‘ONLY A FEW CAN AFFORD TO GO TO KOREA’

The costs of Nepali migration to South Korea
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Jeevan Baniya, Sadikshya Bhattarai, Arjun Kharel, Nilima Rai & Dogendra Tumsa
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ABSTRACT

South Korea has emerged as a preferred work destination for Nepali migrants in recent years. However, there is a clear dearth of studies on the issues of Nepali workers’ migration to South Korea. In this context, this study was conducted to understand South Korea-bound migrant workers’ socio-economic characteristics, aspirations, preferred sector of work, experiences with the Korean language test, and pre-migration related costs. The paper is based mainly on a survey with 402 students enrolled in 16 Korean language-training institutes in Nepal and supplemented by interviews with some key informants and survey participants. The findings show that migrants aspiring to go to South Korea generally come from wealthier households and have higher education qualifications. Most aspirant migrants choose South Korea because of the higher wages compared to other popular destinations for Nepali migrant workers. Other reasons included the perceived low cost of migration and safe working environment in the destination. Yet, the study found that prospective migrants spend a large amount of money to finance their pre-migration phase, including language preparation classes, living expenses, and other related costs. Most prospective migrants depend on their family while some take loans to cover these costs. The magnitude of financial investments necessary for migration to South Korea calls for actions to minimise or eliminate these additional costs borne by migrant workers to make the migration experience positive and beneficial for the migrants, their families, and the nation.
1. BACKGROUND

Labour migration has become a predominant feature in many Nepali households. Lack of (decent) employment opportunities at home, increasing income gap, and the prospect of higher wages abroad have motivated Nepalis to migrate for employment. Historically, India has been the major country of destination for Nepali migrant workers. The formalisation of labour migration after the enactment of the Foreign Employment Act 1985, however, allowed Nepalis to explore and migrate to countries other than India such as the Gulf Cooperation Council (GCC) countries, Southeast Asia, Europe and beyond for employment. In terms of numbers, Nepali migrant workers have tended to be concentrated mainly in India, the GCC countries and Malaysia, but the last decade and a half has seen an increasing number of Nepali migrating to newer destinations such as the Republic of Korea (‘South Korea’ hereafter) and Japan as well as countries in Central and Eastern Europe (Albania, Croatia, Poland and Romania) and Cyprus and Turkey in West Asia (MoLESS 2022).

Drivers of Migration

Migration results from the interaction of macro-, meso- and micro-factors—social, economic, political, demographic and environmental—working together with actors and institutions in governance or otherwise and is influenced by individual as well as household characteristic such as gender and ethnicity (Van Hear, Bakewell and Long 2017; Carling and Schewel 2017). Early research on migration in Nepal analysed the decision to migrate using a push-and-pull lens, which showed economic factors to be the main driver propelling individuals to migrate. More recently though it has been demonstrated that migration is a complex phenomenon, whereby the decision to migrate involves a ‘complex interplay of household capabilities (i.e., composition, education levels, social networks), assets, aspirations and external factors such as increased climate variability, livelihood opportunities and access to towns and cities’ (Maharjan et al 2020, 3).

De Haas (2021) conceptualises migration as a function of ‘people’s capabilities and aspirations to migrate within given sets of perceived geographical opportunity structures’. Within this backdrop, he distinguished two dimensions to the aspiration to migrate: instrumental and intrinsic. There is growing understanding that migration serves as a means to achieve other ends such as increased income or access to better health care and education, among others, i.e., the instrumental dimension. That aspect itself is further reinforced by the intrinsic aspiration, namely, an individual’s desire to experience

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1 The GCC countries are Qatar, Saudi Arabia, the United Arab Emirates, Bahrain, Oman and Kuwait.
something new or achieve the social status or recognition that comes from being able to earn and provide for the family.

Studies in Nepal have also highlighted that the financial condition of the individual and the household and the prospect of better income abroad have driven most of the migration from Nepal (Sijapati et al. 2017; Binayak and Rosenbaum 2017; Ghimire and Samuels 2020). Other drivers of migration include internal conflict and the concurrent increasing demand from the destination countries (Williams and Pradhan 2008; Shrestha 2017a) and the impact of environmental/climate change (Gautam 2017; Maharjan et al. 2021; Bautdinova 2022). A few studies on the migration of Nepali women for employment has also found gender-based violence (GBV) to be a major cause of female migration for employment abroad (UN Women 2019; Kharel and Gurung 2022).

Among the factors that influence an individual’s decision to migrate is also the social network. An increasing body of literature has documented the role of social networks and ties in influencing or supporting an individual’s decision to migrate. Social networks play a crucial role in a migrant’s journey to new destinations, particularly by providing information to aspirant migrants, for example, about jobs, country of destination, etc (Munshi 2003; Dustmann 2016), and also by providing financial and emotional support prior to and after migration (Munshi 2014; Camola & Mendola 2015). There is also research that assesses the role of social networks in the choice of and access to information on the destination country with regard to Nepalis migrating to Japan (Kharel 2016; Yamanaka 2021), India (Thieme 2006; Bashyal 2020), and the GCC countries and beyond (Sijapati et al. 2015; Bhattarai, Baniya and Tumsa 2022a; Bhattarai et al. 2022b). Social networks further help Nepali households in accessing capital to finance the migration of their household member abroad (Hatlebakk 2010). This paper explores the characteristics of migrants seeking to go to South Korea, what their aspirations are, the role of social networks in facilitating their migration and the costs involved.

**Migration to South Korea**

The first attempt by the government of South Korea to systematically bring in foreign workers began with the introduction of the Overseas Investment Firm Industrial Trainee System (OITS) in 1991, allowing foreign workers employed at South Korean firms abroad to be invited as trainees and provided skill training (Roh 2014). This system was expanded in 1993 as the Organisation Recommended Industrial Trainee System (ORITS) to include small- and medium-sized manufacturing companies as well (Park and Kim 2016). The purpose of both OITS and ORITS was to address the issue of labour shortage and rising labour costs faced by smaller firms and to systematise the inflow of foreign workers. Both systems allowed the government and employers to bring in cheap labourers as ‘trainees’, with the flexibility to fire them at will (Lee 2003). In neither case were trainees considered regular workers and thus not warranted labour rights and social protection. Following
Figure 1: EPS in Figures

Note: TOPIK was not conducted in 2009 and 2012, and due to the Covid-19 pandemic, neither was it in 2020 and 2021.

Source: MoLESS (2022)
Figure 2: Migration Process under EPS

- **Government of South Korea** issues quotas for the number of migrant workers for each sector to be hired in a particular year from the 15 countries.

- **Governments of countries of origin (CoOs)** start application process for aspirant migrant workers.

- **Governments of CoOs** select competent job-seekers based on objective standards of qualification such as EPS-TOPIK score and result of skills tests. Human Resources Development Service of Korea (HRD Korea) approves job-seekers’ roster* submitted by CoOs.

- **Employers** select workers from the job-seekers’ roster and the Ministry of Employment and Labour (MoEL) of South Korea issues the Employment Permit.

- **Employers** sign the Standard Labour Contract with selected foreign workers and apply for Certificate for Confirmation of Visa Issuance (CCVI).

- **Employers** send CCVIs to sending countries.

- **Foreign workers** apply for a work visa (E-9) at the Embassy of the Republic of Korea, and enter South Korea after the issuance of their visas.

- **Foreign workers** complete Employment Training (minimum 20 hours) after their entry into South Korea.

- **Workers begin working with the employer.**

* See Box 1 below on the roster.


Criticisms from human rights groups, the South Korean government passed the Act on Foreign Workers’ Employment, Etc. [sic] in 2003 in order to improve the governance of labour migration in the country, leading to the introduction of the Employment Permit System (EPS) a year later (Park and Kim 2014). As part of this process, South Korea signed memorandums of understanding (MoUs) with 15 countries: (listed in the order the MoUs were signed) the Philippines, Sri Lanka, Vietnam, Thailand, Uzbekistan, Pakistan, Indonesia, Cambodia, China, Bangladesh, Kyrgyzstan, Nepal, Myanmar and East Timor.

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South Korea has been one of the most highly sought-after destinations for Nepali migrants for some years now. The recruitment of Nepalis (along with other nationals) to work in the country as cheap labourers has been going on since the 1990s (Seo and Skelton 2016). In fact, that there was a fairly substantial number of Nepalis working in South Korea as early as the 1990s is clear from the fact that 5,036 undocumented Nepali workers applied for the government amnesty granted to such workers in 1992 (Park 1994).

After Nepal signed up to the EPS in 2007 (Government of Nepal and Republic of Korea 2007), the migration of Nepali workers to South Korea has been taking place mainly under its auspices. Since 2008, when the first EPS cohort of the year left, and mid-November 2022, a total of 79,921 Nepalis (74,498 men and 5,423 women) had migrated to South Korea to work under the EPS (Figure 1). The high interest among Nepali workers to go to South Korea is also evident from the gradual increase in the number of potential migrants who have been registering for the mandatory Test of Proficiency in Korean (TOPIK)—up from 31,525 in 2008 to 92,356 in 2019 (MoLESS 2022).³

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³ Even though Nepalis started migrating to South Korea under the EPS only in 2008 Nepal features among the top five countries of origin in the years between 2004 and 2015 (Cho et al 2018).

⁴ Individuals between the ages of 18 and 39 years with no criminal record consisting of imprisonment, no past record of deportation from South Korea, and not subject to a travel ban in their home country is eligible to apply for the TOPIK. Due to the Covid-19 pandemic, TOPIK exams were not conducted in 2020 and 2021. There was also a decline in total number of Nepalis who registered for TOPIK exam in 2022 to 44,833 compared to 2019.
2. RATIONALE FOR THE STUDY

Labour migration has benefitted Nepal’s migrant-sending households immensely while also contributing significantly in the country’s economic and socio-political changes, including poverty reduction, over the past decade and more (Sijapati et al, 2017). But the cost of labour migration has remained high. Issues such as mortality and morbidity of migrants, the burden of high recruitment costs, deception in the migration process, indebtedness, lack of access to justice and services both in Nepal and in the destination countries, workplace abuse, forced labour and trafficking are some of the challenges associated with migration (Paoletti et al 2014; Vital Signs 2022; Equidem 2022; Bhattarai et al 2022a, 2022b; Baniya and Bhattarai 2022).

In recent decades, and particularly the last few years, there have been attempts to introduce and implement plans and strategies to ensure safe, fair, managed, and beneficial migration. Following global and regional trends, Nepal has also prioritized a reduction in migration-related costs, especially those borne by workers. However, most of these concerns and discussions have been focused on the migration of low-skilled Nepalis to the GCC countries and Malaysia (Amnesty International 2011, 2017; Sijapati et al, 2017, 2019; International Labour Organization, 2016). It has been 15 years since Nepalis began migrating to South Korea under the EPS. Yet, labour migration to South Korea has not been discussed much in Nepal.

The financial returns from Nepali labour migration to South Korea has grown rapidly at the aggregate level. Taking the last known figure, over a period of just three years—2014/15 to 2017/18—remittances from South Korea increased from USD 20 million to USD 190 million (MoLESS 2020), equivalent to 0.3 per cent and 2.5 per cent of total remittance inflow into Nepal in those years. Despite the growing importance of labour migration to South Korea, there is a striking dearth of research on Nepali workers either already there or on those seeking to migrate to South Korea. What exists limits its focus to specific issues, such as marriage migration (Kim & Dios 2017), the working condition of Nepali migrant workers in South Korea including the exploitation and labour rights violations they are facing (Yamanaka 2021) or deals with Nepalis only in the context of migrant workers in South Korea in general (Simkhada et al 2017). There is also very little knowledge on the potential migrants’ reasons for migration, the processes they follow, the means they employ to finance the costs of language tests and other associated expenses, their aspirations and plans, their perceptions and experience of the migration process under the EPS, and the conditions under which they seek to migrate.

The EPS is considered among the best possible recruitment practices and in Nepal
migration to South Korea is viewed as very attractive (Cho et al 2018; Giri 2018). That perception though is based more on anecdotes and hearsay and not substantiated by any evidence. For it is equally important to understand the economic and social costs associated with migration to South Korea. This is not only because South Korea features among the countries of destination with a very high rate of suicides among Nepali migrant workers (Rai, Kharel and Thapa 2019; Seoul Shinmun 2019; MoLESS 2020, 2022). Yamanaka (2021) found that Nepali migrant workers in South Korea are engaged in ‘dirty, difficult and dangerous’ occupations and exposed to various risks associate with their occupational safety and health. Very little is also known about the pre-migration costs associated EPS except for the USD 970 prescribed by the government of Nepal. The reality can be quite different. For comparison’s sake, a study in Vietnam among EPS migrants revealed a complex recruitment process and high pre-departure cost, with long-term implications on migrant workers, including indebtedness (Ishizuka 2013). Weeraratne (2018) found that it cost an aspirant migrant worker from Sri Lanka USD 1,736–2,777 to go for employment in South Korea, of which USD 814 went to the Sri Lanka Bureau of Foreign Employment (SLBFE) for a one-way airfare and fees related to registration, processing and welfare fund.

In this context, the Centre for the Study of Labour and Mobility (CESLAM) at Social Science Baha undertook a study in order to understand the social and economic backgrounds of Nepalis planning to migrate under the EPS, their reasons for opting to go to South Korea, the job preferences they have, and the costs they have to bear to finance their migration, including studying the Korean language and taking the TOPIK. It is expected that the study will inform future government planning and policy-making of relevant agencies in improving labour migration from Nepal.

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5 Of the 102 deaths of Nepali migrant workers reported between 2008/09 and 2017/18 in South Korea, 37 per cent was due to suicide (Rai, Kharel and Thapa 2019). More recent figures show that proportion holding constant, at 36 per cent, between 2019/20 and 2021/22 (MoLESS 2022).

6 This prescribed cost was for 2020. This cost included TOPIK exam registration fee, service charge, one-way air fare, fees for pre-departure orientation, health check-up and Certificate for Confirmation of Visa Issuance (CCVI), contribution to Foreign Employment Welfare Fund, etc. At present, there has been increase in some of the costs. For instance, the air-fare has increased from USD 395 to USD 895, TOPIK Exam registration fee from USD 24 to USD 30 and migrant workers are required to pay an additional NPR 2002 (ca. USD 18) as contribution to Social Security Fund.
3. METHODOLOGY

This paper is based on a larger study, ‘Migrating to South Korea for Employment: Experience, Aspiration and Perception of Nepali Youths’, being carried out by CESLAM. Presented here are the results from the first phase of data collection conducted in April-May of 2019, consisting of a survey and interviews with students from 16 Korean language-training institutes in the Kathmandu Valley and followed up with interviews with some key informants.

These Korean language institutes were selected through a step-wise process. First, all the language institutes registered in Kathmandu, Bhaktapur and Lalitpur districts were identified from a list of over 6,000 companies recorded under the education sector with the Office of the Company Registrar, Ministry of Industry, Commerce and Supplies. Next, the websites of these companies were examined to determine if they were functioning or not and phone numbers accordingly updated. Researchers from CESLAM then contacted all such companies by phone and confirmed if they offered Korean language classes. The researchers then visited all the listed companies and sought consent to interview their students either before or after classes as per their convenience.

Of the 52 institutes offering Korean language classes—46 in Kathmandu, five in Lalitpur and two in Bhaktapur—only 16 agreed to allow their students to be interviewed: 13 from Kathmandu, two from Lalitpur, and one from Bhaktapur. Since the language institutes did not provide lists of their students, purposive sampling method was applied to choose participants. The selection of participants was done to ensure representation of a diverse group of aspirant migrants in terms of caste/ethnicity, gender and geographical location. Since the number of women and those from certain caste/ethnic groups was very small in the institutes covered, there was low representation of some groups in the study sample.

The survey sample thus consisted of a total of 402 students enrolled in 16 Korean language-training institutes in the Kathmandu Valley. Seven semi-structured

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7 It is mandatory of an individual aspiring to work in South Korea under the EPS to undertake the Test of Proficiency in Korean (TOPIK). There are many Korean Language Institutes in Nepal that provides preparation class that teaches aspirant migrant workers to read, speak and write Korean. These institutes provide basic level Korean language class to advance level Korean language class. The classes typically start in June/July of the year and runs till few days before the TOPIK exam. In 2019, the exam was on 8 and 9 June for 2019.

8 It was found that many institutes used their auditor’s, lawyer’s or charter accountant’s phone numbers as their contact number.
interviews were further conducted with survey participants for more in-depth information. The selection of interviewees was based on the preliminary information received during the survey. Five interviews were also conducted with key informants, consisting of instructors or proprietors of language training institutes, and officials from the EPS Korea Section, Department of Foreign Employment (DoFE) at the Ministry of Labour, Employment and Social Security (MoLESS).
4. FINDINGS

Most aspirants are young single males of certain castes/ethnicities

Consistent with the gendered pattern of migration for employment from Nepal, those seeking to migrate to South Korea are also predominantly male (Ministry of Labour, Employment and Social Security 2020; 2022). In the study sample as well 81 per cent of the respondents were male. Interviews with instructors and proprietors of the institute also confirmed that the number of female students in Korean language classes has always been much lower than that of males. Although the study did not fully probe into the reasons for the lower female enrolment in Korean language courses, a few research participants in both semi-structured interviews and key informant interviews reported that lack of support from families as well as the physically demanding nature of work in South Korea could be contributory factors.

Two-thirds of the participants (77 per cent) were unmarried. In terms of caste/ethnicity, Hill Janajatis and Hill Castes made up over 90 per cent of the aspirant migrants in the study.9

A full 80 per cent of the participants enrolled in Korean language classes were between the ages of 18 and 27—52 per cent between 18 and 22 years and 32 per cent between 23 and 27 years. Among the rest, the age group 28–32 made up 12 per cent, and 33–37, 4 per cent. The youthfulness among the participants can be attributed to the high unemployment rate among this age group in Nepal (discussed further in the sections to follow).10 It should also be noted that only individuals between the age of 18 and 39 are eligible to apply for the EPS.

In terms of provincial distribution, the highest proportion of participants were from Koshi (28 per cent) followed by Bagmati (27 per cent), Sudurpashchim (18.4 per cent), Lumbini (8.7) and Karnali (8.7 per cent). Madhesh (5.7 per cent) and Gandaki (3 per cent) accounted for the lowest proportion. The low numbers from Gandaki can be attributed to the existence of Korean language institutes and TOPIK centres in Pokhara, the provincial capital.11 As for Madhesh, it was likely that since most migrant workers from this province tend to migrate to Malaysia, the GCC countries, and India,12 and this could have led to

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9 The categorisation of caste and ethnic groups used in this study follows Pitamber Sharma, *Some Aspects of Nepal’s Social Demography: Census 2011 Update* (Kathmandu: Social Science Baha and Himal Books, 2014).

10 According to NLFS 2017/18, 69.1 percent of the unemployed population were between the ages of 15–34 years (38.1 percent were between the age group of 15–24 years).

11 There are Korean language institutes in urban centres other than Kathmandu Valley and Pokhara but only Kathmandu Valley and Pokhara have TOPIK centres.

12 The NLFS 2017/18 data shows that 44 per cent of migrant workers went to GCC countries, 29 per cent
weak social and migration networks with those already in South Korea. The high financial cost could also account for the low number of Korean language students from Madhesh Province in Kathmandu given that Madhesh compares unfavourably compared to the other provinces in two major indices used to calculate poverty in general.\(^{13}\) To underscore that point, a male aspirant migrant worker from Madhesh said:

Most of the people from the Tarai [referring to Madhesh province] go to the Gulf countries and India for work. They could have gone to [South] Korea for work, but they cannot afford to come here [Kathmandu] to prepare for the Korean language [test]. People are poor and it takes a lot of money to stay and prepare for the language test. There are no such institutes in the major cities of Tarai like Janakpur [the capital of Province 2]. Therefore, most of them choose to go to the Gulf countries. Only a few who can afford it will come here and try to go to Korea. For me, I work at a relative’s bakery here due to which I can cover my expenses.

**Aspirants have higher level of education and are richer**

The survey data suggests that most individuals seeking to migrate to South Korea for employment have SLC/SEE or higher levels of education. A quarter of the sampled population (26 per cent) had completed secondary school (SLC/SEE), a majority (59 per cent) had completed higher secondary education (Grade 12), and nearly 10 per cent had at least a basic college degree (bachelor’s). This pattern was identical among males and females and is consistent with national surveys that show that most migrants to countries like South Korea and Japan have better educational credentials (unlike migrants to the Gulf countries and Malaysia among whom those with SLC/SEE or lower education made up more than half that population\(^{14}\)).

Among the participants who agreed to report their family’s annual income, just over half (58 per cent) stated that the annual family income was over NPR 100,000 (ca. USD 900) (Figure 3). The data suggests that households with comparatively better economic status are likely to be able to afford the time and resources for their members’ aspiration to Malaysia and 20 per cent to India and only 0.2 per cent of migrant workers from Province 2 went to South Korea compared to other countries.


\(^{14}\) Baniya et al (2020).
to migrate to South Korea. This is in line with the only large-scale study on migration in Nepal which showed that the probability of migration to developed countries increases with household wealth (World Bank 2011).

**Most aspirant migrants are unemployed**

The Nepal Labour Force Survey of 2017/18 had reported that a significantly higher proportion of individuals among the unemployed population in Nepal were younger adults: 38 per cent of the unemployed population was between the ages of 15 and 24 and a further 31 per cent were in the age group 25–34 years (CBS 2019). In this study as well, over two-thirds (69 per cent) of the survey participants were unemployed while 16 per cent were students. Only another 16 per cent were employed. Among those who reported being employed, 90 per cent had a monthly income of NPR 30,000 (ca. USD 270) or less. This fact once again highlights the importance of migration as a livelihood strategy for Nepali youths due to lack of well-paying employment opportunities back home.

**Household economics a major motivation for migration**

Although survey participants mentioned multiple reasons for their wanting to migrate to South Korea, the potential for higher earnings there than in other major labour destinations was reported by a large majority of survey participants as the main one (Figure 4). It is usually a combination of multiple factors, rather than a single one, motivating workers to look for migration to South Korea for employment. This becomes clear in the words of a female respondent.
I am from Nuwakot. These days I live in Kathmandu and am running a beauty parlour in Lazimpat with two other staff. I earn around 30,000 rupees a month, but that is not enough. Therefore, I want to go to [South] Korea so that I can earn more and invest once I return. Another reason for choosing Korea for work is that it is comparatively safer for women or there will be no risk for women than in other countries like GCC [countries] and Malaysia. I have heard that the societal perception of women is different in Korea.

A male participant said:

A friend who was working with me in India, he came back to study [Korean language] in 2072 [Bikram Sambat, the Nepali calendar, i.e., 2015-16] and was able to pass in the first try itself. He was the one who suggested to me to study the Korean language... There are many household related stuff like it’s time for my marriage, how to manage sister’s education, that is causing stress. So, there is this hope that if I could go to Korea, then it will be good.

Social networks crucial in migration process
More than half of the survey participants reported having some knowledge of the overall process of migration to South Korea while 17 per cent admitted they were not aware of the entire process (Figure 5). Most of the participants, who did not know about the other stages of EPS except TOPIK, said that they wanted to pass TOPIK first and only then think about what came next.
Most of the aspirant migrants had obtained information on labour migration to South Korea through informal networks of family, friends, relatives, neighbours and the returnee migrants. Only 5 per cent had relied on newspapers and an even smaller 2 per cent from Korean language institutes.

Figure 5: Awareness about Overall EPS Process

Figure 6: Source of Information on Working in South Korea
Noticeable gender difference in job sector preference

The survey found that manufacturing and construction was the preferred sector of employment for potential male migrants (81 per cent) while agriculture was preferred by females (67 per cent). As mentioned by some research participants, preference for manufacturing/construction jobs was determined mainly by the high demand of workers in these sectors as also the possibility of quick migration and higher income due to the possibility of overtime work unlike in the agriculture sector. The participants estimated the average monthly salary for jobs in the manufacturing/construction sector to be about 25 per cent higher than the agricultural sector jobs. Those applying for manufacturing sector (n=262) said that they were likely to earn on an average NPR 196,637 (ca. USD 1800) per month while those applying for the agriculture sector (n=100) expected an average monthly salary of NPR 156,580 (ca. USD 1400).

During the surveys and semi-structured interviews, there were female participants who said their preference for the agriculture sector was because they were advised thus by their language instructors and their peers at language institutes to avoid the manufacturing sector as it required long hours of work and dealing with heavy machines, female workers were preferred to males in agriculture, that sector would be less competitive, and women would have higher chances of being recruited. As one female aspirant migrant worker said:

I have applied for agriculture. Some Korean [teacher] also visited the school where my daughter is studying. And the teacher suggested that I apply for agriculture and not to apply for the manufacturing sector as the work is extremely difficult.

Language institutes main place to learn the language

The Korean language institutes are where aspirant migrants learn the language. These institutes teach basic language courses for the first few months, followed by intermediate and advanced courses. The average duration for the complete course is six months. Almost all the participants in the study (87 per cent) were taking advanced-level courses, resulting from the fact that the survey was conducted close to the time of the TOPIK exam of 2019.

Besides enrolling in Korean language institutes, aspirant migrants also made use of multiple sources to learn the Korean language. These included YouTube tutorials (70 per cent), Korean books (44 per cent), Korean movies and programmes (32 per cent), and online courses (26 per cent). Some aspirant migrants also listened to Korean songs and used a mobile dictionary app to learn the language.

15 For 2020, the actual number of labour demand after clearing all the recruitment stages in the manufacturing/construction sector was 7050 and for the agricultural/livestock sector, 3000 (Himalayan News Service, 2019).
16 The minimum referral wages for South Korea was NPR 180,000 (ca. USD 1,610) in 2020.
Aspirants spend a lot for language preparation

Aspirant migrants were found to have invested heavily in language classes, both in terms of time and money. The cost also increased as many of them enrol in language classes more than once since they either had not succeeded in passing the language test or in migrating to South Korea in their first attempt. Those who passed the language test with lower grades were less likely to succeed in migrating since they would rank the lower among the passing candidates and the quota set for the year would be fulfilled before their turn came. Nearly 40 per cent of the participants in the study, i.e., 159, had taken language classes more than once; of this group, 98 per cent had already taken TOPIK in the past. Only 12 of the participants had actually passed the test earlier; two had already been to South Korea and returned while the remaining 10 were waiting for their labour contracts to arrive.

The students paid on average nearly NPR 17,000 (ca. USD 150) to the language institutes in fees although there were some who paid as much as NPR 100,000 (ca. USD 900) (Table 1). Those who paid more than the average amount reportedly took a ‘special

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18 Compared to workers from other countries under the EPS, together with those from Vietnam, Nepali migrant workers were reported to be more proficient in the Korean language than workers from Bangladesh, Cambodia, Indonesia and Thailand (Cho et al 2018).

19 Getting listed in the roster does not automatically mean one gets selected by an employer. The wait can be long and aspirant migrants may never get selected at all. Since the validity of the TOPIK score is only two years, one has to sit for the test again.
This group generally reported higher expenses as they paid anywhere from NPR 30,000 to NPR 130,000 (ca. USD 270 to 1,200) for such courses. Similarly, the average examination cost reported for TOPIK was just a little more than the prescribed USD 24 (ca. NPR 2700 in 2019), with the slightly higher cost due to additional fees charged by language institutes for services such as filling up test forms. Some participants were not aware how much they had paid as the exam fee since the language institutes would charge them a lumpsum for TOPIK, a figure that included a service charge. This indicates that even those with relatively higher levels of education tend to migrate being less than fully informed.

Table 1: Expenses Related to Language Preparation (in NPR)

<table>
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<tr>
<th>Categories</th>
<th>Number</th>
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<th>Average</th>
<th>Maximum</th>
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<td>1,000</td>
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<td>100,000</td>
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<tr>
<td>Language exam fee*</td>
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<td>2,000</td>
<td>2,816</td>
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<td>35,000</td>
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<tr>
<td>Transportation/fuel (per month)</td>
<td>244</td>
<td>200</td>
<td>1,395</td>
<td>7,000</td>
</tr>
<tr>
<td>Mobile/internet (per month)</td>
<td>352</td>
<td>50</td>
<td>924</td>
<td>6,500</td>
</tr>
<tr>
<td>Others</td>
<td>127</td>
<td>200</td>
<td>2,397</td>
<td>8,000</td>
</tr>
<tr>
<td>Additional preparatory activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extra class</td>
<td>4</td>
<td>5,000</td>
<td>13,250</td>
<td>30,000</td>
</tr>
<tr>
<td>Passport expenses</td>
<td>40</td>
<td>5,000</td>
<td>7,338</td>
<td>15,000</td>
</tr>
<tr>
<td>Mock tests</td>
<td>146</td>
<td>50</td>
<td>1,755</td>
<td>6,000</td>
</tr>
</tbody>
</table>

Note: Multiple responses. USD 1 = NPR 111.79 on 1 June 2019. ‘Foreign Exchange Rates,’ Nepal Rastra Bank.
* Some participants were not aware about how much they had paid as the exam fee since the language institutes would charge them a lumpsum for TOPIK that included a service charge.
† Only one participant reported to have paid NPR 6,000 for the service charge to fill the forms and other fees for printing photographs etc.

In actual fact, the total expense involved for TOPIK preparation was much higher for aspirant migrants since they had to stay away from their family and pay for housing and food separately. A majority of the participants (above 97 per cent) were from outside the Kathmandu Valley and beside taking language classes they were also there as students, working somewhere or running businesses (Table 2). Asked to estimate their total expenses from the beginning of the language classes until the day of their TOPIK, the participants

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20 According to interview participants and the language instructors, ‘special course’ refers to that course under which students were taught separately [sometimes, one language instructor was found to be assigned per student] and the students are charged higher as compared to the students of regular courses/classes.
reported spending from NPR 20,000 to as high as NPR 200,000 (ca. USD 180 to 1800). Some 30 per cent reported having spent between NPR 20,000 to 50,000 (ca. USD 180 to 450) while a plurality (39 per cent) had spent between NPR 50,000 to 100,000 (ca. USD 450 to 900), and nearly a quarter (22 per cent) between NPR 100,000 to 200,000 (ca. USD 900 to 1800). Eight participants had already spent more than NPR 200,000 and expected to spend even more until the day of the TOPIK.

Table 2: Employment and Living Arrangements of Non-Kathmandu Valley Participants

<table>
<thead>
<tr>
<th></th>
<th>Self</th>
<th>Family</th>
<th>Relatives/ Friends (Unpaid)</th>
<th>Relatives/ Friends (Paid)</th>
<th>Hostel/ Paying Guest</th>
<th>Other</th>
<th>Total %</th>
<th>Total number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Service</td>
<td>0.0</td>
<td>100.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>100</td>
<td>1</td>
</tr>
<tr>
<td>Private sector/ NGOs/INGOs</td>
<td>13.3</td>
<td>73.3</td>
<td>6.7</td>
<td>6.7</td>
<td>0.0</td>
<td>0.0</td>
<td>100</td>
<td>15</td>
</tr>
<tr>
<td>Self-employment/ business</td>
<td>8.3</td>
<td>75.0</td>
<td>8.3</td>
<td>0.0</td>
<td>8.3</td>
<td>0.0</td>
<td>100</td>
<td>12</td>
</tr>
<tr>
<td>Work for others’ business/entrepreneurship</td>
<td>16.0</td>
<td>68.0</td>
<td>4.0</td>
<td>12.0</td>
<td>0.0</td>
<td>0.0</td>
<td>100</td>
<td>25</td>
</tr>
<tr>
<td>Student</td>
<td>12.5</td>
<td>39.1</td>
<td>23.4</td>
<td>7.8</td>
<td>15.6</td>
<td>1.6</td>
<td>100</td>
<td>64</td>
</tr>
<tr>
<td>Unemployed</td>
<td>8.1</td>
<td>32.4</td>
<td>25.7</td>
<td>14.3</td>
<td>18.8</td>
<td>0.7</td>
<td>100</td>
<td>272</td>
</tr>
<tr>
<td>Other</td>
<td>100.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>100</td>
<td>1</td>
</tr>
</tbody>
</table>

N=385

Note: Three of the research participants whose permanent address was outside the Kathmandu valley also had a house in the valley.

Main source of funds is family

Given that most participants were unemployed, and hence, did not have a regular income, they were dependent on multiple sources to finance their migration aspirations. Four-fifths of the participants (81 per cent) said that their family supported their overall expenses of language preparation. Other sources reported included past or current earnings and savings (30 per cent) while 7 per cent reported taking loans. Loans play a major role in migration to destination countries such as the GCC countries and Malaysia (Sijapati et al 2017, 2019; International Labour Organization 2016). However, in the case of South Korea, the findings of this study underscores the fact that aspirant migrants are comparatively wealthier and can rely on their family to support them. Among those who did take out loans, the sources included relatives, friends, neighbours, moneylenders, and cooperatives or informal micro-credit groups such as local mothers’ group and women’s group and banks.

The following quotes from two female research participants are instructive.
I am covering all the expenses myself. I had some savings prior to getting married. I am also looking after my sister’s child and she gives me some money. I do not use them for household expenses. Instead I ask my husband to pay for those daily expenses and save money.

Another female research participant being supported by her family said:

My father is working abroad… My mother is a tailor. Her income is more than enough to pay for the household expenses… All the expenses are covered by my father and mother. I am staying at my aunt’s, so I do not have any other [living] expenses.

Among the research participants who had taken out loans, 85 per cent were paying interest, ranging from 12 to 36 per cent per annum. The debt burden was a cause of stress for some participants, as one of them said:

I earned some money when I worked in a Gulf country, but it got used up quickly. I brought some of my savings while coming here for preparation but that also is finished. I came to Kathmandu for preparation twice. How can I sustain [myself] in this expensive city? Before coming here, I also took loans from my relatives, and if anything is needed at home again, I have to take some more loans. I am the one responsible for earning money, but I have been engaged here for so long. Once, when I called my father, he mentioned that the moneylender came to our home and demanded we return his money. These things worry me a lot.

Figure 7: Sources of Finance for Language Preparation

Multiple responses, N=402
Taking language class and TOPIK multiple times is common

It is revealing to find that almost 40 per cent of the participants had taken language classes more than once. Among them, 91 per cent said that they had taken the classes twice (including the one they were enrolled in at the time of survey) while 8 and 1 per cent of the participants reported taking the classes three and four times, respectively. Similarly, among the aspirant migrant workers who had taken language classes earlier, almost all (98 per cent) had taken TOPIK in the past. Of those who have previously taken TOPIK, almost 90 per cent had taken the test once, 7 per cent twice, and 3 per cent three times or more.

Furthermore, 3 per cent of the total research participants reported that they had previously passed the test. As alluded to earlier, the process of language training, TOPIK, selection, and waiting period can be indefinite. Hence, during the waiting period, some choose to sit for the exam again so that they are able to change the sector of their employment or obtain better scores. One of the female language instructors, who had previously herself taken the TOPIK, highlighted the plight of candidates waiting for the labour contract thus:

I took a language class in 2017 and took the exam in the agricultural sector. I passed the test and was listed on the roster. But while waiting for the LC [labour contract], I again prepared and took the exam in 2018 for the manufacturing sector. Again, I passed the test but see it is already 2019 and I am still waiting for it [labour contract]. It is so stressful to remain in a dilemma for almost three years. I have even stopped calls from home because my father keeps asking when I will be going to Korea. And, even friends and relatives are constantly asking the same question about Korea and that stresses me out.

A male aspirant migrant worker studying Korean for the last few months said:

I started the language preparation class here three or four month earlier. I had studied Korean language in 2016 in Mahendranagar, but I did not pass at that time. In 2017, I studied in Kathmandu, and also passed in the agriculture sector. Right now my name is in the roster. As I have not received any approval [labour contract] till now, I am again taking classes and appearing in the exam for the manufacturing sector.

A major reason why potential migrants who pass the TOPIK do not get labour contracts immediately is that while the passing score for TOPIK is 80 points out of a total of 200, the candidates are short-listed based on merit, starting from highest score downward. The survey showed that a majority of the participants said they could not make it to the merit list due to their own perceived insufficient preparation for TOPIK. For instance, a significant percentage (62 per cent) of those who had taken the test previously reported ‘less time for preparation’, 36 per cent reported ‘strong competition’, 10 per cent stated difficulties in hearing the audio clips during the listening test, and 8 per cent reported
the ‘lack of understanding about the exam system’ as reasons behind not making it to the merit list.

Figure 8: Perceived Reasons for Not Making the Merit List

Note: Multiple Responses, N=143
5. DISCUSSION AND CONCLUSION

Labour migration has brought economic benefits to the migrant households but also entails social and economic costs to migrants and their families. Lately, the economic cost of migration has especially drawn attention in academic and policy circles and labour migration cost has become an area of concern. Attempts to reduce the cost borne by migrant workers during their migration process is clear from a number of migration-related international and regional frameworks and processes such as Sustainable Development Goals (SDG Targets 8.8, 10.7, 10.C), the Global Compact for Migration (GCM), the Abu Dhabi Dialogue, the Colombo Process, and the South Asian Association for Regional Cooperation Declaration of Migration, of which Nepal is an active party. The ILO’s General Principles and Operation Guidelines for Fair Recruitment 2019, though non-binding, encourages states, recruiters, and employers to promote and ensure fair recruitment by specifying recruitment fees and other related costs (ILO 2019). In Nepal as well, the focus of policies has been to monitor and prevent recruitment agencies from charging high recruitment fees, as evident from the ‘free-visa, free-ticket’ policy introduced in 2015 and bilateral agreements signed in recent years that incorporates ‘employer pays’ model for migration.

Nepali migrants spend a lot of time and resources to migrate abroad for foreign employment (Sijapati et al, 2017, 2019). This is also evident in the case of Nepal-South Korea labour migration. Studies over the years have shown that migrant workers pay many times their monthly wages to migrate to GCC countries and Malaysia, and regularly use loans to finance their migration (ILO 2016; Bhattarai et al 2022a, 2022b). While the pre-migration phase can be long, daunting and costly for migrants in general, in the case of South Korea, prospective migrants face the additional requirement of passing the language proficiency test, and since 2019 a skills test as well. Although the cost of migration to South Korea under the EPS is fixed at USD 970, prospective

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21 In 2019, before the start of the pandemic, the air fare set by the Government of Nepal was USD 395. In regard to the air-fare, EPS Korea Section of DoFE signs a one-year contract with travel agency who provides the lowest bid for air-fare to send migrant workers to South Korea. After the pandemic, the Government of South Korea required Nepali migrant workers going to South Korea under EPS to use only direct flights which is costlier. Due to this, as per the current contract with a new travel agency, the set air-fare is USD 895. However, recently there has been concerns about Nepali migrant workers bound to South Korea paying exorbitant amount in flight fare. Nepalis were found paying more than USD 1200 for air fare, much higher than the prescribed fare. See: Krishna Sinha Dhami, ‘Sidha Uddan ko Shrat le Nepali Shramikko Dhad Sekidain: Tire Dui Arba Badhi Hawai Bhada [The Back of Nepali Workers is Being Crushed by the Condition of Direct Flight: They Paid 2 Billion More
migrants spend significant time and resources to prepare for these tests.

By fixing the cost, migration to South Korea under the EPS is generally considered to have addressed the issue of the high pre-departure costs for migrant workers, including for Nepalis (Cho et al 2018). However, it is necessary to delve into the complexity of the economic burden entailed by the labour migration to South Korea by also acknowledging the unseen costs when discussing net benefit from migration abroad. This is important because of the financial stress it causes to migrant workers, their families and the country. An individual migrant’s expenses related to migration are often borne by the family. Studies in Nepal and elsewhere have identified that debt incurred by the migrants to finance their employment abroad heightened vulnerability of migrant workers making them susceptible to forced labour, exploitation, anxiety and stress (Amnesty International 2011, 2017; IOM 2020; Murphy, 2018; Hoang, 2019). This study points to the need for further research to understand the net benefits and losses incurred by migrant workers and migrant-sending households during the migration process to South Korea.

There is also the issue of the sheer number of Nepalis who prepare for TOPIK, far exceeding the quotas for Nepali workers. For instance, for the year 2020, 92,356 Nepalis applied for and 84,308 attended TOPIK exam against a quota of 10,050 allotted by South Korea for that year (MoLESS 2022; Himalayan News Service 2019). Despite getting through the tests, some aspirant migrants fail to find a matching employer (Cho et al 2018). Besides the financial loss, failure to migrate thus generates distress and anxiety among potential migrants.

Remittance sent from abroad has been cited as a major driver of poverty reduction and improvement of living standards in Nepal (Tiwari 2016; Sunam 2017; Shrestha 2017b). However, it is also true that individuals with comparatively better economic situation migrate to countries with higher salaries. As a result of such inequalities in access to opportunities available to aspirant migrant workers, income inequalities already seen in the country can be further perpetuated (World Bank 2011; Tiwari 2016; Salike et al 2022).

To conclude, effective policies are of paramount importance in order to make migration from Nepal to South Korea beneficial for Nepal and Nepalis and to also meet the commitments of the SDGs and the GCM. As recognised in the GCM, ‘safe, orderly and regular migration works for all when it takes place in a well-informed, planned and consensual manner…When it is, we must cooperate to respond to the needs of migrants in situations of vulnerability, and address the respective challenges’ (UN 2018). Recognising that the current cost (in terms of both time and money) on TOPIK preparation is very high for Nepal and Nepalis, it is important that both the governments of Nepal and

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22 While there is no limit to the number of individuals who can apply for the EPS, some countries such as Bangladesh and Vietnam have begun allocating quotas on the number of applicants who can take the test in order to avoid overcompetition (Cho et al 2018).

23 According to Cho et al (2018) only about half the vacancies were filled for EPS workers in 2015.
South Korea seek ways at minimising the investment aspirant migrants make for TOPIK preparation. It is also very essential that further knowledge about Nepal-South Korea migration is generated so that future policies, plans, and strategies become more evidence-based, and of direct benefit to Nepali migrants hoping to work in South Korea.
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