 cases missing.

Table 21: Recruitment of Children Migrating to Work in the Carpet Industry		
	First Trip[1]	Last Trip[2]
"Did you have a job aligned before you came here?"		
n=	40	8
Yes	90.0%	100.0%
No	10.0%	0.0%
Came for non-work purpose	0.0%	0.0%
"Who helped you find your job?"		
n=	40	8
Contractor	60.0%	50.0%
Parents/relatives	35.0%	37.5%
Friends	5.0%	12.5%
"Was a labor contractor/ recruiter involved in finding you your job?" (children who did not mention a contractor before)		
n=	16	4
Yes	12.5%	0.0%
No	81.3%	100.0%
DK/Refused	6.3%	0.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times.

Table 22: Involvement of Contractor by Age Group		
	Child (5-17)	Adult (18 and older)
"Was a contractor involved?"		
n=	250	87
Yes	54.4%	44.8%
No	45.2%	49.4%
DK/Refused	0.4%	5.7%

Source: Nepal Sending Areas Family Survey (April-June 2011)

[1]Base: Sending family members who migrated to work in the carpet industry.

Table 23: Apprentice Period of Children Working in the Carpet Industry	
"When you first started working in a carpet factory, how many weeks or months long did you spend working as an apprentice?"	
n=	40
Median number of months	2.0

Source: Nepal Migrant Children Interviews (April-June 2011).

Table 24: Compensation in Exchange for Move by Children Migrating to Work in the Carpet Industry		
	First Trip[1]	Last Trip[2]
"Did your family receive anything in exchange for your coming to work in the carpet factory?"		
n=	40	8
Yes	25.0%	50.0%
No	75.0%	50.0%
"If yes, who?"		
n=	10	4
Parents	100.0%	75.0%
Others	0.0%	25.0%
"If received cash, how much?"		
n=	10	4
Median rupee amount	2,250	7,000

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times.

Table 25: Mode of Payment of Children Working in the Carpet Industry		
	Apprenticeship[1]	Currently[2]
"What do you get in exchange for your labor?"		
n=	40	40
Shelter	100.0%	50.0%
Food/ Clothing	5.0%	100.0%
Cash	0.0%	100.0%
New Skill	30.0%	7.5%
Medical support	12.5%	7.5%
Nothing	0.0%	0.0%
"How is your pay/benefits determined?"		
n=	40	40
Piece rate/Measurement	0.0%	35.0%
Monthly	100.0%	60.0%
On completion of task	0.0%	2.5%
Others	0.0%	2.5%
"How much do you earn in a typical week (in cash or in kind and including the amount given to your parents and room and board) for your work?"		
n=	38	39
Median Amount (Nepali Rs.)	600	1,100

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry (apprentice period).

[2] Base: Migrant children working in the carpet industry who have migrated multiple times. 3 cases missing.

Note: Multiple response items. Totals may not add up to 100%.

Table 26: Payer of Children Working in the Carpet Industry	
"Who pays you?"	
n=	40
Factory directly	37.5%
Contractor	57.5%
Relative	5.0%
Source: Nepal Migrant Children Interviews (April-June 2011). Note: Multiple response items. Totals may not add up to 100%.	

Table 27: Remittances Sent by Children Working in the Carpet Industry	
n=	40
In the past 12 months, did you send any money to your parents/family? (% "Yes") [1]	60.0%
In the past 12 months, did your employer/contractor send any money to your parents/family? (% "Yes") [1]	17.5%
n=	31
Median amount sent by child or employer/contractor to parents/family in last 12 months (Nepali Rs.)[2]	6,000
Source: Nepal Migrant Children Interviews (April-June 2011). Base: Children working in the carpet industry Base: Children working in the carpet industry that sent money to their parents/family in the last 12 months, directly or through employer/contractor	

Table 28: Debt of Children Working in the Carpet Industry	
Do you owe any money? [1]	
n=	40
Yes	65.0%
No	35.0%
To whom do you owe any money? [2]	
n=	26
Factory Manager	42.3%
Contractor	57.7%
"How much do you estimate you still owe?" [2]	
n=	25
Median amount (Nepali Rs.)	6,000
Source: Nepal Migrant Children Interviews (April-June 2011). [1] Base: Children working in the carpet industry [2] Base: Children working in the carpet industry that owe money	

Table 29: Origin of Debt of Children Working in the Carpet Industry	
"When did you first get into debt?"	
n=	26
Median number of months since child got into debt	4.0
"How did you get into debt?"	
n=	26
Salary advances	73.1%
Transportation Cost	7.7%
Personal expenses during apprenticeship	7.7%
Other	11.5%
Source: Nepal Migrant Children Interviews (April-June 2011). Base: Children working in the carpet industry that owe money	

Table 30: Repayment of Debt of Children Working in the Carpet Industry	
"How are you repaying your debt?"	
n=	26
From earned money	96.2%
Lending from friends	0.0%
Lending from relative	0.0%
Others	0.0%
DK/Refused	3.8%
Source: Nepal Migrant Children Interviews (April-June 2011). Base: Children working in the carpet industry that owe money	

Table 31: Interest of Debt of Children Working in the Carpet Industry	
"Do you pay interest on your debt?" [1]	
n=	26
Yes	0.0%
No	100.0%
"How much interest do you pay?" [2]	
n=	0
Median interest rate (Annual)	-
DK/Refused	-
Source: Nepal Migrant Children Interviews (April-June 2011). [1] Base: Children working in the carpet industry that owe money [2] Base: Children working in the carpet industry that owe money and pay interest on their debt.	

Table 32: Liquidation of Debt of Children Working in the Carpet Industry	
"Is your salary sufficient to cover your living expenses and repay your debt?"	
n=	26
Yes	69.2%
No	30.8%
"Has your debt increased or decreased over the last 3 months?"	
n=	26
Increased	7.7%
Decreased	42.3%
Stayed the same	46.2%
DK/Refused	3.8%
Source: Nepal Migrant Children Interviews (April-June 2011). Base: Children working in the carpet industry that owe money	

Table 33: Remaining Debt of Children Working in the Carpet Industry		
	First Trip[1]	**Last Trip[2]**
"Do you have to pay off any debt with manager/contractor before you can leave your job?" [1]		
n=	40	8
Yes	42.5%	60.0%
No	57.5%	40.0%
"If yes, how much?"		
n=	17	3
Median amount (Nepali Rs.)	3,000	7,900
Source: Nepal Migrant Children Interviews (April-June 2011). [1] Base: Migrant children working in the carpet industry. [2] Base: Migrant children working in the carpet industry who have migrated multiple times.		

Table 34: Children's Ability to Leave Job in the Carpet Industry	
"Are you free to leave your job if you want to?" [1]	
n=	40
Yes	35.0%
No	65.0%
"Why not?" [2]	
n=	26
Paying off a debt	88.5%
Boss threatened harm if I leave	11.5%
Parents would punish	0.0%
Don't have another job to need money to live	0.0%
Haven't earned enough money	0.0%

Table 34: Children's Ability to Leave Job in the Carpet Industry	
Don't know where to go	0.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Children working in the carpet industry.

[2] Base: Children working in the carpet industry who report being unable to leave their job if they want to.

Table 35: Menace of Penalty for Children if They Leave Job in the Carpet Industry		
	First Trip[1]	Last Trip[2]
"Would your boss/contractor threaten or punish you in any way if you decide to leave your job?" [1]		
n=	40	5
Yes	40.0%	20.0%
No	57.5%	80.0%
DK/NR	2.5%	0.0%
"How would your boss/contractor punish or threaten you?" [2]		
n=	16	1
Scolding/beating	100.0%	100.0%
Other	12.5%	0.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times. 3 cases missing.

Table 36: Job Satisfaction of Children Migrating to Work in the Carpet Industry		
Satisfied with job	First Trip[1]	Last Trip[2]
n=	40	5
Yes	45.0%	80.0%
No	55.0%	20.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times. 3 cases missing.

Table 37: Fulfillment of Job Expectations for Children in the Carpet Industry		
	First Trip[1]	Last Trip[2]
"Does your current job meet your expectations?" [1]		
n=	40	5
Yes	45.0%	80.0%
No	55.0%	20.0%
DK/NR	0.0%	0.0%

Source: Nepal Migrant Children Interviews (April-June 2011).

[1] Base: Migrant children working in the carpet industry.

[2] Base: Migrant children working in the carpet industry who have migrated multiple times. 3 cases missing.

Table 38: Consequences of Failure to Repay Debt for Children Working in the Carpet Industry	
"What would happen if you didn't repay your debt?"	
n=	26
Charge interest	50.0%
Employer will beat or scold	30.8%
Will make pay debt from home village	11.5%
Others	7.7%
DK/Refused	7.7%
Source: Nepal Migrant Children Interviews (April-June 2011). Note: Multiple response item. Total may not add up to 100%. Base: Children working in the carpet industry that owe money.	

APPENDIX C – ADDITIONAL TABLES

Table 39: Activities Included in the Carpet Industry.	
Processing	Buying or selling wool, silk or synthetic silk for use in carpets
	Separating wool according to its colors (e.g. in a bale there may be different colors of wool mixed together like black, white, brown, etc.)
	Cleaning/sorting out goat drops/other dirt from the raw wool
	Washing wool or silk
	Carding wool
	Spinning wool to make thread
	Dyeing thread
	Balling thread
	Mixing/joining many colored yarns into one (e.g. same as plying, but joining is done usually for blending 3/4 different colors into one, depending upon the type of prints and patterns of the carpet)
	Plying many yarns (usually silk) into one to make it thick (e.g. 12 plies, 15 plies, 20 plies, etc. depending upon the No of knots of the carpet)
Production	Tufting carpets
	Hand looming carpets
	Weaving carpets
	Washing carpets
	Trimming carpets
	Stretching carpets
	Repairing errors/assuring rows are straight
	Transporting or packing carpets

Table 40: Land value in rural Eastern and Central regions of Terai			
Caste/ethnicity	**N**	**Median (Thousand Rs.)**	**Mean (Thousand Rs.)**
Hill Brahmin	50	350	535
Yadav	56	300	462
Chettri	34	275	476
Newar	20	210	289
Tharu	58	200	631
Other hill Janajati	88	180	263
Teli	39	155	389
Other Terai middle	102	70	254
Other Terai Janajati	76	60	236
Hill Dalit	25	50	100
Muslim	113	50	191
Mallah	38	0	80
Chamar	34	0	50
Musahar	28	0	0
Other Terai Dalit	34	0	59
Source: Data compiled by Hatlebakk (2007) from 2003/2004 NLSS raw data			

Table 41: Head of Household Caste/Ethnicity by Type of Family		
	Sending	**Non-Sending**
n=	209	105
Tamang	80.4%	72.4%
Magar	5.7%	7.6%
Pahadi	3.8%	2.9%
Kami	1.9%	5.7%
Chhetri	1.0%	2.9%
Bankariya	1.9%	1.0%
Majhi	1.4%	1.0%
Danuwar	1.0%	1.9%
Damai/Dholi	1.4%	0.0%
Bhramin	0.0%	1.9%
Thakuri	0.0%	1.0%
Chamar	0.5%	0.0%
Musahar	0.0%	1.0%
Garti Bhujel	0.5%	0.0%
Chepang/Praja	0.0%	1.0%
Kushawaha	0.5%	0.0%
Source: Nepal Sending Areas Family Survey (April-June 2011)		

Table 42: Household Size by Type of Family		
	Sending	Non-Sending
n=	209	105
<= 5 family members	23.0%	41.9%
6 – 7 family members	39.2%	37.1%
8 – 9 family members	28.7%	15.2%
>=10 family members	9.1%	5.7%
Median total members	7.0	6.0
Median number of adults	3.0	2.0
Median number of children	4.0	3.0
Source: Nepal Sending Areas Family Survey (April-June 2011)		

Table 43: Demographic Characteristics of Children by Type of Family and Child Labor Migration Status				
	Sending		Non-Sending	
	Ever Migrated	Never Migrated	Ever Migrated	Never Migrated
n=	274	418	19	281
% Male	50.4%	51.2%	78.9%	48.0%
Median current age	16.0	10.0	16.0	11.0
Median age when first migrated	13.0	-	15.0	-
Source: Nepal Sending Areas Family Survey (April-June 2011) Base: Children (5-17) Identified in Family Survey.				

Table 44: Demographic Characteristics of Children by Type of Family and Child Labor Migration Status				
	Sending		Non-Sending	
	Ever Migrated	Never Migrated	Ever Migrated	Never Migrated
n=	274	418	19	281
% Male	50.4%	51.2%	78.9%	48.0%
Median current age	16.0	10.0	16.0	11.0
Median age when first migrated	13.0	-	15.0	-
Source: Nepal Sending Areas Family Survey (April-June 2011) Base: Children (5-17) Identified in Family Survey.				

Table 45: Birth Order of Children by Type of Family and Child Migration Status				
	Sending		Non-Sending	
	Ever Migrated	Never Migrated	Ever Migrated	Never Migrated
n=	274	418	19	281
1st born	70.1%	3.1%	68.4%	31.7%
2nd born	23.7%	29.9%	21.1%	31.0%
3rd born	5.8%	32.5%	10.5%	21.4%
4th born or later	0.4%	34.4%	0.0%	16.0%
Median Rank	1	3	1	2
Source: Nepal Sending Areas Family Survey (April-June 2011) Base: Children (5-17) Identified in Family Survey.				

Table 46: Children's Family History of Migration by Type of Family and Child Migration Status				
	Sending		Non-Sending	
	Ever Migrated	Never Migrated	Ever Migrated	Never Migrated
n=	274	418	19	281
Family Members Migrated Earlier	66.8%	69.1%	73.7%	18.5%
First Migration Episode in the Family	33.2%	30.9%	26.3%	49.1%
No History of Family Migration	0.0%	0.0%	0.0%	32.4%
Source: Nepal Sending Areas Family Survey (April-June 2011) Base: Children (5-17) Identified in Family Survey.				

Table 47: Current Location of Family Members who Migrated to Work Before Child by Type of Family and Child Migration Status				
	Sending		Non-Sending	
	Ever Migrated	Never Migrated	Ever Migrated	Never Migrated
n=	403	860	28	120
Country				
Nepal	89.3%	91.2%	92.9%	88.3%
Malaysia	3.5%	2.6%	3.6%	5.8%
India	3.0%	2.1%	0.0%	0.0%
Saudi Arab	2.2%	2.0%	0.0%	0.0%
Qatar	0.5%	0.3%	3.6%	2.5%
Kuwait	0.5%	0.7%	0.0%	0.0%
Dubai	0.5%	0.6%	0.0%	0.0%
Lebanon	0.2%	0.2%	0.0%	3.3%
Oman	0.2%	0.3%	0.0%	0.0%

Table 47: Current Location of Family Members who Migrated to Work Before Child by Type of Family and Child Migration Status				
	Sending		Non-Sending	
	Ever Migrated	Never Migrated	Ever Migrated	Never Migrated
District (if within Nepal)				
Kathmandu	50.9%	62.9%	35.7%	30.0%
Makwanpur	17.4%	13.3%	35.7%	30.0%
Sarlahi	11.4%	6.7%	0.0%	18.3%
Sindhuli	2.7%	1.7%	14.3%	6.7%
Bhaktpur	2.5%	3.3%	0.0%	0.0%
Lalitpur	2.7%	1.5%	0.0%	0.0%
Chitwan	0.7%	0.5%	3.6%	0.8%
Mahotari	0.5%	0.3%	0.0%	0.0%
Dhanusha	0.0%	0.0%	3.6%	2.5%
Siraha	0.2%	0.2%	0.0%	0.0%
Baglung	0.2%	0.2%	0.0%	0.0%
Rupandehi	0.0%	0.3%	0.0%	0.0%
Kaski	0.0%	0.1%	0.0%	0.0%

Source: Nepal Sending Areas Family Survey (April-June 2011)

Base: Family Members of Children (5-17) that Migrated to Work before Child.

Note: 1 case missing data on current location.

Table 48: Occupation of Family Members who Migrated to Work by Type of Family and Child Migration Status				
	Sending		Non-Sending	
	Ever Migrated	Never Migrated	Ever Migrated	Never Migrated
n=	404	862	28	120
Work in KTM-Carpet factories	46.5%	60.8%	0.0%	3.3%
Other Work	48.8%	35.5%	96.4%	91.7%
DK/NR	4.7%	3.7%	3.6%	5.0%

Source: Nepal Sending Areas Family Survey (April-June 2011)

Base: Family Members of Children (5-17) that Migrated to Work before Child.

Table 49: Household Assets by Type of Family		
	Sending	**Non-Sending**
n=	209	105
% Own any livestock	93.8%	99.0%
Median number of cows	1.0	0.0
Median number of buffalos	0.0	0.0
Median number of bull/oxen	2.0	2.0
Median number of goats	3.0	5.0
Median number of chickens	7.0	9.0
Median number of ducks	0.0	0.0
Median number of sheep	0.0	0.0
Median number of pigs	0.0	0.0
Median number of horses	0.0	0.0
Median number of donkeys	0.0	0.0
Median number of mules	0.0	0.0
% Own (cultivate) any land	91.4%	92.4%
Median Extension of Agricultural Land Owned (m^2)	0.0	1,693.2
Median Extension of Tenancy Land Cultivated (m^2)	0.0	0.0
Median Extension of Government Land Cultivated (m^2)	1,693.2	677.3
Median Extension of Total Land (m^2)	3,386.3	4,063.6
Food sufficiency (Median Number of Months per Year Can Feed Family From Own Crops)	6	10
Source: Nepal Sending Areas Family Survey (April-June 2011)		

Table 50: Household Debt by Type of Family		
	Sending	**Non-Sending**
n=	209	105
Is there anybody in this household who has acquired any debt whether to purchase food, items for personal use, to buy a home/land, to expand or maintain a business, or to conduct a ceremony? (% "Yes")	58.4%	43.8%
n=	121	46
Median amount owed (Nepali Rs.) [1]	16,000	20,000
Source: Nepal Sending Areas Family Survey (April-June 2011) [1]Base: Households that have acquired any debt.		

Table 51: Reasons for Acquiring Debt by Type of Family		
	Sending	**Non-Sending**
n=	122	46
To buy food	29.5%	15.2%
Purchase house or to expand or improve existing house	11.5%	15.2%
Purchase of land	0.8%	2.2%
To expand family business	4.9%	13.0%
To celebrate festival, wedding, or funeral of family member	12.3%	8.7%
To pay off another debt	1.6%	4.3%
To go abroad (foreign employment)	14.8%	19.6%
To buy cattle	7.4%	8.7%
For medical treatment	14.8%	8.7%
Other	2.5%	4.3%
Source: Nepal Sending Areas Family Survey (April-June 2011) Base: Households that have acquired any debt.		

Table 52: Difficulties Paying Off Debt Back Debt by Type of Family		
	Sending	**Non-Sending**
n=	122	46
"In the past 12 months has your household had any difficulty paying off debt?" (%"Yes") [1]	64.8%	52.2%
n=	79	24
"What made it difficult to pay off debt?" [2]		
Lost Job/Left job	1.3%	4.2%
Household member was injured or sick and couldn't work	38.0%	8.3%
Agricultural production lower than expected	44.3%	50.0%
Death in Family	2.5%	4.2%
Unexpected expenses	19.0%	12.5%
Lower than expected income from enterprise	11.4%	16.7%
Lower Income	7.6%	8.3%
Source: Nepal Sending Areas Family Survey (April-June 2011) Note: Multiple response items. Total may not add up to 100%. [1]Base: Households that have acquired any debt. [2]Base: Households that have acquired any debt and had any difficulty paying off debt in the past 12 months.		

Table 53: Consequences of Non-payment by Type of Family		
"What are the consequences if you are unable to make your payments?"	**Sending**	**Non-Sending**
n=	79	24
Accumulate fees/debt	82.3%	79.2%
Loss of land	15.2%	16.7%
Loss of house	1.3%	8.3%
Higher interest rate	58.2%	50.0%
Loss of business assets/money	1.3%	4.2%
Threats from creditor	2.5%	0.0%

Source: Nepal Sending Areas Family Survey (April-June 2011)

Note: Multiple response items. Total may not add up to 100%.

Base: Households that have acquired any debt and had any difficulty paying off debt in the past 12 months.

Table 54: Education Level of Adult Members by Type of Family		
	Sending	**Non-Sending**
"What is the highest level passed?" (Head of Household)		
n=	209	105
Never Attended School[1]	75.1%	57.1%
Primary Incomplete[2]	19.6%	26.7%
Primary Complete[3]	2.4%	4.8%
Secondary Incomplete	2.4%	6.7%
Secondary Complete[4]	0.0%	2.9%
Higher	0.0%	1.9%
DK/NR	0.5%	0.0%
Median Grade Passed	0	0
"What is the highest level passed?" (Other Adult Members)		
n=	426	198
Never Attended School[1]	67.4%	58.6%
Primary Incomplete[2]	18.1%	17.7%
Primary Complete[3]	5.9%	6.6%
Secondary Incomplete	6.8%	11.6%
Secondary Complete[4]	0.7%	3.5%
Higher	0.5%	1.5%
DK/NR	0.7%	0.5%
Median Grade Passed	0	0

Source: Nepal Sending Areas Family Survey (April-June 2011)

[1] Includes those who have never attended school and those in nursery/kindergarten

[2] Includes those who have completed 0-4 years of school and those in school-based pre-primary classes

[3] Completed grade 5 at the primary level

[4] School Leaving Certificate (SLC). Completed grade 10 grade at the secondary level

Table 55: Age-grade Delay of Children by Type of Family		
	Sending	**Non-Sending**
n=	316	241
Median Age-grade delay	3	2
Source: Nepal Sending Areas Family Survey (April-June 2011) Base: Children identified in Nepal Sending Areas Family Survey who are currently attending school.		

Table 56: Reasons for Stopping/Never Attending School by Type of Family		
	Sending	**Non-Sending**
n=	376	59
Not interested in school	54.5%	50.8%
Cannot afford schooling	27.7%	10.2%
School is too far	8.0%	28.8%
In order to work	8.0%	1.7%
Too young for school	3.7%	15.3%
Taking care of animals	5.3%	3.4%
Helping at home with other household chores	5.1%	1.7%
Poor performance in school	2.7%	6.8%
Family-related, health or other problem	2.4%	3.4%
Other	2.1%	0.0%
Due to friends	1.6%	1.7%
Attendance not regular	1.3%	1.7%
Death in family	1.6%	0.0%
Illness, injury, and/or disability	0.8%	3.4%
Marriage	0.5%	3.4%
Taking care of children in household	0.3%	1.7%
Taking care of sick household members	0.5%	0.0%
Pregnancy/had a child	0.3%	0.0%
DK/NR	0.5%	0.0%
Source: Nepal Sending Areas Family Survey (April-June 2011) Base: Children identified in Nepal Sending Areas Family Survey who are currently attending school. Note: Multiple response items. Totals may not add-up to 100%.		

Table 57: Time in Current Job (Labor Migrants) by Industry and Age Group				
	Carpet Industry		Other Industry	
	Child (5-17)	Adult (18 and older)	Child (5-17)	Adult (18 and older)
n=	250	81	37	203
Median Number of Years	1.0	6.0	1.0	10.0
Source: Nepal Sending Areas Family Survey (April-June 2011) Base: Family members who migrated to work.				

Table 58: Reason for Migration to Carpet Industry by Age Group		
	Child (5-17)	Adult (18 and older)
"Why did _____ migrate to work in the carpet industry?" [1]		
n=	250	87
To supplement family income	73.6%	87.4%
To pay personal expenses, food, clothing,	7.2%	1.1%
To learn skills	3.6%	0.0%
To pay outstanding family debt	1.2%	3.4%
To be with other family member	1.2%	3.4%
To elope	2.4%	0.0%
Cannot afford school fees	0.4%	0.0%
Other	10.0%	4.6%
DK/NR	0.4%	0.0%
Source: Nepal Sending Areas Family Survey (April-June 2011) [1]Base: Sending family members who migrated to work in the carpet industry.		

Table 59: Decision to Migrate to Carpet Industry by Age Group		
	Child (5-17)	Adult (18 and older)
"Who made the decision that____would go to work in the carpet industry?" [1]		
n=	250	87
Migrant	51.2%	57.5%
Father	25.6%	21.8%
Mother	14.0%	9.2%
Other relative	5.2%	6.9%
Employer	2.0%	1.1%
Friend	2.0%	0.0%
DK/Refused	0.0%	3.4%
(If migrant's decision only) "Did the family support ____'s decision to move?" [2]		
n=	128	50
Yes	55.5%	76.0%
No	45.5%	24.0%
Source: Nepal Sending Areas Family Survey (April-June 2011) [1]Base: Sending family members who migrated to work in the carpet industry. [2]Base: Sending family members who migrated to work in the carpet industry and solely made the decision to migrate to the carpet industry.		

Table 60: Compensation in Exchange for Move by Age Group		
	Child (5-17)	**Adult (18 and older)**
"Did anyone receive anything in exchange for ____migrating to work in the carpet industry?"[1]		
n=	250	87
Yes	26.0%	12.6%
No	73.6%	80.5%
DK/Refused	0.4%	6.9%
"If yes, how much?"		
n=	65	11
Median Amount (Nepali Rs.)	3,000	2,000

Source: Nepal Sending Areas Family Survey (April-June 2011)

[1] Base: Sending family members who migrated to work in the carpet industry.

[2] Base: Sending family members who migrated to work in the carpet industry in exchange for some benefit.

Table 61: Remittances by Age Group		
	Child (5-17)	**Adult (18 and older)**
"Did ____ send any money to a family member in the last 12 months?"[1]		
n=	250	87
Yes	50.8%	51.7%
No	49.2%	48.3%
"How much did ____ send in the last 12 months?"		
n=	127	45
Median Amount (Nepali Rs.)	4,000	4,000

Source: Nepal Sending Areas Family Survey (April-June 2011)

[1] Base: Sending family members who migrated to work in the carpet industry.

[2] Base: Sending family members who migrated to work in the carpet industry and sent money in the last 12 months.