

A Study on the Socio-Economic Status of Indigenous Peoples in Nepal

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ABBREVIATIONS

CBS	Central Bureau of Statistics, Secretariat of National Planning Commission
GDP	Gross Domestic Product
GER	Gross Enrollment Rate
GON	Government of Nepal
HDI	Human Development Index
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
IILS	International Institute for Labour Studies
ILO	International Labour Organization
INGO	International Non-Governmental Organization
LAHURNIP	Lawyers' Association for the Human Rights of Nepalese Indigenous Peoples
MDGs	Millennium Development Goals
NCP	Nepal Communist Party
NDHS	Nepal Demographic and Health Survey
NEFIN	Nepal Federation of Indigenous Nationalities
NER	Net Enrollment Rate
NFDIN	National Foundation for Development of Indigenous Nationalities
NLSS	National Living Standards Survey
NPC	National Planning Commission
NRs.	Nepalese Rupees
PRSP	Poverty Reduction Strategy Paper or Tenth Plan (2002 – 2007)
PHC	Primary Health Centre
TOR	Terms of Reference
TBA	Traditional Birth Attendants
UN	United Nations
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
UNPFII	United Nations Permanent Forum on Indigenous Issues

PREFACE

The study on the ‘Socio-Economic Status of Indigenous Peoples in Nepal’ is the first effort by LAHURNIP to assess the poverty levels of the various Nepalese Indigenous Nationalities, or indigenous peoples. Our goal is to compare the status of indigenous peoples with that of other castes and ethnic groups, in order to determine the extent of deprivation and exclusion of indigenous groups and provide the information necessary to analyze the laws, policies, and programs that aim to identify and address the needs of Nepal’s indigenous peoples.

Towards this end, the study analyses and further disaggregates available data and statistics and presents spatial information about the socio-economic status of different indigenous peoples in Nepal. It presents the data using a broad set of socio-economic indicators specifically relevant to many indigenous groups in Nepal and compares the situation of indigenous peoples with that of other major caste and ethnic groups. It explicitly analyzes each indigenous group’s quality of life, poverty level, and the extent to which each group is benefiting from the country’s existing development schemes, services and resources.

This study was conducted based on the data from the Nepal Living Standards Survey (NLSS), a national survey that is conducted periodically by the Central Bureau of Statistics (CBS) under the National Planning Commission Secretariat of the Government of Nepal. The NLSS is the only authoritative, valid source of data periodically generated by a government agency that follows international standards for the understanding of the current socio-economic status of the country. The NLSS, however, provides only limited information organized by social group categories. By grouping Nepal’s many caste and ethnic groups into these broad categories, the NLSS fails to provide adequate data on the socio-economic status of individual groups, particularly indigenous groups. This report has been produced primarily focusing on indigenous peoples and their relations with the state *vis a vis* dominant caste groups reflected in the national data and explanations of the data tailored to satisfy the concerns of indigenous

peoples. This report is not merely an academic exercise, but can serve as advocacy tool to indigenous rights activists and may be useful to Dalit activists as well.

LAHURNIP believes that this study addresses the need for disaggregated data and statistics relating to different castes and ethnic groups, and specifically regarding the different indigenous peoples of Nepal.

The successful completion of the study was made possible with the generous support of Copenhagen, Denmark based International Work Group for Indigenous Affairs (IWGIA), including technical support from Lola Garcia-Alix (Director of IWGIA), Mr. Christian Erni (Advisor of Asia Program, IWGIA) and Ms. Christina Nilsson (Asia Program Coordinator, IWGIA). On behalf of LAHURNIP I would like to express our gratitude to IWGIA for providing the financial assistance to conduct this study.

Similarly, I also would like to express my sincere thanks to team Coordinator and Sociologist Dr. Chaitanya Subba, Chief Research Guide and Senior Economist Prof. Dr. Bishwamber Pyakuryal, Senior Statistician Mr. Tunga Shiromani Bastola, Statistician and Data Analyst Mr. Mohan Khajum Subba, Economist Mr. Nirmal Kumar Raut and Mr. Baburam Karki. I also would like to thank all the board members, staff and interns (Ms. Caitlin Daniel) of LAHURNIP who worked tirelessly to make this work possible.

It cannot be claimed that this report provides the complete picture of the changing life conditions of the indigenous peoples. Therefore, we welcome any comments and suggestions you may have. Feel free to approach LAHURNIP formally or informally at any time to provide feedback and discuss our findings.

Shanti Kumari Rai

Chairperson

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EXECUTIVE SUMMARY

The present study aims to assess the poverty levels of the various indigenous groups in Nepal. It was developed to address the lack of existing disaggregated data and statistics on the socio-economic status of Nepal's many indigenous groups. By presenting data on a broad set of socio-economic indicators for the many indigenous groups in Nepal and comparing this with data on other major caste and ethnic groups, the study analyzes each indigenous group's quality of life, poverty level, and the extent to which each group is benefiting from the country's existing development schemes. The ultimate goal is to provide a reference point for the development of more inclusive laws, policies, and programs that effectively identify and address the needs of Nepal's indigenous peoples.

This report is based on data from the Nepal Living Standards Survey (NLSS), a national survey that is conducted periodically by the Central Bureau of Statistics (CBS) under the National Planning Commission Secretariat of the Government of Nepal. So far, the CBS has conducted three rounds of the survey, in 1995/96, 2003/04 and 2010/11.

The NLSS III, released in 2010/11, organized the data collected into geographic categories, such as rural versus urban sectors, ecological belts and development regions. However, it provided only limited information organized by social group categories. While 103 different caste and ethnic groups have been identified in Nepal based on the 2001 census data, the NLSS III grouped these into just eleven broad categories: Brahmins, Chhetris, Terai middle castes (particularly Yadav), hill Dalits, Terai Dalits, Newars, other hill indigenous peoples (other than Newars), Terai indigenous peoples (particularly Tharu), Muslims and other groups/minorities. By grouping Nepal's many caste and ethnic groups into these broad categories, the NLSS failed to provide adequate data on the socio-economic status of individual groups, particularly indigenous groups. This leaves policy makers and planners without the information necessary to change hegemonic development frameworks and implement more inclusive and just development processes and outcomes.

This report attempts to address the lack of adequate disaggregated data and statistics regarding castes and ethnic groups, and specifically indigenous peoples, in Nepal. Our report has further disaggregated the NLSS data into 17 caste/ethnic group categories, from the 11 categories referenced in the NLSS III. Additional disaggregation was not possible beyond this point because of insufficient data collected in the NLSS. That is, if we break the categories down into smaller, more specific categories, the household sample sizes for some categories would be too small, resulting in unreliable statistical estimates.

In our report, the hill Dalit category is divided into Kami and “Other hill Dalits.” The “Other hill indigenous peoples” group is divided into Magar; Tamang; Rai; Gurung; Limbu; the Sherpa, Bhujel, Bhote, Thakali etc. cluster;¹ and the Kumal, Sunuwar, Majhi, Chepang, etc. cluster.² Finally, the Terai indigenous peoples category is divided into Tharu and Other Terai indigenous peoples. For the purposes of this report, the term “indigenous peoples” does not include Dalits, Brahmins, Chhetris, or Terai castes (Madhesis). Further, as the report shows, while the Newar and Gurung groups are considered indigenous groups, they are in a significantly better socio-economic position than the other indigenous groups, as reflected across the various indicators discussed in this report.

In this report, the term “Janajati” is used interchangeably with “Indigenous Peoples.”

A summary of findings is presented below.

DEMOGRAPHY

The total population of Nepal stands at 26,494,504 (as of June 22, 2011). 125 groups (castes, ethnicities, nationalities/peoples and other religious/linguistic groups) have been identified based on the self-assertion of survey respondents regarding their caste/ethnic/cultural identity. Table 1 presents the proportion of the population represented

1 This cluster also includes a large number of other very small indigenous groups in the higher hills region who were included in the grouping because they are more socio-economically advanced indigenous groups who live in the higher hills region. It includes many small indigenous groups

2 Less socio-economically advanced – live lower in the hills

by each caste and ethnic group. Based on the survey results, indigenous peoples are estimated to account for approximately 35% percent of the country's total population.³

Table 1: Proportion of Population by Caste and Ethnic Group, Nepal, 2010/11

Caste and Ethnic group	Interviewed		Estimated
	Household	Population	Population
Hill Brahmin	15.5	13.6	12.5
Hill Chhetri	19.3	19.0	18.0
Terai Caste	11.3	13.2	15.9
Dalit			
Hill Dalit	8.6	8.5	8.7
Kami	4.1	4.1	4.2
Other hill Dalit	4.5	4.4	4.5
Terai Dalit	3.0	3.7	4.6
Indigenous Peoples			
Newar (hill origin)	9.5	8.9	6.1
Other hill Indigenous Peoples	22.4	21.3	21.3
Magar	6.6	6.7	7.0
Tamang	5.7	5.3	5.4
Rai	3.5	3.2	3.0
Gurung	2.4	1.9	1.8
Limbu	1.3	1.3	1.3
Sherpa, Bhujel, Bhote, Thakali etc.	1.5	1.3	1.2
Kumal, Sunuwar, Majhi, Chepang etc.	1.5	1.5	1.6
Terai Indigenous Peoples	6.3	6.8	7.6
Tharu	4.3	4.8	5.1
Other Terai Indigenous Peoples	2.0	2.0	2.5
Other (Muslim etc.)	4.0	4.9	5.3
Total	100.0	100.0	100.0

³ This estimate should be treated with caution, however, as the weights for this estimate was derived on the basis of the projected population for the 2010/11 census. The projected population for the year 2011 was around 28 million but the preliminary report of the 2011 population census estimated the population at around 26.6 million.

POVERTY PROFILE

More than $\frac{1}{4}$ of Nepali (7.05 million) are living below the poverty line.⁴ Approximately the same proportions of hill indigenous peoples are living below the poverty line, but within this group there is significant disparity: Newars have a relatively low poverty rate, while about 40 percent of the population of the Kumal, Sunuwar, Majhi and Chepang cluster are living below the poverty line. It is worth noting that the aggregate poverty rate of hill indigenous peoples is reduced by the comparatively lower poverty rates of certain ethnicities within that group, such as Newars, Gurungs, Sherpas, Bhotes and Thakalis.

31.7 percent of Magars are living below the poverty line, though the poverty rate for this group declined sharply by nearly 30 percentage points during the 15-year period from 1995/96 to 2010/11 (from 61.3 percent in 1995/96 to 34.4 percent in 2003/04 and 31.7 percent in 2010/11). The progress in poverty reduction is encouraging among Tamangs whose head count poverty rate declined sharply by 32 percentage points from 61.2 percent in 2003/04 to 28.34 in 2010/11. Among other indigenous peoples, Limbu, Rai and Gurung have the poverty rate of 25.3, 22.0 and 21.7 percent respectively. The poverty rate of the Newar group is 10.25 percent, which is slightly less than that of hill Brahmins.

Table 2 presents the three measures of poverty: poverty incidence, poverty gap, and poverty severity.⁵ Interestingly, most of the ethnic and caste groups rank differently according to these different measures. For example, Terai castes have the third highest poverty incidence, while they rank sixth in poverty severity. Comparing them to hill indigenous peoples shows that the Terai castes have a higher risk of being in

4 The poverty line used by NLSS is set to the rupees per person a normal household will need to buy a normal basket of food that contains 2220 kcal per day, plus normal additional spending for a poor household. In terms of income, it requires NRs. 19,261, including NRs. 11,929 food poverty line and NRs. 7,332 non-food poverty. The poverty line varies by region depending on local prices.

5 Poverty incidence, poverty gap and poverty severity are the three most commonly used measures of poverty. Poverty incidence gives the percentage of the population whose income or consumption is below the poverty line. Poverty gap provides information regarding how far off households are from the poverty line. The third measure (poverty severity) takes into account the inequality among the poor.

poverty (poverty incidence), but that their level of poverty (poverty severity) tends to be less deep or severe than that of hill indigenous peoples.

Table 2: Poverty Groups by Ethnic/Caste Groups, Nepal, 2010/11

Group	Headcount		Poverty gap		Poverty severity	
	Number	Rank	Number	Rank	Number	Rank
Dalit (Hills)	43.6	1	10.9	1	4.2	1
Dalit (Terai)	38.2	2	8.1	2	2.2	3
Terai castes*	28.4	3	5.2	5	1.4	6
Indigenous Peoples (Hills**)	28.0	4	6.6	3	2.4	2
Indigenous Peoples (Terai)	26.6	5	4.9	6	1.4	5
Chhetri	23.4	6	5.6	4	1.9	4
Muslim and other castes	18.8	7	3.4	7	0.9	7
Brahmin	10.3	8	1.7	9	0.5	9
Newar	10.2	9	2.1	8	0.7	8

*Excludes Terai Dalit and Indigenous peoples and some other Terai castes.

**Excludes Newar.

a. Consumption Pattern

The average annual nominal consumption expenditure of a household in Nepal is estimated at NRs. 170,735, and the average nominal per capita consumption expenditure is Rs. 34,809 (Table 3). The richest 10 percent of the population are consuming more than nine fold what the poorest 10 percent of the population are consuming. There is also high variance in consumption expenditures among different caste and ethnic groups.

Among the broad caste and ethnic groups,⁶ hill Brahmins have the highest per capita consumption followed by indigenous peoples and hill Chhetris. Mean consumption for Dalits⁷ is the lowest among the broad

6 The term “broad caste/ethnic groups” in this report refers to the following groupings: Brahmins, Chhetris, Terai Castes, Dalits, Indigenous Peoples, and Muslims and others.

7 Dalits are considered “untouchables” in the Hindu caste system, which still has a strong influence on Nepali culture.

groups. There is wide variation among indigenous peoples. Newars report an average consumption standard that is two and a half times higher than that of other indigenous groups, including Kumal, Sunuwar, Majhi and Chepang. Hill and Terai Dalits, Terai castes and indigenous peoples are highly skewed towards the poorest quintile, whereas most hill Brahmins and Chhetris fall in the middle, upper middle and upper classes. These consumption patterns clearly follow the disproportionate distribution of poverty among the various ethnic groups in Nepal.

Table 3: Nominal per Capita Consumption by Caste and Ethnic Group, Nepal, 2010/11

Caste and Ethnic group	Mean consumption (NRs.)
Hill Brahmin	49,059
Hill Chhetri	35,944
Terai Castes	28,488
Hill Dalit	24,179
Kami	25,216
Other hill Dalit	23,232
Terai Dalit	21,450
Indigenous Peoples	37,114
Newar (hill origin)	63,439
Other hill Indigenous Peoples	32,684
Magar	27,739
Tamang	33,541
Rai	34,679
Gurung	47,195
Limbu	29,728
Sherpa, Bhujel, Bhote, Thakali etc.	45,999
Kumal, Sunuwar, Majhi, Chepang etc.	24,055
Terai Indigenous Peoples	28,092
Tharu	28,591
Other Terai Indigenous Peoples	27,079
Other (Muslim etc.)	30,063
Total	34,829

b. Consumption Status

The NLSS estimated that the annual average household expenditure is NRs. 170,735, of which about three-fifths of expenditures are on food, one-fifth is on housing and one-fifth is on other utilities. On the whole, the consumption pattern of indigenous peoples approximately follows the national standard. However, if Newars and Gurungs, who are generally wealthier, are excluded from the group then we see a dramatic increase in the percentage of expenditures on food for the remaining hill indigenous peoples. In particular, Limbu, Rai and Magar groups, as well as the Kumal, Sunuwar, Majhi, and Chepang cluster, spend a high proportion of their total expenditures on food.

c. Income Pattern

Among the broad ethnic and caste groups, hill Brahmins have the highest per capita income at NRs. 63,234, followed by Chhetris at NRs. 46,079, indigenous peoples at NRs. 43,561, Terai castes at NRs. 32,473, and finally the Dalits. Not surprisingly, the relatively high ranking of the indigenous peoples group is largely due to the high per capita income of the Newar and Gurung groups, at NRs. 73,170 and NRs. 62,852 respectively. In contrast, some indigenous groups have very low per capita income, such as the Limbus at NRs. 29,489.

d. Income Distribution

The distribution of income between ethnic and caste groups in Nepal varies widely. Most of the Dalit population is concentrated in the lower quintiles of the income distribution chart, meaning that Dalits collectively hold only a small percentage of the country's Gross Domestic Product (GDP). Most Brahmins and Chhetris, on the other hand, fall into the upper quintiles.

The distribution of income among the indigenous peoples' population is more or less similar to distribution of income in the total population. However, certain indigenous groups experience a strikingly uneven income distribution that is masked when we examine indigenous groups in the aggregate. Particularly, the Limbus, Magars, and the

Kumal, Sunuwar, Majhi, and Chepang cluster fall disproportionately in the lower income quintiles.

e. Source of Income

The major source of income for the majority of Newars is non-farming, whereas Rai and Limbu groups heavily rely on farming. Surprisingly, the major source of income for Terai indigenous peoples (including the Tharu) is the non-farming sector. Remittances from relatives working abroad is the most significant source of income for Gurungs. Chhetris tend to rely more on farming whereas for hill Brahmins the tendency is towards the non-farming sectors. Around half of all Dalit households depend on non-farming activities.

f. Incidence of Poverty

Table 4 presents the poverty index (head count rate) for different caste and ethnic groups. Except for anomalies, the indicators seem consistent. Not surprisingly, nominal per capita consumption correlates more closely with the poverty index than nominal per capita income does. The correlation between per capita consumption and income is very high (0.98). Surprisingly, the poverty index increases with the increase of size of agricultural holding. It is possible that there is some interference in this data, caused by insufficient cell value or similar. Further analysis is required.

Table 4: Poverty Index and Selected Indicators by Caste and Ethnic Group, Nepal, 2010/11

Caste and ethnic group	Poverty Index	Per capita income (Rs)	Per capita consumption (Rs)	Employed (Percent)
Hill Brahmin	10.34	63,234	49,059	75.57
Hill Chhetri	23.40	46,079	35,944	80.09
Terai Castes	28.35	32,473	28,488	74.00
Dalit				
Hill Dalit	43.63	27,225	24,179	85.02
Kami	37.87	29,240	25,216	85.81

Other hill Dalit	48.88	25,404	23,232	84.29
Terai Dalit	38.16	24,241	21,450	80.94
Indigenous Peoples	24.61	43,561	37,114	79.83
Newar (hill origin)	10.25	73,170	63,439	70.32
Other hill Indigenous Peoples	28.05	38,644	32,684	81.98
Magar	31.69	33,581	27,739	83.75
Tamang	28.34	39,426	33,541	82.24
Rai	22.01	38,544	34,679	83.09
Gurung	21.74	62,852	47,195	70.46
Limbu	25.27	29,489	29,728	83.41
Sherpa, Bhujel, Bhote, Thakali etc.	16.15	51,111	45,999	79.64
Kumal, Sunuwar, Majhi, Chepang etc.	40.40	30,003	24,055	85.88
Terai Indigenous Peoples	26.64	33,491	28,092	82.19
Tharu	23.57	35,546	28,591	82.57
Other Terai Indigenous Peoples	32.89	29,162	27,079	81.37
Other (Muslim etc.)	18.78	30,231	30,063	67.70
Total	25.16	41,659	34,829	78.28
Correlation coeff.		-0.78	-0.82	0.66

EMPLOYMENT

Except for the Newar and Gurung groups, the labour force participation rate⁸ of indigenous peoples is relatively high – more than 80 percent. This is due in part to the participation of indigenous children in the work force starting at an early age. Women’s participation in wage work and the greater ability among wealthier groups for sick or elderly people to discontinue participating in the workforce may also be contributing factors. The Labour Force Participation Rate is typically higher in rural areas, where agricultural work accounts for much of the economic activity, than in urban areas. The opposite is true of unemployment rates, which are typically higher in urban areas and lower in rural areas.

8 The labour force participation rate is defined as the percentage of people in the total working-age population (5 years and older) who are currently either employed or looking for work. Other individuals, who are not currently employed and are not currently looking for work, are considered “inactive” and not currently participating in the labour force.

Perhaps for these reasons, the Gurung and Newar groups show lower labour force participation rates and higher unemployment rates than the other indigenous groups.

On the whole, around 46 percent of all employed individuals work 40 hours or more per week. The Newar group shows the highest rate, with about 56 percent of the employed population working 40 hours or more in a week, while the comparable figure for the Tharu group is around 39 percent.

Most indigenous peoples are self-employed in agriculture, meaning they work on the land holdings operated by their households. Except for Newars, more than 60 percent of employed indigenous peoples work on the agricultural lands operated by their households. This proportion is highest among the Magars (72 percent) and lowest for the Newars (40 percent).

NON-FARM ACTIVITIES

On the whole, about one third of households are engaged in non-farm enterprises. This proportion is slightly higher for indigenous households and highest for Newar households – more than half of all Newar households are engaged in non-farm enterprises.

Among the indigenous households with non-farm enterprises, the majority are self-employed in either manufacturing or trade sectors. These two sectors employ about 75 percent of the total indigenous households involved in non-farm activities, whereas the services and other sectors employ only about 25 percent.

More than four-fifths of all non-farm enterprises are run by the household members – they do not employ hired laborers. This is true across all castes and ethnic groups except for the Newar and hill Brahmin groups, in which around 75 percent of non-farm enterprises are run by household members.

The average gross revenue per enterprise is highest for enterprises run by Newars, followed by those run by Brahmins. However, hill Brahmins outpace Newar households in terms of net revenue.

CHILD LABOUR

Around half of indigenous children (between 5 and 14 years old) attend school only, whereas about 41 percent of indigenous children have to work in addition to attending school. A higher percentage of Newar and Gurung children are able to attend school without working (50 to 63 percent) compared with other indigenous children. Among Rai, Magar, Limbu, Kumal, Sunuwar, Majhi and Chepang groups, only about 35 to 46 percent of children attend school without having to work.

Almost two-thirds of working indigenous children are employed for less than 20 hours per week, whereas about one-fourth work 20 to 39 hours per week and 8 percent work more than 39 hours per week. A comparatively higher proportion of Rai and Limbu children work 40 or more hours per week. The majority of working children are self-employed in agricultural holdings operated by their households, and only around 2 percent of indigenous children work for wages. The comparable figure for Dalit children is more than 5 percent.

WAGES

On the whole, around two-thirds of wage earners receive their wages from non-agricultural sectors. A similar proportion of indigenous workers receive their wages from these sectors. The proportion of the employed population receiving wages from non-agricultural sectors is the highest for the Newar group, followed by the hill Brahmin and Chhetri groups. High proportions of the Magar and Gurung groups also tend to receive their wages from non-agricultural sectors.

On the other hand, the proportion of the employed population receiving wages from the agricultural sector is highest for the Dalit group, followed by Terai castes and Terai indigenous peoples.

MODE OF PAYMENTS

The overwhelming majority of wage earners in the agricultural sector receive their wages on a daily basis. This mode of payment is prevalent among the Brahmin, Chhetri, Kami, Magar, Tamang and Rai groups.

In the non-agricultural sector, almost half of all wage earners receive their wages on a daily basis. However, these numbers vary by caste and ethnicity, with a higher proportion of Brahmin and Newar wage earners receiving their wages on other than a daily basis.

WAGE RATES

Not surprisingly, the average daily wage rates (including both cash and in kind payments) are higher in the non-agricultural sector compared with the agricultural sector. For Newar wage earners, there is a marked difference in average daily wage rates for the two sectors – wages in the non-agricultural sector are more than double those in the agricultural sector.

AGRICULTURAL AND LIVESTOCK

Around three-fourths of all households in Nepal are agricultural households, and around one-fourth of agricultural households are headed by women. Among indigenous groups, about half of all Newar households are agricultural while more than 85 percent of Magar households are agricultural.

Indigenous households operate about 38 percent of the agricultural land in Nepal. Hill Brahmins and Chhetris operate 31 percent, and Terai caste groups operate 18 percent of all agricultural land. Dalit households operate only 9 percent of agricultural land.

The average land holding size per agricultural household across the broad caste and ethnic groups varies from 0.4 hectares among hill Dalit households to 0.9 hectares among Terai castes and Terai indigenous households. Terai caste households tend to operate larger, more fragmented land holdings than other groups.

Rice paddy and vegetables are popular crops among farmers in Nepal. Among indigenous peoples and Dalit farmers, maize and vegetables are more commonly grown than other crops. This may be partly due to the poor quality of their lands, which makes it difficult to grow more favored crops, such as rice paddy and wheat. In contrast, Terai caste

households tend to grow mostly rice paddy and wheat crops, which tend to grow well in the fertile Terai.

The prevalence of agricultural mechanization is low in Nepal. Not surprisingly, agricultural mechanization is comparatively stronger in the Terai region and higher proportions of Tharu farmers tend to use tractors, power tillers and threshers than other groups. Water pumps are also more prevalent among farmers in the Terai.

Around 64 percent of farmers raise cattle on their land holdings, and similar proportions of farm households raise either goat or sheep. Piggeries and poultry are popular among indigenous households, while buffaloes are more popular among Brahmin households.

HOUSING

More than one-third of Newar, hill Brahmin and Gurung households live in concrete buildings, reflecting their better overall standard of living. On the whole, about 63 percent of indigenous peoples live in mud-bonded houses and 17 percent live in houses made of wood. 76 percent of hill Dalits live in mud-bonded houses and the remaining households live in houses made of wood. Among indigenous peoples, a high proportion of Magar households (71 percent) live in stone and mud houses. Similarly, most Terai Dalits (84 percent) live in mud-bonded or wood houses.

Hill Brahmins and Newars report the best access to various facilities, including electricity, telephones, sanitary systems, garbage disposal and toilets. The access of Gurung and Sherpa groups to these facilities is improving. However, large proportions of the remaining indigenous groups have limited access to facilities, and telephone connectivity is very rare. For example, access to a telephone ranges from 3 to 9 percent of Magar, Tamang, Limbu, the Kumal, Sunuwar, Majhi and Chepang cluster, and the other Terai indigenous peoples groups. Access to a sanitation system ranges from 4 to 8 percent for Limbu, the Kumal, Sunuwar, Majhi and Chepang cluster, and Terai indigenous peoples. Both hill and Terai Dalits rank lowest in terms of access to facilities in their houses.

More than half of Newar households and about one-third of Gurung and Brahmin households use liquefied petroleum gas for cooking. In contrast, more than four-fifths of indigenous households still depend on firewood for cooking and thus have limited access to modern cooking facilities.

LITERACY AND EDUCATION

Hill Brahmins report the highest literacy rate,⁹ at 79 percent, and Terai Dalits report the lowest rate at 31 percent. About 44 percent of Terai caste groups are literate. Despite remarkable gains in literacy over the past decade, the benefits have not been distributed evenly across different indigenous groups. Within this category, Newars report the highest literacy rate at 75 percent, and Terai indigenous peoples other than Tharu report the lowest literacy rate at just 50 percent. The literacy rate of the Kumal, Sunuwar, Majhi and Chepang cluster is around 52 percent and the literacy rates of Tamang, Tharu, Sherpa, Bhujel, Limbu, Rai, Gurung and Magar hover around 56 to 68 percent. There are also wide variations in adult literacy,¹⁰ with hill Brahmins reporting the highest adult literacy rate at 75.6 percent and Terai Dalits reporting the lowest rate at 28.7 percent. The adult literacy rates among indigenous peoples (not including Newars) range from 43 percent to 60 percent.

Terai Dalits have the highest proportion of their population who has never attended school (53 percent) followed by Tamang and Terai indigenous peoples other than Tharu at 40.6 percent and 44.4 percent respectively. About 35 percent of hill indigenous peoples have never attended school, which is similar to the proportion of hill Dalits (37.2 percent). Muslims also have a large proportion of their population who has never attended school, at 42 percent. These proportions can be compared to the hill Brahmins, of whom only 22.7 percent have never attended school - the smallest rate out of any group.

9 Literacy is understood in Nepal to mean having the skills of reading, writing and simple arithmetic calculations. In this report, the literacy rate is calculated based on the proportion of each group age 6 and older that reports being literate.

10 In this report, the adult literacy rate is defined as the proportion of a given population age 15 and older that self-identified as being literate.

The hill Dalit group has the highest gross enrollment ratio¹¹ (GER) in primary school at 147.8 percent, followed by hill indigenous peoples other than Newar with 138 percent. Terai indigenous peoples have the lowest GER at 87.5 percent, followed by Terai Dalits at 92.7 percent.

At the lower secondary school level, the GERs of Dalits, Terai castes, hill indigenous peoples and Terai Dalits sharply decline down to 74.3 percent, 62 percent, 85.5 percent and 58 percent respectively. Among all groups, the Kumal, Sunuwar, Majhi, and Chepang cluster of indigenous peoples have the lowest GER for lower secondary school, at 50 percent. On the other hand, the GER of hill Brahmins increases between primary and lower secondary school levels, from 109.5 percent to 113.6 percent, and the GER of Newars remains almost constant.

At the secondary school level, the GERs of Terai Dalits, the Kumal, Sunuwar, Majhi, and Chepang cluster of hill indigenous peoples and Muslims markedly decline to 30 percent, 33 percent and 35 percent respectively. The GERs of hill Brahmins and hill Chhetris in secondary school remain almost constant with only a slight drop. The GERs of hill Dalits, hill indigenous peoples and Terai indigenous peoples drop by 17 to 22 percentage points from the lower secondary level to the secondary level.

The GER of hill Brahmins in higher secondary schools soars to 145 percent and Newars show a similar trend with a 134.6 percent GER. The improvement in GERs at this level is encouraging for hill Chhetris (110 percent) and the Sherpa, Bhujel, Bhote, and Thakali cluster of hill indigenous peoples (118.8 percent). Terai Dalits and the Kumal, Sunuwar, Majhi, and Chepang cluster have the lowest GER of all groups at the higher secondary level, at 19 percent and 26 percent respectively. The GER of Terai indigenous peoples in higher secondary school is 57.9 percent, which is also far from satisfactory. A noticeable gender disparity in school enrollment contributes to the decreasing GER with increased level of education.

11 Gross enrollment ratio is defined as the number of children enrolled in a certain school level (i.e. primary or secondary), regardless of their age, divided by the population of the age group that officially corresponds to the same level.

The net enrollment ratios¹² (NER) of hill Brahmins, hill Chhetris, hill Dalits and indigenous peoples as a whole in primary schools are 84.8 percent, 83.3 percent, 85.9 percent and 82 percent respectively. Terai indigenous peoples other than Tharu, Terai Dalits, and the Kumal, Sunuwar, Majhi, and Chepang cluster of hill indigenous peoples have the lowest NERs of 62.2 percent, 64.4 percent and 66.5 percent respectively. The NER of Terai groups in primary schools is lower than that of hill groups with 67.8 percent enrollment for Terai castes, 64.4 percent for Terai Dalits and 73.3 percent for Terai indigenous peoples despite improved access to primary schools in the Terai.

The NER declines sharply at the lower secondary school level for all groups except hill Brahmins, whose NER stands at 68.4 percent. For Muslims, Terai Dalits and the Kumal, Sunuwar, Majhi and Chepang cluster, the NER for the lower secondary school level is recorded at 16.9 percent, 18.8 percent and 20.1 percent respectively. Gender disparities have greatly contributed to the sharp decline in enrollment between the primary and lower secondary school levels.

The NERs of hill indigenous peoples other than Newars dropped from 84.4 percent in primary school to 39 percent in lower secondary school, then down to 23.6 percent in secondary school, 9.5 percent in higher secondary school and 4.5 percent at the tertiary level. At the tertiary level, the NER of hill Brahmins is about seven times higher than the NERs of Dalits, indigenous peoples, Muslims and Terai caste groups. Gender disparities are more pronounced among the groups with comparatively lower NERs.

Hill Brahmins have the greatest mean years of schooling, estimated at 9.9 years, which is just above the 9.3 mean years of schooling for Newars. Among hill indigenous peoples, the Gurung group has shown the most improvement in mean years of schooling and now stands at 8 mean years. The Kumal, Sunuwar, Majhi, and Chepang cluster has the lowest mean years of schooling among all caste and ethnic groups, at 6.1 mean years. That cluster reports even fewer mean years

12 Net enrollment ratio is defined as the number of children enrolled in a certain level of school (i.e. primary school) who belong to the age group that officially corresponds to that level of schooling, divided by the total population of the same age group.

of schooling than Dalits (6.2 - 6.3 mean years) and other indigenous peoples (6.6-7.9 mean years).

Across all castes and ethnic groups, the level of educational attainment of the household head is correlated with the household's poverty rate. The highest poverty rates (14.1 to 51.7 percent) are found among households whose heads of household are illiterate. The highest poverty headcount rate, 51.7 percent, is found in hill Dalit households whose heads are illiterate. That rate comes down to around 18 percent among hill Dalit households whose head of household is educated up to grades six to eight.

Among indigenous peoples, 34 percent of hill indigenous households (other than Newars) with illiterate heads of household are below the poverty line, whereas only 8.6 percent of households whose heads who have completed grades six to eight are below the poverty line. Similarly, 33 percent of Terai indigenous peoples with illiterate household heads were living below the poverty line. This proportion went down significantly to 17 percent among households whose household head had completed grade six to eight. The general trend shows that greater levels of education of the head of household strongly correlate with a decreased probability of abject poverty.

HEALTH

Hill Brahmin, Newar and Gurung groups have the highest reported rates of chronic illness, with 15.5 percent, 14.1 percent and 13.5 percent of those groups respectively suffering from chronic illnesses.¹³ In contrast, the generally less wealthy and less educated Tharu, Limbu, Rai and Tamang groups have the lowest reported rates of chronic illness, ranging from 8.3 percent to 9.7 percent. Several Dalit and indigenous groups have nearly identical reported rates of chronic illness. A high proportion of female Brahmins report suffering from chronic diseases compared with female

13 NLSS has defined chronic illness as long-term suffering and included cancer, asthma, heart disease, diabetes, kidney diseases, epilepsy, respiratory problem, liver cirrhosis, high/low blood pressure, gynaecological problems, occupational illnesses (disability to do any kind of work caused by spine or leg fracture that occurred while in work), gastrointestinal diseases, drug abuse and others as chronic illnesses. See CBS 2011 (Volume One):101.

members of other groups. The high prevalence of chronic illnesses among comparatively wealthy and better educated groups may be explained by a tendency for health conscious, affluent people to have more frequent health consultations and interactions with medical professional and para-professionals, in addition to the tendency of these groups to overstate their illnesses. Overall, the proportion of people reportedly suffering from chronic illnesses among the richest quintiles (16.3 percent) is almost double that of the poorest quintile (7.9 percent).

Of the total population who reported suffering from cancer, slightly more than 54 percent are indigenous peoples. Reports of the disease are concentrated more among hill indigenous peoples, who account for 34 percent of the total population suffering from cancer. Dalits account for the second largest proportion of the population suffering from cancer, at 20.5 percent. The other groups each accounted for less than 10 percent of the total population suffering from cancer.

About 30 to 39 percent of the total population suffering from specific diseases like heart related disease, respiratory problems, asthma, epilepsy, cancer, diabetes, kidney/liver problems, rheumatism, high/low blood pressure and gastrointestinal diseases were indigenous peoples. High or low blood pressure, kidney and liver disease, and respiratory problems are the major diseases after cancer affecting indigenous peoples. 39 percent of those suffering from high or low blood pressure, 37.3 percent of those suffering from kidney and liver diseases, and 37.1 percent of those suffering from respiratory problems are indigenous peoples. The burden of these illnesses is disproportionately high among indigenous peoples, seriously hindering their economic advancement, which in turn affects their health condition.

About 27 percent of Terai Dalits report suffering from an acute illness, such as diarrhea, dysentery, respiratory problems, malaria, cold/fever/flu, measles, jaundice, skin disease, tuberculosis, and acute injuries. The incidence of acute illness among Terai castes, hill Dalits and Terai indigenous peoples other than Tharu is above the national average of 20.2 percent. Further, indigenous women report higher rates of acute illness than indigenous men. For the Kumal, Sunuwar, Majhi and Chepang cluster, women report rates of acute illness about 26

percentage points higher than the rates for male members of these groups. On the other hand, male members of Terai castes have higher proportion of the population suffering from acute illness by about 17 percentage points compared to their female counterparts. Magar and Tamang, among indigenous peoples, follow the same trend but with marginal differences (5 to 6 percentage points).

About 61 percent of hill Brahmin women deliver their babies in health care facilities, while only 25 percent of hill indigenous women deliver their babies in such facilities, with the exception of Newar (60 percent) and Gurung (42.5 percent). 28 percent of Terai indigenous women deliver their babies in such facilities. Terai caste women are on par with indigenous women in their rates of delivering babies in health care facilities. A substantial proportion (34 percent) of Hill Chhetri women give birth to their babies in primary health care facilities and hospitals. Hill Dalit women and Terai Dalit women are most disadvantaged in having access to such facilities for deliveries, with 21 percent and 16 percent respectively having access to such facilities. Newar and hill Brahmin women have the highest proportion of women, 60 percent and 57 percent respectively, who deliver their babies in public and private hospitals, about three times larger than the proportion of non-Newar indigenous women and four times larger than the proportion of Dalit women.

About 75 percent of indigenous women other than Newars deliver their babies in their homes assisted by family members and neighbors. Similarly, about seven percent of indigenous women use the services of traditional birth attendants (TBAs), and TBAs provide delivery care services to 13 to 15 percent of indigenous and Dalit women of the Terai and hill regions. Home deliveries assisted by family members and neighbors are still the most common mode/ procedure for delivering babies, although home deliveries are certainly not free of health risks. Women from the richest quintile are seven times more likely to deliver their babies in hospitals than women from the poorest quintile (68.9 percent versus 9.8 percent). Thus, hospital birth delivery is indicative of affluence and, conversely, home birth delivery of economic deprivation.

About 96 percent of Hill Brahmin women have received pre-natal care from health care facilities, while only 71 percent of hill indigenous

women have approached governmental and private health facilities for such care. Around 61 percent of Kumal, Sunuwar, Majhi and Chepang women have received pre-natal care from health care facilities. Hill indigenous women other than Newar women have the least access to pre-natal care from health facilities, and only about 71 percent of them have approached governmental and private health facilities for such care. Government health facilities are widely used by women belonging to all of the identity groups. However, the highest proportions of women consulting government health facilities lie with Rai women (96.6 percent), women of the Sherpa cluster (93.6 percent), Terai indigenous women (93.3 percent), Limbu women (93 percent), Magar and Tamang women (91 percent each) and hill Dalit women (92.1 percent).

The numbers are different for private health care facilities. Significant proportions of Newar women (29.9 percent), Terai caste women (26.5 percent), Tharu women (22.7 percent) and Gurung women (21.1 percent) have received pre-natal care from private facilities. For post-natal care, Newar women (50.73 percent) and Brahmin women (26.61 percent) have the highest proportions who have received such care in health institutions, mostly from government health facilities. About 22 percent of hill Chhetri women and 18 percent of hill Dalit women have received post-natal care, again mainly from government health facilities. Among hill indigenous women other than Newar and Terai indigenous women, only 18 percent and 17 percent respectively have received post-natal service in a health institution.

ACCESS TO FACILITIES

In access to primary school facilities, 94.7 percent of all households have access to a primary school facility within 30 minutes of their home. Other than Newar (90.4 percent), hill Chhetris (91.8 percent) and hill Dalits (93.5 percent), the proportions of hill indigenous peoples with access to a primary school within 30 minutes are below the national average, although these proportions are still relatively high. Indigenous households other than Newar are most disadvantaged in terms of access to primary schools. It takes more than 30 minutes to reach the closest primary school for 17 percent of Kumal, Sunuwar, Majhi and Chepang households, 14 percent of Rai households and 9 percent of Tamang households.

At the secondary school level, there is a noticeable drop in access rates among all ethnic and caste groups. About 87 percent of Terai caste households have access to a secondary school within 30 minutes of their home, followed by 86 percent of Newar households. Similarly, about 82 percent of Terai Dalit households have access to a secondary school within 30 minutes. Among the remaining groups, 80 percent of hill Brahmin households have access to a secondary school within 30 minutes and 95 percent have access within an hour from their home. Hill Chhetris rank second among hill caste and ethnic groups, with 65 percent of households able to access a secondary school within 30 minutes of their home and 84 percent having access within an hour. Hill indigenous peoples other than Newars have the lowest proportion of households with access to secondary schools within 30 minutes, at a meager 55.2 percent.

At the higher secondary school level, there is again a noticeable drop in access. About 76 percent of Newar households, 70 percent of hill Brahmin households and about the same proportion of Terai indigenous peoples' households have access to a higher secondary school within 30 minutes from their home. Hill indigenous peoples are most disadvantaged in this regard, with only 39 percent having access to a higher secondary school within 30 minutes of their home. Within this group, Magar, Limbu and Rai households have the lowest levels of access, with 29 percent, 34 percent and 35 percent respectively able to access a higher secondary school within 30 minutes of their home. About 24 percent of hill indigenous peoples other than Newar must travel more than two hours to reach the closest higher secondary school, making higher secondary education eventually inaccessible to them given the time, distance and associated costs required to attend.

Regarding access to public hospitals and primary health centres (PHCs), about 59 percent of Newar households and 40 percent of Terai caste and hill Brahmin households have access to a public hospital or PHC within 30 minutes of their home. There is wide variation in access to public hospitals and PHCs among Chhetri households, with 30 percent able to access such facilities within 30 minutes of their home and 26 percent having to travel more than three hours. However, Chhetris overall have better access to health care facilities than hill Dalits and hill indigenous

peoples. 24 percent of hill indigenous households have access to a public hospital or PHC within 30 minutes of their home, slightly better than hill Dalit households, of which 21 percent have access within 30 minutes. Terai indigenous households have better access, with 30 percent able to reach a public hospital or PHC within 30 minutes. Among all caste and ethnic groups, the Magar and Limbu groups are the most disadvantaged in this regard, with 16 percent and 17 percent of households respectively able to access hospitals or PHCs within 30 minutes of their homes.

Newar, Gurung and hill Brahmin groups have better access to cooperatives (*Sajha*)¹⁴ than other groups. Among indigenous peoples, about 86 percent of Newar households have access to cooperatives within 30 minutes, which is the highest proportion of any group. 73 percent of Gurung households have such access. Of the remaining hill indigenous households, less than 49 percent have access to cooperatives within 30 minutes. This is lower than the national average of 54 percent. Among indigenous households, Magars rank the lowest with only 39.8 percent of households having access to a cooperative within 30 minutes. Terai Dalit households have even less access to cooperatives, with only 39.2 percent of households able to reach a cooperative within 30 minutes of their home.

About 41 percent of all Nepali households have access to a bank within 30 minutes of their home. Newars have the best access to banks, with about 69 percent of households able to access a commercial bank within 30 minutes of their home. As in other areas, hill Brahmins have the best access to banks after Newars, with 53 percent of households traveling less than 30 minutes to reach the nearest commercial bank. Only 22 percent of hill Dalits have access to a bank within 30 minutes, which is the lowest rate of any group. About 30 percent of hill indigenous households and 42 percent of Terai indigenous households have access to a bank within 30 minutes of their home.

14 A cooperative, or *Sajha*, is a financial institution or business enterprise owned and managed by a group of people, its members, who also share in its profits. Cooperatives can take different forms depending on their purpose, including: savings and credit, agricultural, dairy, consumer, electricity, medicinal herbs, beekeeping, communications, health, and multipurpose cooperatives.

Regarding access to market centres, about 71 percent of Newar households have access to a market centre within 30 minutes of their home, followed by 54 percent of Terai caste households and 52 percent of Terai indigenous households. Hill Chhetri households rank lower, with 43 percent able to access a market centre within 30 minutes of their home. Hill Dalits are the most disadvantaged in this regard, with less than 29 percent of households able to access a market centre within 30 minutes of their home. Terai Dalits have significantly better access than hill Dalits, at 44.5 percent. Topographical factors and better transportation facilities may contribute to the difference between hill and Terai Dalits.

33 percent of hill indigenous households (other than Newars) have access to market centres within 30 minutes, which is just slightly better than the hill Dalit group. Large proportions of Magar, Tamang, Rai, Gurung and Limbu households, ranging from 22 to 30 percent and constituting about one-fifth of the total population, have to devote more than three hours to reach the nearest market centre. Only hill Dalits and Chhetris have significant proportions of their population with a similarly long travel time to reach the closest market.

For almost half of the total population (51 percent of households), the travel time necessary to reach the nearest paved road is less than 30 minutes. Around 75 percent of households have access to a paved road within two hours of their home. Terai caste groups and Terai Dalits have better access to paved roads than all other groups, with 64 percent and 60 percent, respectively, having access to a paved road within 30 minutes. Among Terai inhabitants, indigenous peoples are comparatively disadvantaged with only 56 percent of households located within 30 minutes of the nearest paved road. Among hill caste and ethnic groups, 75 percent of Newar households and 61 percent of hill Brahmin households live within 30 minutes of the nearest paved road, while only about 45 percent of hill Chhetri households have the same level of access. This is likely the result of the government's neglect of the large areas of mid-western and far-western hills, with limited networks of paved roads constructed in that region.

Less than 38 percent of hill indigenous households live within 30 minutes from the nearest paved road, and within this group, Limbu, Rai

and Magar households are the most disadvantaged with just 27 percent, slightly less than 31 percent and 31 percent of households respectively having such access. Similarly, 38 percent of Sherpa, Bhujel, Bhote and Thakali households have access to a paved road within 30 minutes of their home, followed by 40 percent of Kumal, Sunuwar, Majhi and Chepang households. Hill Dalits have the least access to paved roads, with only 30 percent of households having access to a paved road within 30 minutes of their home. 46 percent of Rai households must travel more than three hours to reach the nearest paved roads, and 34 percent of Magar households, 29 percent of Limbu and Tamang households and 39 percent of Kami households (among hill Dalits) face similar road access problems.

In access to dirt and earthen roads, 99.8 percent of Terai castes and 99.4 percent of Terai Dalits report having access within 30 minutes of their homes, followed by 97.2 percent of Terai indigenous peoples. About 80 percent of hill Brahmin households are within 30 minutes of the nearest dirt road, which is the largest proportion among caste and ethnic groups in the hills. Around 70 percent of hill Chhetri households are within 30 minutes of the nearest dirt road, followed by 69 percent of hill Dalit households. Hill indigenous peoples are the most disadvantaged in this regard, with only 64.5 percent able to access a dirt road within 30 minutes of their home. Around 60 percent of Limbu households, slightly less than 62 percent Rai households, 62 percent of Magar households and 64 percent of Tamang and Gurung households are within 30 minutes of the nearest dirt road, far below the national average. More than 30 percent of Rai households and 24 percent of Limbu and Gurung households have to spend more than three hours to reach the nearest dirt road.

Regarding access to telephones, Newar and Gurung households are the most advantaged with 96 percent and 95 percent respectively having access to the nearest telephone booth within 30 minutes of their home. These relatively high proportions significantly raise the figure for all indigenous peoples closer to the national average of 86.3 percent. However, separating out the Newar group, hill indigenous peoples have the least access to telephone booths, with only 78 percent of households able to reach a telephone booth within 30 minutes of their home. Only

70.4 percent of Rai households, 72.8 percent of Magar households, 76.1 percent of Sherpa, Bhujel, Bhote and Thakali households and 76.9 percent of Kumal, Sunuwar, Majhi and Chepang households have access to a telephone booth within 30 minutes.

Terai indigenous households are better situated in this respect, with about 93 percent able to access a telephone booth within 30 minutes of their home. 92 percent of Terai caste households and 91 percent of hill Brahmin households report similar access. Contrary to expectations, about 81 percent of hill Dalit households have access to a telephone booth within 30 minutes.

Newars have the highest rate of access to internet facilities, with 72 percent of Newar households able to access internet facilities within 30 minutes of their home, followed by 58 percent of Tharu households. Among hill groups, hill Brahmins have the best access to internet facilities after Newar households, with 56 percent able to access internet facilities within 30 minutes of their home. About 33 percent of hill indigenous households report similar access, substantially below the national average of 43 percent. Within the hill indigenous peoples group there is great disparity, with some groups having very little internet access. Only about 23 percent of Magar and Limbu households, 33 percent of Rai households and 35 percent of Tamang households have access to internet facilities within 30 minutes. Terai castes and Hill Chhetris also have better access to internet facilities than indigenous peoples and Dalits, of which 44 percent and 41 percent of households respectively report similar access. Hill Dalits are most disadvantaged in this regard, with only 22 percent of Kami households able to access internet facilities within 30 minutes.

There is a noticeable correlation between access to facilities and poverty rates of caste and ethnic groups in Nepal. Hill Brahmins have better access to various facilities, including paved roads, dirt roads and markets, than all other groups and their poverty headcount rate is lowest among all castes and ethnicities. Poverty rates are higher among those groups who experience poor access to facilities. Access is measured in terms of time taken to reach the facilities, but it is important to remember that this does not guarantee the quality of services received.

INTRODUCTION

1. Context

The Nepal Living Standards Survey (NLSS) is a national survey that is conducted periodically by the Central Bureau of Statistics (CBS) under the National Planning Commission Secretariat of the Government of Nepal. So far, the CBS has conducted three rounds of the survey, in 1995/96, 2003/04 and 2010/11.

The NLSS is considered the only reliable source of data on various economic and social indicators in Nepal. The third and most recent survey, the NLSS III, presents diverse but ex-ante projected profiles of the living standards in various parts of the country. The NLSS III provides a large body of information (data) on poverty and related indicators and the data is disaggregated across geographic categories like rural versus urban and categorized by ecological belt and development region (political topographies designed for resource redistribution in the past). However, it does not present information disaggregated by socio-economic groups that represent the social structure and composition of Nepalese society.

Many citizens and concerned stakeholders and rightsholders are anxious to access disaggregated data organized by socio-economic group in order to understand the results of government propagated 'inclusive development' plans, and for other policy development work. In the NLSS III, the CBS has attempted to present the incidence of poverty for broad socio-economic categories like hill Brahmin, hill Chhetri, Terai castes, hill indigenous peoples (including Newar and other hill indigenous peoples), Terai indigenous peoples, hill Dalits, Terai Dalits, Muslims and others in its preliminary brief report on the NLSS III. However, it has done so without the required organization and analysis of the available data. The NLSS III itself does not attempt to present data on each socio-economic indicator organized by caste

and ethnic group, and instead focuses on categorizing the relevant data geographically. This report aims to fill the information gaps left by the NLSS III by further disaggregating data by caste and ethnicity to the greatest possible extent, providing data by various caste and ethnic groups for each of the socio-economic indicators covered by the NLSS survey, and analyzing the data to better understand the status of each group.

The NLSS II of 2003/04 provided disaggregated data by caste and ethnicity to a limited extent, classifying the 103 self-identified castes and ethnic groups from the 2001 census¹ into eight categories: Brahmins/Chhetris, Terai middle castes (particularly Yadav), hill and Terai Dalits, Newars, hill indigenous peoples, Terai indigenous peoples (particularly Tharu), Muslims and other groups/minorities. The comprehensive report of the NLSS II explained that persistent wealth and income differences based on caste and ethnic identity are the result of identity-specific economic exclusion through centuries of perpetual discrimination in the access to services and opportunities.² The report also implied a persistent maldistribution of productive resources.

Traditional patterns of resource distribution in Nepal have not been changed despite the much-hyped claims of poverty reduction and improved service delivery by the government. The Survey provided limited space for disaggregation of data by ethnicity and caste and so failed to give the real picture of the socio-economic status of each group within Nepal. This left the policy makers and planners without the information necessary to change hegemonic development frameworks and implement more inclusive and just development processes and outcomes. Advocacy and arguments to support the rights of indigenous peoples, Dalits, Madhesi and women based on lived experiences have not achieved results due in part to a lack of data or empirical evidence generated from countrywide surveys. Because of these failures, forceful mass movements have become the only

1 Census 2011 has enumerated 125 caste/ethnic/social groups with four other unidentified groups.

2 Central Bureau of Statistics, The World Bank, DFID and ADB. 2006. *Resilience Amidst Conflict: An Assessment of Poverty in Nepal, 1995-96 and 2003-04*. Kathmandu: CBS. See pp 21-28.

method available to disadvantaged groups to make the government hear their voices.

Published reports on the NLSS III of 2010/11 have also made public some limited data on poverty for 11 caste and ethnic group categories, including hill Brahmins, hill Chhetris, Terai Brahmins, Terai middle castes, hill Dalits, Terai Dalits, Newars, hill indigenous peoples, Terai indigenous peoples, Muslims and others. But it is clear that the sample size of Terai Brahmins and Muslims does not permit disaggregation of data by their identities, which is an utter neglect on the part of survey designers. Now there is an emerging understanding that a large number of indigenous groups will remain 'invisible' in national statistics like those generated under NLSS, Nepal Demographic and Health Survey (NDHS), Labour Survey and other national surveys even in recent years as the data in these major surveys is not being organized and presented to the public in a way that reveals their true socio-economic status across the poverty indicators. This is particularly ironic given Nepal's claimed agenda of social inclusion. The ongoing unavailability of data and statistics about individual caste and ethnic groups may be the result of interventions by dominant political leaders and entrenched bureaucrats who fear that increased awareness of identity-based inequalities will lead to wider transformation and social polarization. As postulated elsewhere, this is yet another symptom of discrimination.³

The NLSS and NDHS are among the primary data sources used to track and monitor Nepal's progress towards achieving the Millenium Development Goals (MDGs). This data is used to compute the Human Development Index (HDI) and to assess the outcomes and impacts of the government's periodic plans. Participation in the development processes and its outcomes has become a crucial debate in post-conflict era Nepal and uneven development has so far dominated the arena in the 21st century. Social inclusion and targeted programs to assist poor and marginalized groups were a strategic pillar of Nepal's poverty reduction strategy in the Tenth Plan (2002-2007), also known as the

3 See Manuela Tomei, 2005: 9-11 (*Indigenous and Tribal Peoples: An Ethnic Audit of Selected Poverty Reduction Strategy Papers* published by ILO)

Poverty Reduction Strategy Paper (PRSP).⁴ The other three pillars – high, sustainable and broad-based economic growth, social sector and rural infrastructure development, and good governance – were supposed to complement each other in reducing poverty.

The PRSP had envisaged working on three mutually complementary tracks for the realization of social inclusion: (i) actions aimed at structural change in institutions and policies to ensure disadvantaged groups access to economic resources, social services and decisions that affect them; (ii) ensuring access for excluded groups in mainstream programmes; and (iii) targeted programmes and safety nets for those who are disadvantaged or who are especially vulnerable due to age, illness or physical/mental disability'.⁵ The PRSP identified Dalits, Indigenous peoples, and minorities as excluded groups based on their lower average incomes, fewer opportunities for achieving personal and material gains (education, nutrition, land, and livestock), language-based discrimination, isolation due to remote locations, less ability to pay for private services when public services fail, low social status and discriminatory social treatment, restricted or limited access to public services, very low representation in the legislature, executive, judiciary and civil service and lack of political influence.⁶ Similarly, women and girls were identified as excluded groups because of their low economic status, diminished access to economic opportunities, poor access to services and limited rights and participation in household and public decision making. People of remote areas and people living in vicious cycles of poverty were also categorized as excluded groups in the document.⁷

In accordance with the PRSP, the Government made some attempts to make structural changes in mainstream policies and programmes with the aim of removing barriers caused by geography as well as

4 See NPC, 2002. *Tenth Plan*.

5 NPC, June 2006. *An Assessment of the Implementation of the Tenth Plan/PRSP: PRSP Review 2004/05*. p. 55. Kathmandu: NPC.

6 See Table 8.1: Dimensions and basis of exclusion in Nepal (p. 66) in NPC, December 2006. *An Assessment of the Implementation of the Tenth Plan/PRSP: PRSP Review 2005/06*. Kathmandu: NPC.

7 Ibid.

those caused by socially defined characteristics such as gender, caste, ethnicity, language and religion. The Government also implemented initiatives to promote inclusive programming in all sectors, including providing poverty index-based block grants to local bodies, developing a framework for addressing the problems of deprived communities/regions, eliminating legal discrimination, promoting affirmative action in some public areas, expanding social mobilization and generating and analyzing data based on gender and caste/ethnicity in order to monitor development outcomes and reduce the effects of exclusion.⁸

However, the implementation of this plan has remained poor. This is due to a lack of participation by excluded groups, including indigenous peoples, in development processes; bureaucratic apathy and weak capacity of institutional mechanisms to respond to the needs of indigenous peoples; extremely inadequate budgetary allocations and non-fulfillment of Government resource commitments.⁹ Political instability, escalating conflict, exclusionary and inefficient governance, weak State infrastructure to execute its agendas and other factors also contributed to poor implementation of the PRSP, especially the social inclusion policies and programmes.

The Interim Constitution of Nepal, 2007 further elaborated on the list of excluded groups to include Madhesis; oppressed groups; poor farmers and labourers; physically and mentally impaired; disadvantaged classes, children and the elderly; deprived people and people of disadvantaged regions.¹⁰ These people also became entitled to the benefits of inclusion and affirmative action. The Three Year Interim Plan (July 2007 to July 2010) was introduced in mid-2007 by consensus of the ruling parties including NCP (Maoist). This plan also emphasized inclusive economic growth and development, following in the tradition of past programmes and of the Interim Constitution of Nepal, with a specific focus on the needs and expectations of indigenous peoples and other excluded groups. Like the PRSP, implementation of the Three Year Plan was weak due to lack of political consensus and differences

8 Ibid. pp 55-56.

9 See Bhattachan and Webster, 2005 and Bajracharya and Bhattachan, 2008.

10 For details see Article 13, Article 21 and Article 33 of *The Interim Constitution of Nepal, 2007*.

among political parties on several institutional arrangements, policies, programme implementation and enactment of necessary laws. As the focus of the politicians and government was on constitution making, inclusive development agendas had a low priority and even target communities did not pay much attention to the inclusion policies and programmes. Other factors such as the rise in the price of petroleum products, shortage in electricity supply, frequent bandas (shut-downs) and strikes and lack of elected local bodies also adversely affected the implementation of the Three Year Interim Plan.¹¹

Beginning in mid-2010, the Government began to implement the Second Three Year Plan. The Government claims that Nepal is likely to meet the MDGs of reducing poverty, children's mortality and maternal mortality, halting the spread of HIV/AIDS, reversing the incidence of malaria and other diseases and increasing sustainable access to water sources. The Government further claims that Nepal may be able to meet the MDGs of reducing hunger, achieving universal primary education (completion of primary schooling), eliminating gender disparity in primary and secondary education, achieving universal access to treatment for HIV/AIDS and reversing the loss of forest. The MDGs which are not likely to be met are the achievement of full and productive employment and decent work for all, universal access to reproductive health and sustainable access to improved sanitation.¹²

The inadequacy of disaggregated data on the socio-economic status and progress of indigenous peoples makes it difficult to assess the extent to which the fulfillment of the MDGs and other goals have and will benefit indigenous peoples. The UN Permanent Forum on Indigenous Issues (UNPFII) has recommended that the UN system must make greater efforts to include indigenous peoples in the formulation, implementation, monitoring and evaluation of MDG-related policies and programmes, and that state governments and the the UN system should emphasize improved disaggregation of data in order to properly

11 See NPC and UN Country Team of Nepal, 2010. *Nepal Millennium Development Goals: Progress Report 2010*. Kathmandu: NPC and UN Country Team of Nepal. p. 5.

12 See *ibid* for details.

monitor progress toward MDG achievements.¹³ However, the progress in this direction is far from satisfactory in Nepal.

Taking note of the paucity of data on the socio-economic status of indigenous peoples, the Lawyers' Association for Human Rights of Nepalese Indigenous Peoples (LAHURNIP) has taken the initiative to generate disaggregated data by caste and ethnicity in order to contribute to the protection and promotion of the social and economic rights of indigenous peoples. It is widely accepted that the NLSS is the only reliable and authoritative source of data on the socio-economic status of Nepal and its people, including tracking changes over time. Given this, there is a need for the NLSS III data to be disaggregated by caste and ethnicity to the greatest possible extent. A team of experts (a sociologist/planner, economists, a senior statistician and data analyst, and a field coordinator) was assigned the task of assessing the socio-economic status of indigenous peoples based on the NLSS data, and this report is the culmination of their analyses.

LAHURNIP is an organization established by indigenous lawyers with the primary objective of promoting, protecting and defending the human rights and fundamental freedoms of indigenous peoples in Nepal. Since its inception in 1995, LAHURNIP has been working in solidarity with the regional and international indigenous peoples' rights movement to promote better implementation of ILO Convention on Indigenous and Tribal Peoples in Independent Countries (Convention No.169, briefly ILO 169), commonly known as ILO Convention 169 and the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), along with other international instruments to which Nepal is a party. LAHURNIP also helps indigenous communities, in particular those affected by development projects that interfere with their land, territories and natural resources, to assert and enjoy their rights. The organization undertook a study of the socio-economic status of indigenous peoples in Nepal and assigned a multidisciplinary team of consultants (see Annex 2) to prepare a report on the subject based on data from the NLSS.

13 Secretariat of the Permanent Forum on Indigenous Issues, UN. 2009. *State of the World's Indigenous Peoples*. New York: United Nations. p. 40.

2. Objectives of the Study

The primary objective of conducting this study is to develop better understanding on the current socio-economic status of indigenous peoples. This will entail assessment of their economic status with regards to their level of income consumption, level and degree of poverty; accesses to public and private facilities etc. This will be done by developing an understanding on prevailing group-based/identity-based inequalities and identifying the trend of uneven economic development along group lines. As suggested, the study will use National Living Standard Survey 2010/11 data set to generate disaggregated data by ethnicity/caste so that feedback/inputs to policy makers and implementers, programme designers and implementers, policy and programme evaluators and other stakeholders can be provided.

3. Expected outputs

It is expected that the study will have greater policy implications in creating awareness between concerned stakeholders – both Indigenous peoples and non-Indigenous peoples. The study will be particularly helpful in the following:

- a. After the completion of the study, a functional model for comparing the extent of deprivation and exclusion between Indigenous peoples and others will be developed.
- b. The database and crosscutting issues diagnosed during the study can create a forum for initiating a policy dialogue.
- c. It will also assist in designing future fiscal or federal structure that is both socially and economically viable and sustainable.
- d. It will also be helpful to various governmental and non-governmental agencies including researchers, think tanks and ethnicity based organizations in making further researches in the similar area.

4. Tasks assigned

The team of consultants had to accomplish the following tasks:

- a. to review and assess the existing plans, policies and strategies of Government of Nepal pertaining to indigenous people.

- b. to examine the NLSS data set for processing and analysis from the perspective of study objectives,
- c. to classify and cluster social groups (caste, ethnicities and religious groups) for appropriate level of data disaggregation and share with concerned stakeholders,
- d. to process NLSS data to generate disaggregated data by ethnicity /caste and gender,
- e. to share preliminary findings of the study (data analyses) with stakeholders and incorporate received feedbacks, and
- f. to prepare a final report.

The Chapter dealing with methodology provides details of the activities carried out as outlined in the Terms of Reference for the study.

METHODOLOGY

2.1. Background

This study on the socio-economic status of indigenous peoples in Nepal has been carried out to assess the poverty level of indigenous peoples and their social development status and compare these figures with those of other castes and ethnic groups in Nepal. By presenting and analyzing this information, this study aims to reveal the true extent of the deprivation and exclusion faced by many of Nepal's indigenous groups. The specific objectives of the study are to:

- 1) Assess the current socio-economic status of indigenous peoples;
- 2) Identify the constraints to improving the socio-economic status of target groups, based on the findings of this study in the context of social inclusion;
- 3) Recommend policy options to the government and other relevant stakeholders;
- 4) Develop an understanding of the prevailing group- and identity-based inequalities and identify the trends of uneven economic development along group lines; and
- 5) Generate disaggregated data by caste and ethnicity from the Nepal Living Standards Survey 2010/11 (NLSS-III) data set to provide feedback and inputs to policy makers and other decision makers, programme designers and implementers, policy and programme evaluators and other stakeholders.

As noted in the above list of objectives, this study is primarily based on a secondary data source – the results of the NLSS-III. In the course of the study, poverty-related variables such as consumption, income, agricultural activity and several others were considered. For this, the data collected in the NLSS III was processed and analyzed in line with

the study's objectives. The NLSS III data was processed using the STATA statistical software package.

In connection with the methodology of this study, it is worthwhile to mention the methodology of the NLSS III. Hence, a short description of the NLSS III methodology is presented in the following sections.

2.2. Nepal Living Standards Survey 2010/11

The Nepal Living Standards Survey 2010/11 (NLSS III) was the third in a series of multi-topic household surveys undertaken by the Central Bureau of Statistics (CBS) of Nepal. Two previous iterations of the NLSS were conducted in 1995/96 and 2003/04 (the NLSS I and NLSS II).

The main objective of the NLSS III was to provide updated data on living standards in Nepal. The survey was designed to assess the impact of various existing government policies and programs on socio-economic changes in the country during the 7 year period preceding the survey. In addition, through a panel sample, the survey aimed to track changes experienced by the panel households during the past fifteen years and the past seven years (from the time of the first and the second survey, respectively).

The NLSS III was basically a household survey - the enumeration unit of the survey was the household. The survey included data on the following broad topics: demography, housing, access to facilities, migration, consumer expenditure, education, health, marriage and maternity history, work and use of time, employment and unemployment, wage and salary, agriculture, non-agricultural activities, credit and savings, absentee population, remittances and transfers, social assistance, adequacy of consumption and government services and facilities, anthropometry and tracking indicators for specific enumerated households from the previous surveys.

The sample size for the survey was set at 7,200 households from 600 primary sampling units (PSUs) or enumeration areas. Among them, 500 PSUs with 6,000 households were selected as the new cross-section

sample (Table 2.1). The remaining 1,200 households within 100 PSUs had been interviewed in the NLSS I or NLSS II and were selected for re-interviewing in the NLSS III. The PSUs were selected in proportion to their size, with size measured based on the number of households in each ward (availed from the 2001 census). Twelve households were selected for the study from each of the selected PSUs.

Table 2.1: Distribution of Sample Households in the NLSS-III by Belt and Region

Region	Eastern	Central	Western	Mid western	Far western	Total
Cross-section						
Mountains	108	156	0	60	84	408
Hills	432	1464	720	372	216	3,204
Terai	732	660	432	324	240	2,388
Total	1,272	2,280	1,152	756	540	6,000
Panel						
Mountains	48	36	12	12	24	132
Hills	72	276	144	72	36	600
Terai	156	168	84	36	24	468
Total	276	480	240	120	84	1,200
Combined sample						
Mountains	156	192	12	72	108	540
Hills	504	1,740	864	444	252	3,804
Terai	888	828	516	360	264	2,856
Total	1,548	2,760	1,392	876	624	7,200

Source: Nepal Central Bureau of Statistics, Nepal Living Standards Survey, 2010/11: Highlights, 2011

2.3. Level of Data Disaggregation

The broad grouping of the castes/ethnicities published in the 2001 population census report (Box 1), conducted by Lynn Bennett and Dilip Parajuli,¹⁴ was reviewed and the team of consultants concluded that the same framework of broader classification would also be useful for this study. The list (Box 1) served as a useful starting point for the discussion on the NLSS data disaggregation and analyses. Two types of groupings were suggested for the initial tabulation work. The first was a broad grouping by major caste/ethnic categories. As mentioned earlier, the grouping was based on the sample size of castes and ethnic groups as reported in the 2001 census. The suggested groupings contained 5 major groups with 7 sub groups. The major groups suggested were Brahmin-Chhetri (of the hills origin), Terai castes (excluding Terai Dalit and indigenous peoples), Dalit, indigenous peoples and other castes.

Box 1: List of Castes and Ethnicities by Broad Group	
Hill Brahmin-Chhetri	Brahmin, Chhetri, Thakuri, Sanyasi
Terai castes	Madhesi Brahmin, Nurang, Rajput, Kayastha, (Bhumihar), Yadav, Teli, Koiri/Kuswaha, Kurmi, Sonar, Baniya, Kalwar, Thakur/Hazam, Kanu, Sudhi, Kumhar, Haluwai, Badhai, Barai, Bhediyar/Gaderi, Kewat, Mallah, Lohar, Nuniya, Kahar, Lodha, Rajbhar, Bing/Binda, Dhuniya, Kamar, Mali (<i>7 groups added in Census 2011</i>)
Newar (indigenous group)	
Indigenous Peoples (other indigenous peoples/ nationalities)	
Hill and Mountain origin	Magar, Chhantyal, Rai, Sherpa, Bhujel/ Gharti, Yakha, Thakali, Limbu, Lapcha/Rong, Bhote, Byansi/Sauka, Jirel, Yholmo, Walung, Gurung, Dura, Tamang, Kumal, Sunuwar, Majhi, Danuwar, Thami/Thangmi, Darai, Bote, Baramu, Pahari, Hayu, Kusunda, Chepang, Raji, Raute (<i>16 Groups added in Census 2011</i>)

14 Nepal Inclusion Index: Methodology, First Round Findings and Implications for Action (draft), 2007

Terai origin	Tharu, Jhangar/Dhagar, Dhanuk, Rajbanshi, Gangai, Santhal/Satar, Dhimal, Tajpuriya, Meche, Koche, Kisan, Munda, Kusbadiya/Pathharkatta, Unidentified Indigenous Peoples (<i>Khawas added in Census 2011</i>)
Dalit	
Hill origin	Kami, Damai/Dholi, Sarki, Badi, Gaine, Unidentified Dalits
Terai origin	Chamar, Musahar, Dushad/Paswan, Tatma, Khatwe, Dhobi, Baantar, Chidimar, Dom, Halkhor (<i>Dhanikar/Dhankar added in Census 2011</i>)
Muslim and others	Madhesi Muslim, Churoute (Hill Muslim), Marwari, Jain, Bangali, Punjabi/Sikh, Unidentified Others
Source: Lynn Bennett and Dilip Parajuli, 2007. Nepal Inclusion Index: Methodology, First Round Findings and Implications for Action (draft). (Published in 2013 by Himal Books, Kathmandu with the title- <i>The Nepal Multidimensional Exclusion Index: Making Smaller Social Groups Visible and Providing a Baseline for Tracking Results on Social Inclusion</i>)	
Caste name(s) or ethnonym(s) in parentheses have been enumerated in Census 2011.	

The possibility of further subdivision of the major groups was also considered. The idea was to have the maximum possible number of the indigenous peoples categories in the analyses. The level of disaggregation to be followed in the study was limited by the number of households in each group in the NLSS III. Table 2.2 presents the number of sample households included in the NLSS III. Except for the group “Dalit of Terai origin,” the number of households included in the different groups seems adequate. For this reason the estimates obtained for those groups should be fairly robust.

Table 2.2: Number of Sample Households Covered in the NLSS by Broad Categories of Caste and Ethnicity, Nepal, 2010/11

Caste/Ethnicity Group	Households	
	Number	Percent
Hill Brahmin-Chhetri		
Brahmin	931	15.55
Chhetri	1,158	19.34
Terai castes*	674	11.26
Dalit		
Hill origin	514	8.58
Terai origin	182	3.04
Indigenous Peoples		
Newar	569	9.50
Other hill origin	1,343	22.43
Terai origin	377	6.30
Other castes	240	4.01
Total	5,988	100.00

**Excludes Terai Dalit and Indigenous Peoples and some other Terai castes.*

Source: CBS, 2011

Of course, this study's analyses would ideally present the status of each individual indigenous group. However, the number of households sampled and enumerated in the NLSS III is a major constraint. From a statistical point of view, it is advisable to merge some of the categories presented in Table 2.3 to ensure a large enough sample size to produce reliable and representative data for each category. Among the indigenous peoples groups, it is appropriate to analyze the Newar, Magar, Tamang, Rai and Tharu groups separately. For the remaining groups, it would be most appropriate to combine them into one category, as "Other indigenous peoples," to ensure an adequate sample size. This study aims to include the maximum possible number of indigenous peoples categories in the analyses. Similarly, it is more appropriate to analyze Kami as a separate hill Dalit group and the rest of the groups as "Other hill Dalits," as the sample size of Kami households permits

disaggregation of that group. It is appropriate and necessary to analyze “Terai Dalits” as a separate Dalit group, in part because of the vast differences in culture and geographical location between Terai Dalits and hill Dalits.

Table 2.3 presents the number of sample households by further breaking down the indigenous peoples and Dalit groups. The number of households enumerated in some of the categories (such as Gurung, Limbu, “Sherpa . . . etc.,” “Kumal . . . etc.” and “Other Terai Indigenous Peoples”) seems fairly small for the required precision of the study’s estimates. Therefore, reader discretion is needed regarding the statistical estimates for these individual groups. Further, the cross tabulations might not be possible for each of the indigenous peoples groups as the cell values become too small to generate the required precision for these categories.

The groupings used in this report were therefore determined by balancing the sample size restrictions with the desire to include data for as many individual groups as possible. In our report, the hill Dalit category is divided into Kami and “Other hill Dalits” which includes Damai/Dholi, Sarki, Gaine and Badi. The “Other hill indigenous peoples” group is divided into Magar; Tamang; Rai; Gurung; Limbu; the Sherpa, Bhujel, Bhote, Thakali etc. cluster;¹⁵ and the Kumal, Sunuwar, Majhi, Chepang, etc. cluster.¹⁶ Finally, the Terai indigenous peoples category is divided into Tharu and Other Terai indigenous peoples-- which includes Dhanuk, Rajbansi, Danuwar, Santhal, Jhangad, Gangai, Dhimal, Tajpuriya, Raji and Koche. For the purposes of this report, the term “indigenous peoples”¹⁷ does not include Dalits, Brahmins, Chhetris, or Terai castes (Madhesis). Further, as the report

15 This cluster also includes the Yakkha and Chhantyal indigenous groups. These groups were organized together for the purposes of this study because they are relatively socio-economically advanced indigenous groups who all live in the higher hills region.

16 This cluster also includes the Thami, Darai, Baramu, Lapcha and Raute indigenous groups. These groups were organized together for the purposes of this study because they are relatively less socio-economically advanced and they all live lower in the hills regions.

17 The term ‘indigenous peoples’ is used for groups referred to in Nepal as indigenous nationalities, tribal peoples/tribes, nationalities, adivasi, adivasi janajati or janajati.

shows, while the Newar and Gurung groups are considered indigenous groups, they are in a significantly better socio-economic position than the other indigenous groups, as reflected across the various indicators discussed in this report.

Table 2.3: Number of Households and Population Enumerated in the NLSS III by

Ethnicity and Caste

Ethnic/caste group	Households	Male	Female	Total
Hill Brahmins	931	1,809	2,069	3,878
Hill Chhetris	1,158	2,447	2,967	5,414
Terai Castes	674	1,810	1,958	3,768
Hill Dalits	514	1,085	1,347	2,432
Kami	244	533	643	1,176
Other hill Dalits	270	552	704	1,256
Terai Dalits	182	504	548	1,052
Newar (hill indigenous group)	569	1,189	1,337	2,526
Other Hill Indigenous Peoples	1,343	2,800	3,252	6,052
Magar	396	881	1,020	1,901
Tamang	340	697	810	1,507
Rai	210	434	488	922
Gurung	141	238	311	549
Limbu	79	174	189	363
Sherpa, Bhujel, Bhote, Thakali etc.	88	168	216	384
Kumal, Sunuwar, Majhi, Chepang etc.	89	208	218	426
Terai Indigenous Peoples	377	886	1,057	1,943
Tharu	259	621	744	1,365
Other Terai Indigenous Peoples	118	265	313	578
Other (Muslim etc.)	240	666	743	1,409
Total	5,988	13,196	15,278	28,474

Source: CBS, 2011

The results of the population census 2011 demonstrate that the population of Nepal stood at 26,494,504 by June 2011 with a national population growth rate of 1.35 per annum¹⁸. The 2011 census also reveals that 130 different social groups (castes, ethnicities, nationalities) are present in the country, which is an increase of 25 groups from the number of caste/ethnic groups reported in the 2001 census (see Annex I, Table A). In the most recent census, 16 new groups who claim to be indigenous peoples have been enumerated in the hills and eight new Terai caste groups (Madhesi) have been identified. Baniya groups¹⁹ have been enumerated as Kathabaniyan in this census. Khawas, who claim to be an indigenous group of the Terai, have been recognized as separate group from the Tharu as per their own self-identification.

The total population of indigenous peoples decreased by 1.4 percent, in contrast to the general trend of population growth in the country (Table 2.4). Populations of some indigenous groups have decreased drastically while other groups have increased substantially, raising questions regarding census operation and subsequent data management and processing. It is a well-known fact that field enumerators (31,000) and supervisors (7,900) were recruited under the influence of political parties rather than being selected for their efficiency and integrity. This raises questions as to the motivation and dedication of the census-takers – whether they were motivated primarily by money, performing their duties indifferently just to obtain financial incentives, instead of thoroughly and properly seeking information. Many complaints have been raised that census-takers did not visit all households assigned to them, instead completing census forms themselves with the assistance of third parties. The social composition of the population revealed by the 2011 census poses further problems for the NLSS and other national survey data analysis and disaggregation by caste and ethnicity as the names and numbers of castes and ethnicities were changed and more groups were added compared to last censuses. Several groups still claim

18 CBS 2012:1.

19 Jaya Prakash Gupta has listed 17 groups as Baniya. They are Sudhi, Halwai, Rauniyar, Pansari, Modi, Kesharbani, Thathera, Kalwar, Patawa, Kamalpuri, Baishya, Sindariya, Mahuri, Awadh, Varnawal, Agrahari, Poddar and so on. See Gupta, Madhesi Manavadhikar Samrakshan Kendra. 2004. Madhes: Samajik Samrachana ra Vibhed (Madhes: Social Structure and Discrimination). Despite separate category of Kathbaniyan, Sudhi, Halwai, Kalwar have been enumerated as independent caste group of Terai in the last censuses.

that they have not been properly enumerated or that data regarding their group was lost in the course of data entry and processing.

Table 2.4: Population by major categories of caste/ethnicity in the censuses of 2011 and 2001

Ethnic/Caste Group	2011	Column %	2,001	Column %	Change	Change %
Hill Brahmin, Chhetri, Thakuri & Dasnami/ Sanyasi	8,278,401	31.25	7,023,220	30.89	1255181	17.87
Brahmin - Hill	3,226,903	12.18	2,896,477	12.74	330426	11.41
Chhetri and Thakuri	4,823,676	18.21	3,927,616	17.27	896060	
Sanyasi/ Dasnami	227,822	0.86	199,127	0.88	28695	14.41
Terai Castes	3,903,572	15	3,274,680	14	628,892	35
Terai Brahmin, Rajput, Kayastha and others	273972	1.03	274007	1.21	-35	14.41
Terai Middle Castes	3,629,600	13.7	3,000,673	13.2	628927	20.96
Yadav	1,054,458	3.98	895,423	3.94	159035	17.76
Teli and others (30 caste groups)	2,575,142	9.72	2,105,250	9.26	469892	22.32
Dalit	3,604,948	14	2,757,879	12	847,069	60
Hill Dalit	2,151,626	8.12	1,615,577	7.11	536049	33.18
Kami	1,258,554	4.75	895,954	3.94	362600	40.47
Damai/Dholi	472,862	1.78	390,305	1.72	82557	21.15
Sarki, Gaine & Badi	420,210	1.59	329,318	1.45	90892	27.6
Terai Dalit	1,453,322	5.49	1,142,302	5.02	311020	27.23
Chamar/Harijan/ Ram	335,893	1.27	269,661	1.19	66232	24.56
Musahar	234,490	0.89	172,434	0.76	62056	35.99
Dusadh/Paswan, Dhobi & others	882939	3.33	700207	3.08	182732	26.1

Indigenous Peoples	9,487,642	36	8,460,701	37	1,026,941	26
Hill and Mountain Indigenous Peoples	7,211,178	27.22	6,485,013	28.52	726165	11.2
Magar	1,887,733	7.12	1,622,421	7.14	265312	16.35
Tamang	1,539,830	5.81	1,282,304	5.64	257526	20.08
Newar	1,321,933	4.99	1,245,232	5.48	76701	6.16
Rai	620,004	2.34	635,151	2.79	-15147	-2.38
Gurung	522,641	1.97	543,571	2.39	-20930	-3.85
Limbu	387,300	1.46	359,379	1.58	27921	7.77
Kumal	121,196	0.46	99,389	0.44	21807	21.94
Gharti/Bhujel	118,650	0.45	117,568	0.52	1082	0.92
Sherpa	112,946	0.43	154,622	0.68	-41676	-26.95
Danuwar & 41 groups	578,945	2.19	425376	1.87	153569	36.1
Terai Indigenous Peoples	2,276,464	8.59	1,975,688	8.69	300776	15.22
Tharu	1,737,470	6.56	1,533,879	6.75	203591	13.27
Dhanuk	219,808	0.83	188,150	0.83	31658	16.83
Rajbansi	115,242	0.43	95,812	0.42	19430	20.28
Satar/Santhal & 10 groups	203,944	0.77	157847	0.69	46097	29.2
Muslims, Sikhs, Bengali and others	1219941	4.6	1220504	5.37	-563	-0.05
Nepal	26,494,504	100	22,736,984	100	3,757,520	16.53

Source: CBS 2012 (Census 2011)

After several rounds of discussion among consultants, LAHURNIP officials and other stakeholders, it was agreed that attempts should be made to disaggregate data by ethnicity and caste in a manner that shows the clear status of indigenous peoples in relation to other groups (see Box 2).

Box 2: Suggested NLSS III Data Disaggregation from the Indigenous Peoples' Perspective

Poverty	Poverty: incidence and distribution, quintiles comparative across groups; Income: farm income, wage income, non-farm enterprises income, total income, income sources, distribution of income; Consumption: expenditure category/per capita expenditure, factors explaining differences in per capita expenditure; Correlates of poverty/poverty profile: demographic composition, education, occupation/employment and access to facilities
Land ownership	Land owned and land size, irrigated land area, livestock and poultry, and agricultural/ farm income (including agricultural inputs)
Employment	Employed population, employment patterns, underemployed population, unemployed population, main sectors of employment, child labor, wage employment and mean daily wage.
Non-farm economic activities	Non-farm enterprises by industry type, ownership and labor hiring, and revenues and expenditure
Remittances	
Household loans	
Nutrition	Stunting, underweight and wasting
Housing	House type, dwelling space, water supply, sanitation, household utilities and amenities, and main fuel used for cooking.
Education	Literacy, educational attainment: completing full courses of primary education, net enrollment ratio (NER), gross enrollment ratio (GER), school attendance (6-24, 15+), types of school attended and mean year of schooling attained.
Health	Chronic illness, acute illness, health consultations, health expenditures, disability, maternity health and decisions about health care
Access to facilities	Schools, health care institutions, transport, telephones, post offices, police stations, agricultural centres, market centres, commercial banks, cooperatives and internet
Migration	Migration and absentees
Household decisions	Gender-based differences across groups and final say in household decisions

It was logical to tabulate the data in order to show as much information as possible about individual castes and ethnic groups, although the robustness of the estimates obtained in this way would depend on the number of cell values in each category. If the cell values are small, the estimates should be treated with caution. The present study used these guidelines for determining the level of data disaggregation and the appropriate grouping of caste and ethnicities to derive reliable and usable estimates. The number of households in each category should be sufficient to obtain the usable estimates with the required precision. The level of disaggregation was determined with this guiding principle in mind. However, the comparison of disaggregated data collected for the NLSS III with the data collected for the NLSS I and NLSS II became impossible because of small and inconsistent sample sizes and changing PSUs in each survey. This report's findings regarding the changes experienced by caste and ethnic groups over time should therefore be treated with caution.

2.4. Analyses and Contents of the Report

As discussed earlier, our study was largely based on a secondary source of information: almost all of the tabulations prepared in the NLSS III report were included in this study. In addition, poverty head counts by broad ethnicity/caste groups were also prepared. Thus, this study includes a wealth of information. Among the tabulations, a few are imprecise due to the insufficient number of households available in those categories.

The study is comprised of two parts. The first part contains comparative analyses of indigenous peoples versus other groups regarding their poverty rates (level of poverty), and variables that are directly related to poverty, such as consumption, income, employment status, agriculture and housing. It also deals with non-farm economic activities, household loans and remittances and transfer of income. Each chapter deals with a specific subject for the convenience of the readers. The analysis is basically descriptive, using simple statistical tools and diagrams. Caste-based and ethnicity-based comparative analyses have been presented with help of disaggregated data demonstrated in tables and diagrams. Information from other sources has also been used to substantiate the

findings of the NLSS III relevant to the living conditions of indigenous peoples and other poor and marginalized groups.

The second part of the study has focused on other variables, which are not directly related to poverty, such as educational status and access to health care and other facilities. Some sections have been devoted to poverty correlates with data interpretations and inferences, including analyzing poverty incidences primarily in relation to educational status, employment status and access to physical facilities. It also contains the conclusions of the study and finally presents recommendations on future courses of action to policy makers, indigenous peoples' organizations and other stakeholders.

The report also contains introductory chapters presenting background information and perspectives on the well being of indigenous peoples and describing the methodology of the study along with that of the NLSS-III. The second part of the report contains chapters that cover the analyses on educational status, access to health care facilities and access to physical facilities (physical infrastructure). In the final chapter of the report, the study's conclusions are presented along with recommendations to policy makers, indigenous peoples' organizations and other stakeholders, rights holders, funding agencies and donor communities.

POVERTY

3.1. Frame of Reference

According to the 2001 census, Nepal is home to more than 22.7 million people with a gender ratio of 99.80 (males per 100 females). The composition of Nepal's population has its own interesting features. More than one hundred caste and ethnic groups are living here harmoniously with their own cultures, customs, religions, languages, costumes and ways of living. Brahmins and Chhetris together form the largest population group, at 30.5 percent of the total population. They are followed by hill indigenous peoples (27.4 percent), Terai castes (15.9 percent), Hill Dalits (8.7 percent), Terai indigenous peoples (7.6 percent) and Muslims and others (5.3 percent).¹ The results of the 2011 census demonstrate that the total population of Nepal stands at 26,494,504 (as of June 22, 2011), with the sex ratio of 94.41. A total of 125 groups (castes, ethnicities, nationalities/peoples and other religious/linguistic groups) have been clearly identified with their population strength on the basis of their self-assertion of caste/ethnic/cultural identity (see Annex I, Table 1). In such a multicultural, multi-ethnic and plurinational society, distribution of productive resources, valued opportunities, goods and services and benefits and burdens become crucial issues. For policy makers and development planners, the question of who benefits the most and at whose cost becomes the subject of problematic debate.

¹ NLSS, 2010/11. According to the population census 2001, 30.9 percent of the population belonged to hill Brahmin, Chhetris and Sanyasis, 14.8 percent to Terai/Madhes caste groups (including 1.9% known as upper castes), 11.8 percent Dalit (7.1 percent hill Dalits and 4.7 percent Terai/Madhes Dalits), 37.2 percent indigenous peoples (28.5 percent hill indigenous peoples, including 5.5 percent Newar and 8.7 percent Terai indigenous peoples), 4.3 percent religious minorities (primarily Muslims) and one percent belonged to other groups. For details, see Acharya et al. 2008.

Despite more than a half century of planned development efforts, Nepal is lagging behind in the global race of economic growth and development. In the political arena, some miracles have occurred but negative factors still outweigh the positive stimuli on the economy. Nepalese society is full of malaise and hopelessness as a result of slow economic growth, distributive injustice, ineffective and costly public service delivery, lack of good governance, rampant corruption, deteriorating peace and security, a discriminatory and high rate of unemployment or underemployment, low economic productivity, etc. As a result, for more than a quarter of Nepalese (7.05 million), each day begins with a search for food and shelter. These individuals are living below the absolute poverty line, unable to acquire 2220 kcal each day even using their total daily earnings.

At the same time, the incidence of poverty in the country is dispersed disproportionately among the ecological belts, development regions, castes and ethnicities, gender and age. Poverty levels vary from north to south (hill to Terai), west to east, and between rural and urban areas of the country. Poverty is associated with the unavailability of natural resources and lack of social infrastructure and physical capital. It follows noticeable trends according to geographic regions, family size, asset holdings (especially land), occupation, sources of income, caste/ethnicity, gender, and access to public services, including roads, communication channels, electricity and markets. Access to education, hospitals and other social services are also important poverty indicators.

In the case of Nepal, inclusive growth must involve streamlining the process of economic development by narrowing the wide disparities that still prevail in Nepalese society. It requires a focus on reducing the number of people suffering from extreme poverty by promoting sustained growth in employment and productivity for indigenous peoples, minorities, women, remote and rural people, Dalits, and other marginalized groups. Socio-economic disparities and a wide poverty gap have become serious social issues, engendering latent societal conflicts and indicating a need for more meaningful and inclusive economic growth and development efforts.

3.2. Poverty profile by caste/ethnicity

Table 3.1 presents the incidence of poverty for each caste and ethnicity in Nepal, using data from the NLSS III. The NLSS estimates are based on reported household consumption expenditures, which include expenditures based on remittances from labor migrants. The poverty line used by the NLSS is set to the amount of money per person that a normal household would need to buy a normal basket of food that provides 2220 kcal per day to each member of the household, plus normal additional spending for a poor household. The poverty line is estimated at NRs. 19,261 per year, with NRs. 11,929 required for food and NRs. 7,332 required for non-food spending. It is important to note that the poverty line varies between regions depending on local prices. In Kathmandu, the poverty line was NRs. 11,000 per person per year for the 2003/04 survey period and NRs. 40,933 for the 2010/11 survey period.

During the 15 year period from the first NLSS to the most recent, the national poverty headcount rate declined significantly by 17 points, from 42 percent in 1995/96 to 32 percent in 2003/04 and 25 percent in 2010/11 (NLSS III). However, the poverty rate is still severe in many pockets of life within the country. Rural people are severe victims of poverty as compared to urban people, which is explained in the NLSS' poverty analysis. In rural areas, an average of 27.5 percent of people are unable to meet their daily consumption needs. This figure is only 15.4 percent in urban areas. From the first NLSS to the third, the rural poverty rate declined by slightly more than seven percentage points, whereas urban poverty increased by about six percentage points.² This increase in urban poverty rates requires further in-depth exploration.

Examining the poverty rate across different caste and ethnic groups also reveals significant disparities. The highest poverty rates in the 2010/11 NLSS data are found among the hill Dalit group, followed by Terai Dalits, Terai indigenous peoples and hill Indigenous peoples. The poverty rates of hill and Terai Dalits are 43.6 and 38.1 percent of their

2 See CBS, October 2005 and 2011 for detailed explanation.

population, respectively. Hill indigenous peoples³ account for 27.4 percent of Nepal's total population. Among hill indigenous peoples, nearly one-fourth (24.6 percent) are living below the poverty line. Within the indigenous peoples group, too, poverty is not distributed proportionately. Nearly half the population of hill Dalits other than Kamis suffers from chronic poverty. Similarly, about 40 percent of the Kumal, Sunuwar, Majhi and Chepang cluster are living below the poverty line. They have the highest poverty gap and squared poverty gap⁴ of 17.8 and 9.9 percent, respectively. The poverty gap measures depth of poverty and implies that, on average, an additional 17.7 percent of current consumption expenses are required to pull the poor individuals in the Kumal, Sunuwar, Majhi and Chepang cluster out of poverty. The squared poverty gap implies that there is high degree of inequality among the poor. It shows that human potential for this cluster of indigenous peoples is far from their present reality.

Table 3.1: Poverty profile by caste/ethnicity

Ethnic/Caste group	Poverty Incidence		
	Poverty head count rate	Poverty gap	Squared poverty gap
Hill Brahmins	10.34	1.73	0.48
Hill Chhetris	23.40	5.55	1.86
Terai Castes	28.35	5.24	1.43
Hill Dalits	43.63	10.89	4.22
Kami	37.87	10.69	4.53
Other hill Dalits	48.88	11.08	3.93
Terai Dalits	38.16	8.09	2.24
Indigenous Peoples	24.61	5.40	1.93
Newar (hill Indigenous Peoples)	10.25	2.07	0.70

3 Hill Indigenous peoples include Newar, Limbu, Tamang, Rai, Magar, Gurung, the Bhote, Sherpa, Bhujel, Bhote and Thakali cluster, and the Kumal, Sunuwar, Majhi and Chepang cluster.

4 The poverty gap refers to the depth of poverty (how far below the poverty line) and the squared poverty gap refers to the severity of poverty (inequality among the poor, giving more weight to the poorest people than to the less poor) (CBS, 2005:3).

Other hill Indigenous Peoples	28.05	6.55	2.45
Magar	31.69	6.23	1.96
Tamang	28.34	7.00	2.56
Rai	22.01	3.53	0.85
Gurung	21.74	4.83	1.52
Limbu	25.27	3.88	1.03
Sherpa, Bhujel, Bhote, Thakali etc.	16.15	4.31	1.83
Kumal, Sunuwar, Majhi, Chepang, etc.	40.40	17.77	9.86
Terai Indigenous Peoples	26.64	4.86	1.45
Tharu	23.57	4.34	1.27
Other Terai Indigenous Peoples	32.89	5.91	1.81
Other (Muslim etc.)	18.78	3.42	0.90
Total	25.16	5.43	1.81

Source: CBS 2011, NLSS III

Among hill indigenous peoples, 25.9 percent are Magar and of them 31.7 percent are still living below the poverty line, although the poverty rate for this group declined sharply by nearly 30 percentage points from the first NLSS to the last (from 61.3 percent in 1995/96 to 34.4 percent in 2003/04 and 31.7 percent in 2010/11). In general, poverty reduction rates have not been encouraging during the first decade of the 21st century as compared to the last decade of the 20th century.

The progress in poverty reduction is encouraging among Tamangs, who show a sharp decline in their poverty rate by 32 percentage points, from 61.2 percent in 2003/04 to 28.34 percent in 2010/11. Among other indigenous peoples, Limbu, Rai and Gurung groups report poverty rates of 25.3 percent, 22 percent and 21.7 percent, respectively. Here, it is noteworthy that Newar is the most privileged group not only among indigenous peoples groups, but among all of the ethnic/caste groups. The poverty rate of Newars is 10.25 percent, which is slightly less than that of hill Brahmins (by 0.09 percentage points). Similarly, on average, the Sherpa, Bhote, Bhujel and Thakali cluster are in a better position than the hill Chhetris. The Sherpa, Bhote, Bhujel and Thakali cluster

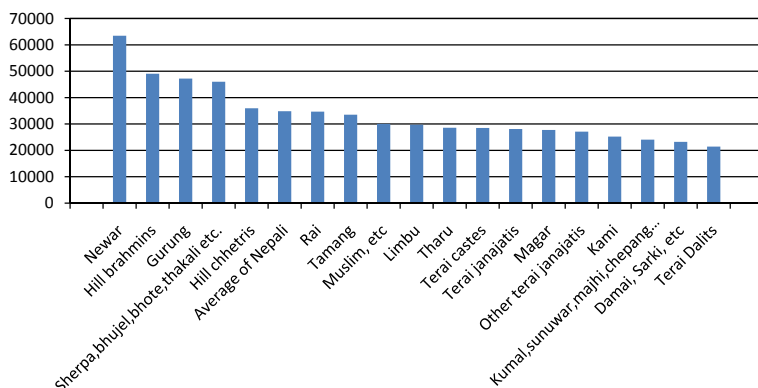
shows a poverty rate of about 16.15 percent, while the hill Chhetris show a poverty rate of 23.4 percent (Chart 3.1). The high poverty rate of hill Chhetris is likely due mainly to their high concentration in remote areas of mid- and far western Nepal, which suffer from poor infrastructure development and slow economic activity.

While the poverty rate of all indigenous peoples, when taken together, is on par with the national average, there is enormous variation between the more economically privileged indigenous groups and other indigenous groups. The aggregate poverty rate of all indigenous peoples is pushed down by the relatively low poverty rates of Newar and Gurung groups, and the Sherpa, Bhujel, Bhote and Thakali cluster.

The high poverty rates of many indigenous groups can be linked to the historical deprivation of resources experienced by those groups. There are also strong correlations with their geographic location, large family size, primary sources of income, and lower proportion of expenditures devoted to education and other durable goods. In addition, there are seasonal variations of poverty, which have not been examined here due to methodological limitations (see Annex I, Table 2 for reference). For additional indicators associated with the poverty rates of different caste and ethnic groups, see Annex 1, Table 3 and Table 4.

The poverty gap is defined as the difference between the average poor household's expenditures and the poverty line. The poverty gap index is the ratio of the poverty gap to the poverty line. The poverty gap and poverty square gap are used to indicate the severity of poverty among those in a given group or population who are living below the poverty line. These figures indicate that poverty is most severe among the hill Dalit group, followed by Terai Dalits, hill indigenous peoples and Terai indigenous peoples. The poverty gap is the narrowest for the hill Brahmin group. Thus, many Dalits and indigenous peoples are unable to realize their full potential as they are forced to concentrate their time, energy and resources on feeding themselves and their families each day.

Chart 3.2: Nominal Per Capita Consumption of ethnic groups by Decile



Source: CBS 2011, NLSS III, (CD3)

3.3. Consumption Profile of Indigenous Peoples

3.3.1. Consumption Level of Indigenous Peoples

Estimates of poverty head count rates are based on the consumption aggregates derived from the cost of basic needs. These estimates factor in variations in the cost of living by relying on region-specific price indices. Basic needs include both 'primary needs and instrumental needs'. 'Primary needs', such as food, water, suitable clothing and shelter, sleep, reproduction, physical health and safety needs, are 'irreducible and nonsubstitutable' as they are necessary for biological survival.⁵ Instrumental needs are the 'derived adaptive means' that are needed in order to satisfy those basic needs. For example, sources of fresh water and appropriate water technologies to provide sufficient noncontaminated fresh water are instrumental needs that support the primary need for potable water. Instrumental needs may also provide functional equivalents to satisfy basic needs.⁶

5 The concept of basic needs and its interpretations have been borrowed from Corning, 2011:87, 95-97.

6 Ibid..

The NLSS divides total consumption into food, non-food and housing, incorporating basic survival needs. Non-food consumption largely includes the consumption of services including education, health, and other consumer durable services. The average annual nominal consumption expenditure of a household in 2010/11 is estimated at NRs. 170,735.⁷ Given the average family size of 4.9, the average nominal per capita consumption increased from NRs. 6,802 in 1995/96 to NRs. 34,829 in 2010/11. There has been impressive growth in nominal per capita consumption across all caste and ethnic groups. Over the 15 year period from the first NLSS to the most recent, the bottom quintile of the population experienced growth in per capita consumption by 412 percent, while the top quintile experienced growth of 415 percent. In 1995/96, the bottom 20 percent of the population accounted for a mere 8 percent of total consumption while the richest 20 percent of the population accounted for 45 percent of total consumption. Even after 15 years, in 2010/11, the share of the bottom 20 percent and the richest 20 percent of the population were still similar to those of 1995/96,⁸ the bottom quintile accounting for 8 percent of consumption while the top quintile accounted for more than 47 percent of total consumption.⁹ The NLSS III data divulges that the richest 10 percent of the population consumes more than nine-fold what the poorest 10 percent of the population consumes.

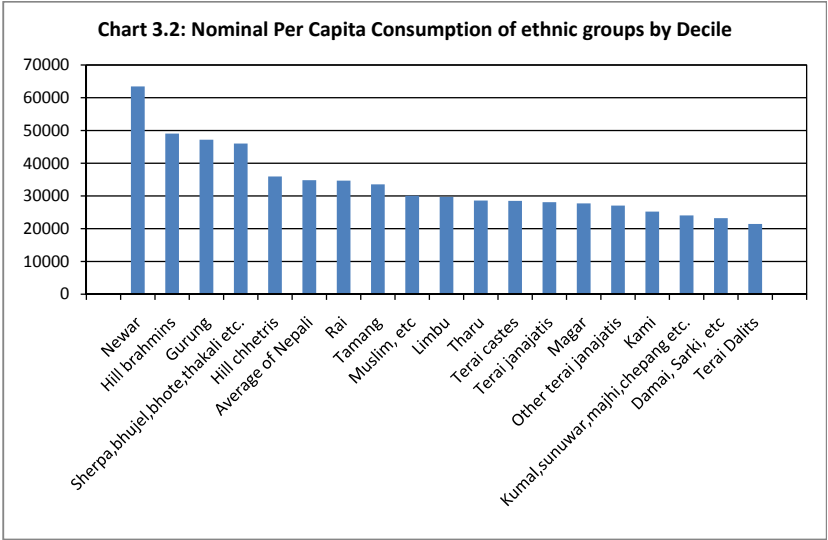
The nominal consumption standard shows great variation across different caste and ethnic groups as well as between social classes. The average per capita nominal consumption expenditure is the highest among Newars, followed by Brahmins, the Sherpa-Thakali cluster of indigenous peoples, and Chettris. (see Annex 1, Table 5). The Terai Dalits have the lowest per capita nominal consumption. Among indigenous peoples groups, the Kumal, Sunuwar, Majhi and Chepang cluster have the lowest average consumption rate, close to those of Terai Dalits and Kamis. The difference between the highest and lowest average consumption of different ethnic groups is more than two fold (see the consumption rate of Newars versus that of Terai Dalits, Chart 3.2).

7 CBS 2011:32

8 See CBS, October 2012 (two volumes) on NLSS2010/11.

9 Ibid.

The mean consumption standard is just NRs. 21450 for Terai Dalits, whereas it is NRs. 63439 for Newars. The mean consumption standard of the Sherpa, Bhujel, Bhote and Thakali cluster of hill indigenous peoples is also relatively high, and greater than that of the hill Chhetris by nearly NRs. 2000. However, there is great variation between these and other hill indigenous groups. The average consumption standard of Newars is two and half fold greater than the average consumption standard of the Kumal, Sunuwar, Majhi, and Chepang cluster. The distribution of consumption standards suggests a wide variation in the consumption standard both between the different caste and ethnic groups and within each group.



Source: CBS 2011, NLSS III

3.3.2. Structure of Consumption

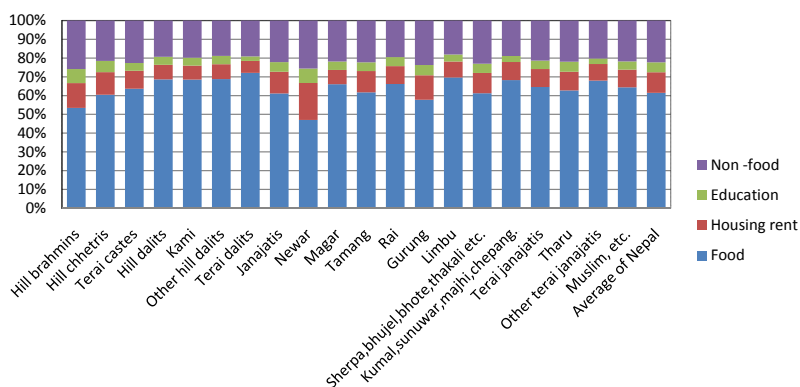
The consumption standard differs significantly among various caste and ethnic groups. Hill and Terai Dalits, Terai castes and indigenous peoples are highly represented in the lowest consumption standard quintile, whereas hill Brahmins and Chhetris are heavily represented in the middle, upper middle and upper quintiles Within the poorest quintile, Newars are the least represented group and make up 3.25

percent of that quintile. The Sherpa, Bhujel, Bhote and Thakali cluster has the second-lowest representation (5.9 percent), followed by hill Brahmins (6 percent). The hill Dalit group has the highest representation in the lowest consumption standard quintile, constituting 35.74 percent of that quintile.

In the 2 highest consumption standard quintiles, the Newars have the greatest representation, constituting 54.10 percent of those quintiles. The hill Brahmins are also well-represented, at 40.66 percent of the highest quintile. The groups who are least represented in the upper quintile are the Terai Dalits (1.96 percent) followed by hill Dalits (7.38 percent), and Terai indigenous peoples (9.94 percent). These numbers clearly indicate a disproportionate distribution of poverty among the various ethnic groups in Nepal.

The NLSS III estimated that the annual average household expenditure is NRs. 170,735, of which about three-fifths of expenditures go towards food, one-fifth goes towards housing and one-fifth goes towards other utilities, including consumer durables. Educational expenditures account for about 5 percent of total average household expenditures. Among the various ethnic groups, the consumption pattern of indigenous peoples closely follows the national standard. However, there is significant variation among different indigenous groups. Most indigenous groups devote a high proportion of their expenditures to food, and consequently spend a lower proportion of their expenditures on education compared to the national average. Among indigenous groups, Limbus and the Kumal, Sunuwar, Majhi and Chepang cluster devote about 70 percent of their total expenditures to food and only about 3.5 percent to education. Similarly, the expenditure patterns of Magar and Rai groups are also more heavily concentrated on food items than the national average. If expenditures on food and housing are considered basic necessities, around four-fifths of their total expenditures are devoted to basic needs – day to day running their life – and only one-fifth are devoted to the development of human capabilities. Among indigenous groups, Newar and Gurung groups have more balanced expenditure patterns. The same is true of hill Brahmins and hill Chhetris (Chart 3.3).

Chart 3.3: Allocation of Expenditures



Source: CBS 2011, NLSS III

Table 3.2 shows the average annual expenditure of hill Brahmin households at NRs. 212,914, which is higher than that of hill indigenous peoples (NRs.175,232) and Chhetris (NRs.171,466). If we exclude Newars from the hill indigenous peoples group, the scenario changes remarkably. Newars have the highest average annual consumption expenditure of any group, at NRs. 294,550. By removing them from the hill indigenous peoples group, we see that the remaining hill indigenous groups spend an average of only NRs. 150,000 annually, which is below the national average for consumption expenditures. Similarly, the Terai caste group also falls below the national average for annual expenditures.

Among hill indigenous peoples, Newars are followed by Gurung, with the second highest average annual consumption expenditure per household at NRs. 196,426. All other groups fall below the national average consumption standard. The average consumption expenditure of Newars is about 2.7 times the consumption expenditure of hill Dalits.. Hill Brahmins devote seven and half percent of their expenditures to education, followed by Chhetris (6 percent), hill indigenous peoples (5.1 percent), hill Dalits (4.3 percent), Terai caste (4.1 percent) and so on. Limbus have relatively low average spending on education (3.7 percent) and one of the highest proportions of expenditures on food (70

percent). The Tharus spend the lowest percentage of their expenditures on education out of any indigenous group (2.95 percent), followed by the Kumal, Sunuwar, Majhi and Chepang cluster (3.24 percent). The Terai Dalits also have a low rate of average annual expenditures on education, at 2.39 percent.

Thus, the data shows that Dalits and indigenous peoples are often marginalized and excluded from the benefits of education. These groups are typically compelled to devote nearly all of their total household expenditures on basic survival needs, spending only a very small portion of their expenses on education and development of their skills, knowledge and capabilities.

Table 3.2: Nominal household consumption and its distribution by expenditure category

Ethnic/Caste group	Household Consumption (NRs.)	Share of food	Share of housing rent	Share of education	Share of other non-food	Total
Hill Brahmins	212914	53.43	13.23	7.52	25.83	100.0
Hill Chhetris	171466	60.49	12.01	5.98	21.52	100.0
Terai castes	160428	63.67	9.59	4.12	22.62	100.0
Hill Dalits	115400	68.67	7.71	4.31	19.31	100.0
Kami	121419	68.53	7.45	4.19	19.82	100.0
Other hill Dalits	109983	68.80	7.95	4.41	18.85	100.0
Terai Dalits	123030	72.15	6.35	2.39	19.12	100.0
Indigenous Peoples	175232	61.17	11.53	5.13	22.17	100.0
Newar (hill Indigenous Peoples)	294550	47.04	19.70	7.70	25.55	100.0
Other hill Indigenous Peoples	150832	64.27	9.74	4.56	21.43	100.0
Magar	134908	66.08	7.57	4.50	21.85	100.0
Tamang	151018	61.75	11.33	4.66	22.27	100.0
Rai	156669	66.20	9.53	4.78	19.49	100.0
Gurung	196426	57.81	13.02	5.46	23.72	100.0
Limbu	136506	69.67	8.48	3.75	18.10	100.0

Sherpa, Bhujel, Bhoté, Thakali, etc.	205091	61.27	10.83	4.90	23.00	100.0
Kumal, Sunuwar, Majhi, Chepang, etc.	114620	68.26	9.62	3.24	18.89	100.0
Terai Indigenous Peoples	140683	64.58	9.55	4.53	21.34	100.0
Tharu	146331	62.77	9.93	5.37	21.93	100.0
Other Terai Indigenous Peoples	130043	67.99	8.84	2.95	20.22	100.0
Other (Muslim etc.)	177807	64.39	9.45	4.40	21.76	100.0
Total	170735	61.50	10.97	5.28	22.25	100.0

Source: CBS 2011, NLSS III

3.4. Income Profile of Indigenous Peoples

3.4.1. Size of Household and Per Capita Income

Common indicators used to chart living standards are household and per capita income. The NLSS III states that the average nominal household income in Nepal is NRs. 202,374 and the average nominal per capita income in Nepal is NRs. 41,659. The inclusion of income produced by individual accounts (see Annex I, Table 6) hikes the average per capita income to NRs. 42,857.

However, there is high degree of variation in the income distribution among different caste and ethnic groups in the country. Hill Brahmins have the highest nominal household income (NRs. 270,442) and the smallest average family size (4.3), resulting in a very high per capita nominal income of NRs. 63,234. On the other hand, Terai Dalits have one of the lowest nominal household incomes as well as a larger average family size than most groups, resulting in the lowest per capita nominal income of any group at 24241.

Chhetris, the broad hill indigenous peoples group, and Terai castes have similar average income rates to that of the hill Brahmins. The nominal

household incomes of these groups are NRs. 216,466, NRs. 202,735 and NRs. 183,673, respectively. Similarly, their per capita nominal incomes are NRs. 46,079, NRs. 43,561 and NRs. 32,473, respectively. The relatively high average income of hill indigenous peoples is largely due to the high income of Newar and Gurung groups, who have an average per capita income of NRs. 73,170 and NRs. 62,852, respectively – even higher than that of Brahmins and Chhetris. The disaggregated income figures for indigenous peoples reveal a strikingly worse scenario for many indigenous groups. Among hill indigenous peoples, Limbu have the lowest average per capita income at NRs. 29,489. A detailed diagram is presented in Table 3.3.

Table 3.3: Nominal household income and per capita income

Ethnic group	Household income (NRs.)		Per capita income (NRs.)		Average HH size
	Mean	Median	Mean	Median	
Hill Brahmins	270442	182751	63234	41579	4.3
Hill Chhetris	216467	129900	46079	27100	4.7
Terai castes	183673	127460	32473	22654	5.7
Hill Dalits	130167	91771	27225	17804	4.8
Kami	140207	91600	29240	19838	4.8
Other hill Dalits	121136	92978	25404	17038	4.7
Terai Dalits	139936	104439	24241	19397	5.7
Indigenous Peoples	202735	128104	43561	26344	4.6
Newar (hill Indigenous Peoples)	327291	202824	73170	47563	4.5
Other hill Indigenous Peoples	177235	116219	38644	23538	4.6
Magar	163248	114928	33581	21269	4.9
Tamang	177733	122298	39426	25384	4.5
Rai	174033	118529	38544	24762	4.5
Gurung	251146	144077	62852	39600	4.0
Limbu	133437	99792	29489	18810	4.5
Sherpa, Bhujel, Bhote, Thakali, etc.	226372	117203	51111	28336	4.4
Kumal, Sunuwar, Majhi, Chepang etc.	142972	99700	30003	20095	4.8

Terai Indigenous Peoples	168558	122976	33491	24384	5.1
Tharu	183971	129229	35546	25204	5.2
Other Terai Indigenous Peoples	138716	104710	29162	22440	4.8
Other (Muslim etc.)	179940	125895	30231	22139	5.9
Total	202374	127281	41659	25093	4.9

Source: CBS 2011, NLSS III

3.4.2. Income Distribution

The distribution of income among and within the various caste and ethnic groups is unequal, reflecting the different standards of living and opportunities available between and within each group. The distribution of income among Terai and hill Dalits is skewed towards the lower income quintiles, whereas Hill Brahmins and Chhetris are skewed towards the upper income quintiles (Table 3.4). 38 percent of hill Brahmins belong to the richest 20 percent of the population, whereas only two percent of the Terai Dalit castes have such fortunate income status (see Table 3.4). In the aggregate, the distribution of indigenous peoples is more or less proportionate in all income quintiles. However, there is a high degree of inequality between the various groups of indigenous peoples and between specific indigenous groups and other caste and ethnic groups. About 45 percent of Newars fall in the highest income quintile, surpassing the hill Brahmin group. The income standards of Gurungs seem to have increased in recent years, and 32 percent of their population is now in the richest quintile. Indigenous Peoples such as the Kumal, Sunuwar, Majhi and Chepang cluster heavily fall in the lower income quintiles. About 31 percent of this cluster falls in the poorest income quintile, closer to hill Dalits in corresponding proportion. Similarly, 27 percent of the Limbu population, slightly more than 23 percent of the Magar population and more than 24 percent of Terai indigenous peoples other than Tharus are in the poorest quintile (see Table 3.4).

Table 3.4: Distribution of population by nominal per capita income quintile and caste/ethnicity

Ethnic/Caste group	First (Poorest)	Second	Third	Fourth	Fifth (Richest)	Total
Hill Brahmins	9.6	13.9	15.8	22.4	38.3	100.0
Hill Chhetris	20.8	17.3	16.9	22.1	22.9	100.0
Terai Castes	22.0	21.7	25.1	20.2	11.0	100.0
Hill Dalits	31.0	23.4	21.1	14.8	9.7	100.0
Kami	25.9	25.3	21.6	17.0	10.2	100.0
Other hill Dalits	35.5	21.7	20.6	12.9	9.3	100.0
Terai Dalits	25.9	29.6	25.3	16.9	2.4	100.0
Indigenous Peoples	18.5	19.8	19.4	20.2	22.1	100.0
Newar (hill Indigenous Peoples)	7.9	10.2	11.6	25.1	45.2	100.0
Other hill Indigenous Peoples	21.5	21.7	19.6	18.8	18.3	100.0
Magar	23.1	25.8	19.5	16.8	14.7	100.0
Tamang	19.5	18.3	21.4	22.5	18.4	100.0
Rai	18.6	24.1	17.7	19.9	19.7	100.0
Gurung	17.0	12.6	14.6	23.8	32.0	100.0
Limbu	27.0	27.1	23.9	12.3	9.7	100.0
Sherpa, Bhujel, Bhote, Thakali etc.	17.3	16.4	22.1	16.6	27.6	100.0
Kumal, Sunuwar, Majhi, Chepang etc.	30.9	20.4	18.2	13.8	16.7	100.0
Terai Indigenous Peoples	18.5	22.2	24.9	20.3	14.1	100.0
Tharu	15.7	23.5	26.0	19.0	15.8	100.0
Other Terai Indigenous Peoples	24.4	19.6	22.6	23.0	10.5	100.0
Other (Muslim etc.)	22.9	25.0	22.4	17.0	12.7	100.0
Total	20.0	20.0	20.0	20.0	20.0	100.0

Source: CBS 2011, NLSS III

3.4.3. Source of income

The NLSS report divides total average household income by source of income. It categorizes the sources of income into farm, non-farm, remittance, own housing income and other. On average, these sources of income contribute 28 percent, 27 percent, 17 percent and 15.5 percent of total household income. The proportion of income from each source varies by caste and ethnic group (Chart 3.4).

Brahmins earn a larger than average proportion of income from their own housing, while farm income is the main source of income for Chhetris and Dalits tend to depend primarily on non-farm income (Table 3.5).

Table 3.5: Shares of household income by sectoral source

Ethnic/Caste group	Farm Income	Non-Farm Income	Remittance	Own housing	Others	Total
Hill Brahmins	21.5	33.0	15.3	26.9	3.3	100.0
Hill Chhetris	36.2	29.2	17.8	13.2	3.7	100.0
Terai castes	29.7	42.4	16.1	11.2	0.6	100.0
Hill Dalits	22.2	45.8	20.9	10.3	0.8	100.0
Kami	24.5	42.9	22.3	9.5	0.7	100.0
Other hill Dalits	20.2	48.4	19.7	10.9	0.9	100.0
Terai Dalits	13.6	64.3	14.9	7.2	0.1	100.0
Indigenous Peoples	28.7	34.9	17.2	16.3	3.0	100.0
Newar (hill Indigenous Peoples)	12.1	51.3	14.3	17.9	4.4	100.0
Other hill Indigenous Peoples	33.4	27.9	18.0	17.4	3.3	100.0
Magar	35.3	32.2	19.5	8.1	4.8	100.0
Tamang	31.6	14.5	15.0	37.5	1.3	100.0
Rai	40.3	28.6	15.1	12.7	3.2	100.0
Gurung	23.9	27.7	27.5	14.7	6.1	100.0
Limbu	43.4	29.4	15.7	10.5	0.9	100.0
Sherpa, Bhujel, Bhote, Thakali etc.	23.7	42.3	19.7	11.3	3.1	100.0

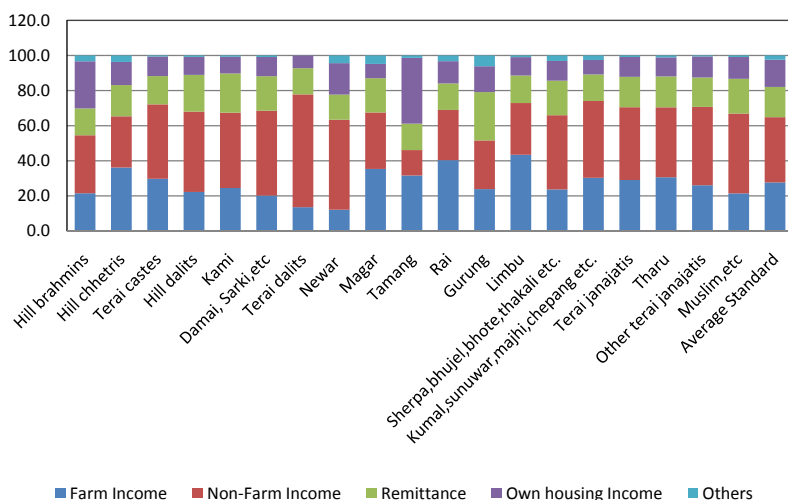
Kumal, Sunuwar, Majhi, Chepang etc.	30.3	43.8	15.1	8.3	2.5	100.0
Terai Indigenous Peoples	29.0	41.5	17.3	11.3	0.9	100.0
Tharu	30.6	39.9	17.6	10.9	1.1	100.0
Other Terai Indigenous Peoples	26.1	44.7	16.7	12.0	0.5	100.0
Other (Muslim etc.)	21.5	45.4	19.8	12.4	0.9	100.0
Total	27.7	37.2	17.2	15.5	2.4	100.0

Source: CBS 2011, NLSS III

On average, indigenous peoples receive 35 percent of their income from non-farm sources (Table 3.5). Within hill indigenous peoples, non-farm income varies significantly from 51 percent (Newar) to 14.5 percent (Tamang) (Chart 3.4). Still, the major source of income of hill indigenous peoples, on average, is farm income, followed by non-farm income and remittance income (Table 3.5). Similarly, hill Dalits earn 46 percent of their income from non-farm activities. Remittance income is also significant for hill indigenous peoples on average, and they earn a smaller proportion of their income from their own housing compared with the national average. About 56 percent of Nepalese households receive remittances and the average income from remittances per household is Rs. 80,436 (in nominal terms). The per capita nominal remittance for the whole population is Rs. 9,245.¹⁰ Remittances are the number one source of income (27.5 percent) for Gurung indigenous group, which has helped them significantly to overcome poverty in recent years. Remittances have become a substantial source of income (20.9 percent) for hill Dalits as well (see Annex Table 6). Remittances account for 15 to 20 percent of the income of indigenous peoples other than Newar. Unlike most hill groups, the main source of income for Terai groups is non-farm income. Terai Dalits, Muslims and other groups, and Terai castes earn 65 percent, 46 percent and 42 percent of their income from non-farm activities, respectively (Table 3.5).

¹⁰ CBS 2011. *Nepal Living Standards Survey 2010/11: Statistical Report Volume Two*, p.78.

Chart 3.4: Distribution of Population by source of Income and caste/ethnicity Population



Source: CBS 2011, NLSS III

3.4.4. Women's involvement in final decision on how to use remittances

The NLSS provides some interesting information on how economic and other household affairs are influenced by female members of the household, particularly by the female head of household or the spouse of the male head of household. This information is crucially important from the perspective of women's empowerment.

Among hill Dalits, women¹¹ make the final decision regarding how to use remittances in a high percentage of households (35.77 percent) (Table 3.6). Among Terai Dalit households, there is no such trend. Only 1.84 percent of final decisions on how to use remittances are made by women in Terai Dalit households. Women appear more involved in these decisions in indigenous peoples' households, with 39.6 percent of final decisions on how to use remittances made by females in Gurung households, followed by 32.5 percent of such decisions in Newar households and 31.6 percent in Tamang households. Contrary

11 "Women" here includes both female household heads and spouses of male household heads.

to popular perceptions, in hill Brahmin households a substantial proportion of decisions regarding how to use remittances are made by women (29.42 percent). Terai groups have the lowest proportions of women making final decisions regarding the use of remittances, across all castes and ethnicities. Among Terai groups, Terai indigenous women are somewhat more involved in these decisions, with 17.94 percent of final decisions on remittance income being made by women.

Interestingly, across caste and ethnic groups, only a small percentage of final decisions on how to spend remittances are made by men alone. These final decisions are made by men in 8.53 percent of Terai caste households, 8.2 percent of hill Dalit households (other than Kami), 9.30 percent of hill indigenous households, 7.10 percent of Terai indigenous households and 1.73 percent of Muslim and other households. Instead, the overall trend across caste and ethnic groups is towards a cooperative decision-making process involving both wife and husband. This is demonstrated by the national average figures, which show 44.71 percent of households making decisions about how to use remittance income together. For many groups, parties other than the head of household or their spouse heavily influence the final decision on how to use remittances. In the cases of Muslims, 45.90 percent of these decisions are made by other parties. The corresponding figures are 39.73 percent for the Kumal, Sunuwar, Majhi and Chepang cluster; 32.57 percent for Magars and 31.75 percent for Terai Dalits.

Table 3.6: Women’s role in final decisions on how to use remittances

Ethnic/Caste group	Wife	Husband	Both	Other	Total
Hill Brahmins	29.42	14.62	35.35	20.62	100.00
Hill Chhetris	23.66	10.99	44.37	20.97	100.00
Terai Castes	9.55	8.53	55.17	26.75	100.00
Hill Dalits	35.77	11.43	34.96	17.84	100.00
Kami	33.65	15.08	41.38	9.88	100.00
Other hill Dalits	37.64	8.20	29.28	24.89	100.00
Terai Dalits	1.84	3.26	63.15	31.75	100.00
Indigenous Peoples	23.56	9.30	45.16	21.97	100.00
Newar (hill Indigenous Peoples)	32.51	7.05	50.53	9.91	100.00
Other hill Indigenous Peoples	23.71	10.39	41.38	24.52	100.00

Magar	17.17	10.83	39.43	32.57	100.00
Tamang	31.55	12.32	37.29	18.84	100.00
Rai	26.45	5.80	49.26	18.49	100.00
Gurung	39.63	12.99	29.26	18.12	100.00
Limbu	13.57	13.33	73.10	0.00	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	17.38	10.80	63.71	8.11	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	18.49	5.86	35.91	39.73	100.00
Terai Indigenous Peoples	17.94	7.10	54.25	20.72	100.00
Tharu	17.88	8.70	56.38	17.03	100.00
Other Terai Indigenous Peoples	18.06	3.92	50.01	28.01	100.00
Other (Muslim etc.)	2.52	1.73	49.85	45.90	100.00
Total	22.20	9.94	44.71	23.15	100.00

Source: CBS 2011, NLSS III

3.5. Burden of Loan

3.5.1. Household loans

Heavily endowed with natural resources, rich in biodiversity, richer culture and religion, and home to the greater Himalayas and a varied climate and geography, Nepal nevertheless continues to rank as one of the poorest countries in the world. Outstanding government and per-capita loans in the country are increasing each year and are already significantly high. Nearly 15 percent of Nepal's total budget and 85 percent of the capital budget depend upon foreign loans and aid, and 5 percent of its GDP goes towards debt servicing each year.

Like the national budget, individual households also rely heavily on loan money. The only differences are in the sources and purpose of the loans. While the government can raise loans from both internal and external sources, individual households are typically limited to seeking loans from sources within Nepal, including formal and informal sources. The source and purpose of a loan are good indicators of standard of living. According to the NLSS III, 65 percent of all households in

Nepal have taken out loans, of which nearly 63 percent of households have a currently outstanding loan. Most households have more than one loan currently outstanding, and the national average is about 1.6. Most indigenous groups tend to rely on loans more than the national average, and most of these loans are taken from local moneylenders. For indigenous groups, a major proportion of loan money is typically directed towards household consumption needs (Table 3.4).

Nearly four-fifths of hill indigenous households (except Newars), Terai Dalits and hill Dalits finance their expenditures by taking out loans and more than 50 percent of loans are directed towards unproductive consumption. Among indigenous peoples, Newars are the most privileged group and Limbus are the least privileged group in this regard. Nearly four-fifths of Limbu households have financed their expenditures through loans, and more than 50 percent of their loans are spent on consumption. On the other hand, less than 53 percent of Newar households have taken out loans, of which only 22 percent were used to finance consumption expenditures.

Table 3.7: Incidence of households borrowing loans:

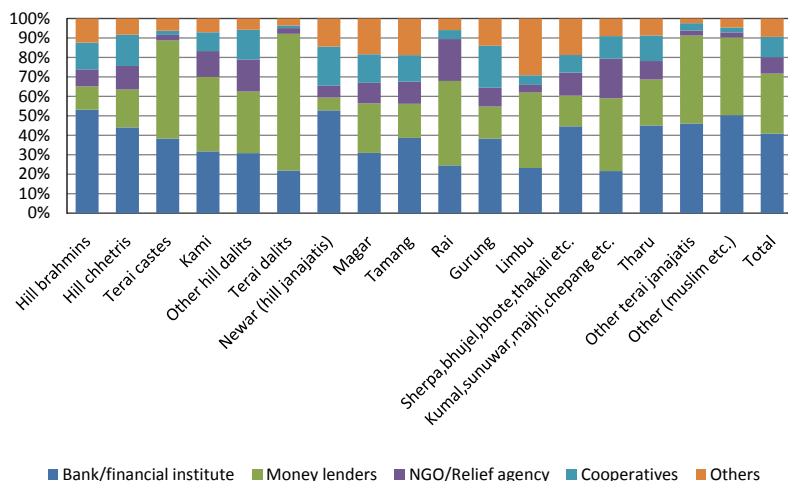
Ethnic/Caste group	Total households that have taken out loans			Households with outstanding loans		
	No. of HHs	% of HHs	Average no. loans per HH	No. of HHs	% of HHs	Average no. loans per HH
Hill Brahmins	559	62.56	1.73	535	60.15	1.62
Hill Chhetris	751	67.44	1.66	728	65.79	1.57
Terai Castes	408	64.05	1.38	393	61.86	1.30
Hill Dalits	383	75.76	1.56	366	72.16	1.44
Kami	185	76.90	1.55	179	74.26	1.43
Other hill Dalits	198	74.73	1.58	187	70.27	1.45
Terai Dalits	127	72.29	1.50	125	71.25	1.44
Indigenous Peoples	1352	62.29	1.57	1289	59.44	1.45
Newar (hill Indigenous Peoples)	276	53.73	1.47	261	50.16	1.31
Other hill Indigenous Peoples	830	63.86	1.57	793	61.16	1.47

Magar	244	63.45	1.53	238	61.63	1.47
Tamang	198	60.40	1.44	187	57.16	1.34
Rai	142	69.20	1.54	138	67.70	1.45
Gurung	73	53.49	1.64	69	50.57	1.49
Limbu	60	78.33	2.25	55	73.00	2.02
Sherpa, Bhujel, Bhote, Thakali etc.	52	63.96	1.56	47	58.42	1.41
Kumal, Sunuwar, Majhi, Chepang etc.	61	69.19	1.46	59	67.00	1.37
Terai Indigenous Peoples	246	65.35	1.65	235	62.70	1.50
Tharu	171	65.87	1.58	164	63.33	1.44
Other Terai Indigenous Peoples	75	64.37	1.78	71	61.50	1.61
Other (Muslim etc.)	135	60.73	1.24	130	59.03	1.17
Total	3715	65.03	1.57	3566	62.61	1.46

Source: CBS 2011, NLSS III

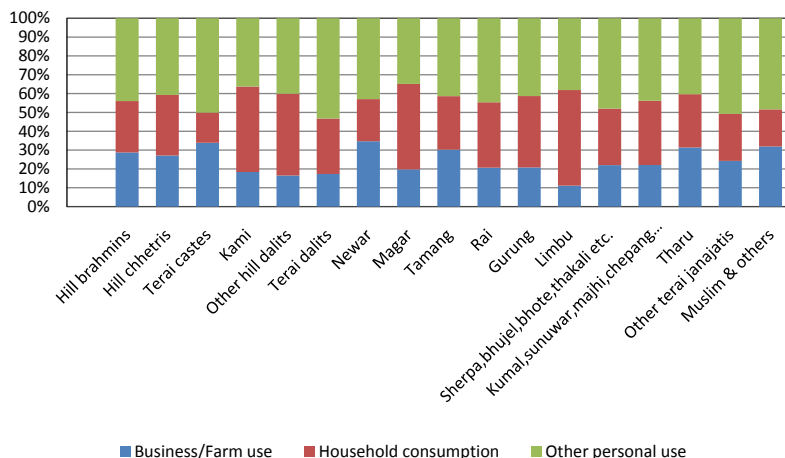
Access to formal loan sources, especially bank loans, is limited for Dalits and indigenous peoples compared to other groups. The majority of loans taken out by Chhetris and Brahmins are from relatives, and then from banks. Conversely, more than four-fifths of loans taken out by indigenous peoples come from informal sources, including two-thirds from local moneylenders, which are assumed to come with higher interest rates than bank loans. One reason that many indigenous peoples tend to turn to moneylenders for loans is that they are likely to require less collateral than banks, or no collateral at all (Chart 3.5 and Chart 3.7).

Chart 3.5: Percentage of Loans Borrowed by Source



Source: CBS 2011, NLSS III

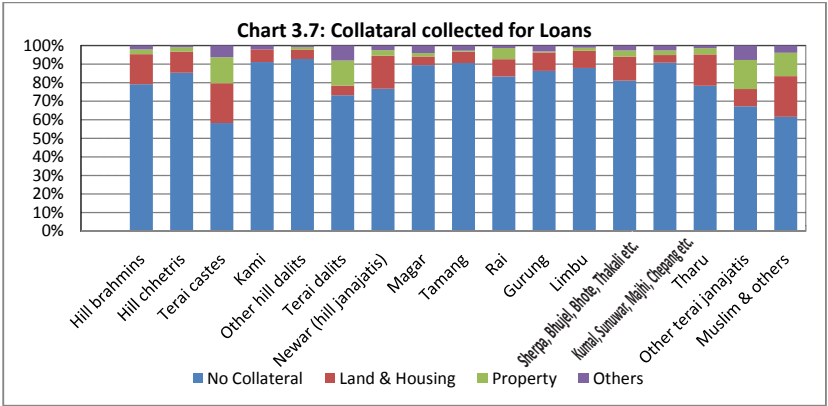
Chart 3.6: Percentage of Loans Borrowed by Purpose



Source: CBS 2011, NLSS III

NLSS III data reveals that 78 percent of Limbu households, 77 percent of Kami households (within the hill Dalit group), 76 percent of other

hill Dalit households, 72 percent of Terai Dalit households and 69.2 percent each of Rai and the Kumal, Sunuwar, Majhi and Chepang cluster of households have taken out loans. Major portions of these loan-financed expenses are for unproductive consumption. Groups with higher rates of households who have taken out loans also have correspondingly higher rates of currently outstanding loans per capita. Groups who take out a greater number of loans per household are likely to take out less money per loan, whereas groups who take out fewer loans tend to take out more money per loan. Newars rely on loans to finance their expenses at a lower rate than the national average. The proportions of household consumption that are paid for through loan money indicates that hill Dalits, Terai Dalits and some indigenous groups are hard victims of poverty and require loan money to pay for their basic expenses (Chart 3.6).



Source: CBS 2011, NLSS III

3.5.2. Women’s involvement in final decisions on how to use loans

In an average of 54 percent of households, the final decision on how to use loan money is made jointly by both male and female heads of the household (Table 3.8). In about 62 percent of Terai Dalit households, the male and female heads of household make final decisions regarding how to use loan money together. The same is true of 61 percent of Tamang and Newar households.

When these decisions are not made jointly, male heads of household are more likely to make the final decision on how to use loan money than their female counterparts. This is true across all caste and ethnic groups with the exception of hill Dalit and Terai Dalit households, in which women are more likely to make the final decision. Among Terai caste groups, females make the final decision on the use of loan money in only a very small proportion of households (7.75 percent). Similarly, in the households of the Sherpa, Bhujel, Bhote and Thakali cluster and the Kumal, Sunuwar, Majhi and Chepang cluster, only 8 to 10 percent of the spouses of male household heads make final decisions in relation to the use of loan. These figures reveal that women alone still rarely have the authority to make crucial household decisions on major economic affairs. However, the role of women as co-managers of the household economy is increasing, as evidenced by the high rates of co-decision-making between both spouses in the use of household loans. Women living in the Terai and Magar and Newar women are more advanced in this regard. The roles of other family members, such as senior members of the family, are also influential for the Sherpa, Bhote, Thakali and Bhujel cluster, as well as for Magars and Terai caste groups.

Table 3.8: Women in final decision on how to use household loans

Ethnic/Caste group	Woman	Man	Both	Other	Total
Hill Brahmins	16.38	22.60	49.15	11.87	100.00
Hill Chhetris	14.92	22.26	52.02	10.79	100.00
Terai Castes	7.75	15.42	60.08	16.75	100.00
Hill Dalits	21.74	18.43	50.78	9.05	100.00
Kami	19.51	22.93	48.72	8.84	100.00
Other hill Dalits	23.60	14.67	52.51	9.22	100.00
Terai Dalits	11.69	14.77	62.11	11.43	100.00
Indigenous Peoples	14.74	20.52	55.07	9.67	100.00
Newar (hill Indigenous Peoples)	15.22	15.50	61.17	8.11	100.00
Other hill Indigenous Peoples	15.15	21.12	54.01	9.72	100.00
Magar	13.34	16.87	54.32	15.47	100.00
Tamang	16.19	17.20	61.24	5.37	100.00

Rai	19.19	20.48	56.20	4.14	100.00
Gurung	15.10	26.29	53.18	5.43	100.00
Limbu	22.63	28.26	41.38	7.72	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	8.24	43.15	29.73	18.88	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	9.96	27.74	55.38	6.92	100.00
Terai Indigenous Peoples	13.26	21.94	54.30	10.50	100.00
Tharu	11.04	17.70	58.32	12.95	100.00
Other Terai Indigenous Peoples	16.69	28.48	48.09	6.74	100.00
Other (Muslim etc.)	10.57	20.39	51.17	17.86	100.00
Total	14.40	19.94	54.13	11.53	100.00

Source: CBS 2011, NLSS III

3.5.3. Women's involvement in final decisions on selling household assets

Selling of household assets is one of the major areas of household economic transactions and traditionally, household finances are primarily the sphere of male affairs. Table 3.9 demonstrates that women are increasingly being granted authority to make final decisions with regards to selling of household assets, including livestock. This trend is most conspicuous among hill Dalit households, in which 26.77 percent of these decisions are made by women, as well as hill indigenous peoples such as Gurung (27.19 percent), Limbu (26.64 percent) and Rai (24.84 percent), and Terai indigenous peoples other than Tharu (27.12 percent). The trend shows increasing responsibilities for women in household management. In an average of 51.6 percent of all households in Nepal, the final decision on selling household assets is made by both spouses jointly. The Sherpa, Bhujel, Bhote and Thakali cluster falls below the national average, with only 39.24 percent of households making these decisions jointly. Likewise, hill Dalits other than Kami, hill Brahmins, Terai indigenous peoples and Terai caste groups all fall below the national average as well, with 43.23 percent, 45.68 percent, 48.43 percent and 50.46 percent of each group's respective households making these decisions jointly.

Table 3.9: Women's involvement in final decisions on selling household assets (including livestock)

Ethnic/Caste group	Woman	Man	Both	Other	Total
Hill Brahmins	19.74	21.75	45.68	12.83	100.00
Hill Chhetris	19.49	18.69	50.46	11.37	100.00
Terai Castes	12.98	16.27	60.52	10.23	100.00
Hill Dalits	26.77	14.79	49.16	9.28	100.00
Kami	20.95	14.43	55.99	8.64	100.00
Other hill Dalits	31.82	15.10	43.23	9.85	100.00
Terai Dalits	15.34	13.85	55.48	15.33	100.00
Indigenous Peoples	18.52	18.85	52.19	10.43	100.00
Newar (hill Indigenous Peoples)	17.54	14.14	56.31	12.01	100.00
Other hill Indigenous Peoples	18.75	19.46	52.81	8.97	100.00
Magar	9.89	20.79	52.92	16.40	100.00
Tamang	21.68	17.66	56.43	4.23	100.00
Rai	24.84	14.66	55.47	5.02	100.00
Gurung	27.19	14.57	51.85	6.40	100.00
Limbu	26.64	26.90	46.46	0.00	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	18.05	33.17	39.24	9.54	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	22.40	11.55	56.49	9.57	100.00
Terai Indigenous Peoples	18.37	19.40	48.43	13.80	100.00
Tharu	13.27	21.62	50.94	14.18	100.00
Other Terai Indigenous Peoples	27.12	15.59	44.13	13.15	100.00
Other (Muslim etc.)	14.33	27.12	46.46	12.08	100.00
Total	18.71	18.64	51.57	11.07	100.00

Source: CBS 2011, NLSS III

3.6. Nutrition of children

Nutritional status of children is another indicator of poverty, although it is generally addressed in the analysis of children's health. Children's malnutrition is almost always the direct result of extreme and chronic hunger experienced by a family, with rare exception. Malnutrition has

enormous repercussions on children's educational attainment, long-term productivity growth, social welfare and social equity.¹² Nutritional status is assessed by three key monitoring indicators. The first is the proportion of children under five years of age who are stunted, or below the average height for their age.¹³ The second indicator is the proportion of children under five years of age who are underweight,¹⁴ and the third is wasting, or the proportion of children under five who are underweight *for their height*.¹⁵

3.6.1. Stunting status of children

The NLSS III provides detailed information on nutritional status of children with disaggregation by rural versus urban areas, ecological zones, development regions, consumption quintiles and age groups.¹⁶ The present report goes further, by presenting and analyzing disaggregated data on children's nutrition by caste and ethnicity, as in the preceding sections. More than half of children under five in the Limbu, Rai, Magar and hill Dalit groups and the Kumal, Sunuwar, Majhi and Chepang cluster are stunted. About one-fifth of children belonging to the Kumal, Sunuwar, Majhi and Chepang cluster, Magar, Limbu, hill Dalit and Terai middle caste groups are severely stunted (see Table 3.10). Stunting among the children of Terai caste and Tamang groups is also above the national average of 41.5 percent. The national rate of severe stunting in children under 5 is 15 percent. Groups with a higher than average rate of severe stunting in children include the Kumal, Sunuwar, Majhi and Chepang cluster (25 percent), and the Magar (20.9 percent), Limbu (19.5 percent), Muslim (19 percent), Terai caste (18.9

12 CBS, The World Bank, DFID and ADB, 2006:109.

13 Children that fall more than two standard deviations below the average height (z_score) for their age are considered stunted and those more than three standard deviations below average are considered severely stunted.

14 Children who are more than two standard deviations from the median weight (z-score) for their age are considered underweight and those more than three standard deviations below the median are considered severely underweight.

15 Children more than two standard deviations below the average height for their weight (z-score) are considered wasted, while those more than three standard deviations below average are considered severely wasted. CBS, 2011:119-120.

16 Nepal Demographic and Health Survey 2011 (published in March 2012) provides extensive information on child nutrition status, which are more or less consistent with those of NLSS III. The scope of this study is mainly confined to NLSS III data set.

percent) and hill Dalit (18.8 percent) groups. On the other hand, Newar and hill Brahmin groups have the lowest proportion of stunted and severely stunted children. Only 4 percent of hill Brahmin children and 6 percent of Newar children are severely stunted.

Table 3.10: Distribution of stunting in children under five

Ethnic/Caste group	Total		
	z – score	Stunting	Severe Stunting
Hill Brahmins	-1.3	28.3	6.0
Hill Chhetris	-1.6	41.1	13.9
Terai Castes	-1.7	45.9	18.9
Hill Dalits	-2.0	50.5	17.5
Kami	-1.9	50.8	18.8
Other hill Dalits	-2.0	50.2	16.3
Terai Dalits	-1.7	40.0	13.7
Indigenous Peoples	-1.5	41.0	14.8
Newar (hill Indigenous Peoples)	-0.9	23.9	4.0
Other hill Indigenous Peoples	-1.7	46.9	17.7
Magar	-1.8	50.8	20.9
Tamang	-1.7	43.1	14.0
Rai	-1.8	50.8	13.5
Gurung	-1.1	22.0	13.1
Limbu	-1.8	52.7	19.5
Sherpa, Bhujel, Bhote, Thakali etc.	-1.5	39.8	14.6
Kumal, Sunuwar, Majhi, Chepang etc.	-2.0	52.4	25.0
Terai Indigenous Peoples	-1.3	30.7	11.2
Tharu	-1.1	28.6	9.3
Other Terai Indigenous Peoples	-1.5	33.2	13.4
Other (Muslim etc.)	-1.6	40.4	19.0
Total	-1.6	41.5	15.0

Source: CBS 2011, NLSS III

3.6.2. Underweight status of children

The rates of underweight and severely underweight children are more pronounced among the Terai people, irrespective of caste, ethnicity or other identity (Table 3.11). The Terai caste group has the highest proportion of underweight children (41.7 percent) followed by Terai Dalits (39.3 percent) and Terai indigenous peoples (36.6 percent). As far as hill groups are concerned, there is no such discernible trend. About 36 percent of children of the Kumal, Sunuwar, Majhi and Chepang cluster and 35 percent of hill Dalit children are underweight, compared to 24 percent of hill Brahmin children, 7 percent of Gurung children and 10 percent of Newar children.

Table 3.11: Distribution of underweight children

Ethnic/Caste group	Total		
	z - score	Underweight	Severely Underweight
Hill Brahmins	-1.2	23.8	4.0
Hill Chhetris	-1.3	28.5	5.7
Terai Castes	-1.8	41.7	12.3
Hill Dalits	-1.5	35.1	6.7
Kami	-1.6	36.5	4.8
Other hill Dalits	-1.4	33.7	8.7
Terai Dalits	-1.9	39.3	16.5
Indigenous Peoples	-1.2	25.3	5.3
Newar (hill Indigenous Peoples)	-0.5	10.3	1.4
Other hill Indigenous Peoples	-1.2	23.9	4.7
Magar	-1.3	25.9	7.0
Tamang	-1.1	22.0	2.3
Rai	-1.1	20.7	0.0
Gurung	-0.7	7.4	4.1
Limbu	-1.4	26.6	7.7
Sherpa, Bhujel, Bhote, Thakali etc.	-1.1	21.8	4.0
Kumal, Sunuwar, Majhi, Chepang etc.	-1.7	35.5	8.6
Terai Indigenous Peoples	-1.6	36.6	8.9
Tharu	-1.6	37.5	5.0

Other Terai Indigenous Peoples	-1.6	35.5	13.6
Other (Muslim etc.)	-1.6	32.8	10.7
Total	-1.4	31.1	7.7

Source: CBS 2011, NLSS III

3.6.3. Wasting status of children

Wasting rates are higher for children in the Terai across all caste and ethnic groups compared with children in the hills. Thirty-two percent of Terai Dalit children are wasted and about 6 percent are severely wasted. Among Terai caste children, 23 percent are wasted and 6 percent are severely wasted (Table 3.12). Among indigenous peoples, the wasting rate is the highest in Tharu children (25 percent). This means that one in every four Tharu children is wasted.

Table 3.12: Distribution of wasting children

Ethnic group	Total		
	z - Score	Wasting	Severe wasting
Hill Brahmins	-0.8	12.0	1.9
Hill Chhetris	-0.6	9.4	2.7
Terai Castes	-1.1	23.0	5.8
Hill Dalits	-0.6	9.4	1.6
Kami	-0.7	11.6	0.7
Other hill Dalits	-0.5	7.2	2.5
Terai Dalits	-1.3	31.9	5.5
Indigenous Peoples	-0.5	9.3	2.3
Newar (hill Indigenous Peoples)	0.0	2.7	0.0
Other hill Indigenous Peoples	-0.3	6.0	1.1
Magar	-0.4	7.6	1.9
Tamang	-0.2	3.6	1.7
Rai	-0.1	3.8	0.0
Gurung	-0.1	0.0	0.0
Limbu	-0.5	5.1	0.0
Sherpa, Bhujel, Bhote, Thakali etc.	-0.2	11.4	0.0

Kumal, Sunuwar, Majhi, Chepang etc.	-0.7	9.9	0.0
Terai Indigenous Peoples	-1.2	22.6	7.2
Tharu	-1.4	25.0	7.5
Other Terai Indigenous Peoples	-1.0	19.7	6.9
Other (Muslim etc.)	-1.0	12.9	3.4
Total	-0.8	13.7	3.2

Source: CBS 2011, NLSS III

Child nutritional indicators reveal that hill Brahmins among caste groups and Newar and Gurung among indigenous peoples have relatively small proportions of their population suffering from malnutrition. Many of the remaining caste and ethnic groups have a huge proportion of their population struggling hard to meet their survival needs. Chhetris are close to national average and in some cases below the national average in their rates of child malnutrition. Some indigenous groups, such as Tharus and the Kumal, Sunuwar, Majhi and Chepang cluster, are in a similar position to Dalits in many respects, including poor intake of nutrients for biological survival as evidenced by their poor child nutritional status. The child malnutrition figures show patterns similar to the consumption and poverty rate figures. These suggest that Dalits, most indigenous groups and some Terai caste groups are the poorest of the poor, while Brahmins, Newars, Gurungs and a few other numerically small indigenous groups are economically well-off.

3.7. Work participation

The work participation rate is defined as the percentage of the population that is either employed or employable (whether or not they are searching for work). The labour force participation rate is the proportion of the working age population (15 years and older) that is either employed or actively looking for work.¹⁷ Labour force participation rate is used as an inverse indicator of economic status, based on the common sense reasoning that “in a traditional economy with low rates of literacy and industrialization, the poorer families have to send a larger proportion

¹⁷ Labour force participation rates are discussed at length in *Report on the Nepal Labour Force Survey 2008* (CBS, 2009), but this report is mainly confined on data available in NLSS III.

of their family members, namely women and children, to seek work”.¹⁸ Well-to-do and rich families are more likely to send their children to school and their women are more likely to have the option to stay out of work to manage the home. The labour force participation rate can also capture “inter-regional and inter-group differences in economic differences.”¹⁹ Employment in some types of work, whether paid or unpaid, is also associated with high levels of stress or less leisure time, hence degrading quality of life. This is discussed in detail in Chapter five from employment perspectives.

Table 3.13 demonstrates that there are significant differences in labour force participation rates across different caste and ethnic groups. The Kumal, Sunuwar, Majhi and Chepang cluster and the hill Dalit group have the highest labour force participation rates – 86.4 percent and 86.1 percent respectively. The corresponding rates Newar, Gurung, Terai castes and hill Brahmin groups are the lowest, at 72.8 percent, 74 percent, 75.5 percent and 77.4 percent respectively. Labour force participation rates are comparatively higher for Limbu (85.8 percent), Magar (85.4 percent), Rai (84.5 percent), Tamang (84.2 percent) and Tharu (94 percent) groups. High labour force participation rate correlates with low attendance of children in schools, women's higher engagement in wage work apart from household duties and too old age and sickness.²⁰

The NLSS III statistical report also reveals that about two-thirds of the labour force (the economically active portion of the population) is engaged in self-employed agriculture and unpaid work, with the exception of the labour force in urban areas and in the richest quintile, in which significant proportions are self-employed in non-agricultural enterprises (28.1 percent and 27.3 percent respectively). Only 15 percent of the labour force of these groups is employed in wage work.²¹ The figures also show that agricultural wage workers are the poorest segment of the population. For them, prolonged work participation is not necessarily gainful employment but a work condition that barely meets their daily survival needs. High labour force participation rates

18 Chaudhury, 2006/2005:301

19 Chaudhury, 2006/2005:301

20 See *Report on the Labour Force Survey 2008* (CBS 2009:54-65) for detailed discussion.

21 See CBS, 2012:56, Table 12.4.

in a traditional caste economy like ours closely correlate with high poverty rates.

Table 3.13: Labour force participation by caste/ethnicity (during the last 7 days)

Ethnic/Caste group	Not active	Labour Force Participation Rate	Unemployment rate
Hill Brahmins	22.63	77.37	2.33
Hill Chhetris	18.53	81.47	1.69
Terai Castes	24.29	75.71	2.26
Hill Dalits	13.93	86.07	1.21
Kami	13.14	86.86	1.21
Other hill Dalits	14.67	85.33	1.22
Terai Dalits	17.46	82.54	1.94
Indigenous Peoples	18.27	81.73	2.33
Newar (hill Indigenous Peoples)	27.23	72.77	3.37
Other hill Indigenous Peoples	16.13	83.87	2.25
Magar	14.59	85.41	1.94
Tamang	15.77	84.23	2.37
Rai	15.54	84.46	1.62
Gurung	26.04	73.96	4.73
Limbu	14.22	85.78	2.76
Sherpa, Bhujel, Bhote, Thakali etc.	17.75	82.25	3.17
Kumal, unuwar, Majhi, Chepang etc.	13.57	86.43	0.63
Terai Indigenous Peoples	16.32	83.68	1.77
Tharu	16.05	83.95	1.64
Other Terai Indigenous Peoples	16.92	83.08	2.07
Other (Muslim etc.)	28.09	71.91	5.85
Total	19.92	80.08	2.25

Source: CBS, 2011. NLSS III

3.8: Poverty and occupation

The incidence of poverty is higher among the households headed by agriculturalists, including both agricultural wage labourers and those

who are self-employed in agriculture, compared to those employed in non-agricultural sectors. Most workers in the total population are self-employed in agriculture (61 percent), while wage employment in agriculture constituted only three percent. The share of self-employment in non-agricultural sectors is 13 percent and another 13 percent of the population is under wage employment.²² The poverty headcount rate of hill Dalit households whose household heads are employed in agriculture is 45 percent. The poverty rate drops down to 42 percent for those households whose household heads are employed in non-agricultural sectors. But, the trend is reversed for Terai Dalits (to some extent it applies to hill Dalits also), which might be the result of coerced participation in traditional indecent and low-paid occupations. Indigenous peoples whose household heads are employed in agriculture have a poverty headcount rate of 29.7 while those employed in non-agricultural sectors have a poverty rate of 18.7 percent. A similar trend can be seen among hill indigenous peoples other than Newar and Terai indigenous peoples. About 32 percent of hill indigenous peoples other than Newar and 30 percent of Terai indigenous peoples whose household heads are employed in agriculture are living below the poverty line, while only 23 percent and 21 percent respectively of these groups whose household heads are employed in non-agriculture are living in poverty. The figures in Table 3.10 clearly demonstrate that employment in non-agricultural sectors (self-employment and wage employment) has a meaningful influence on a household's likelihood of living in poverty.

Table 3.14: Poverty headcount rate by occupation of household heads

Ethnic/Caste group	Agriculture	Non-agriculture	Total
Hill Brahmins	12.83	7.92	10.34
Hill Chhetris	27.52	17.70	23.40
Terai Castes	29.56	26.52	28.35
Hill Dalits	45.30	41.91	43.63

22 CBS 2011:51.

Kami	38.90	36.71	37.87
Other hill Dalits	51.69	46.23	48.88
Terai Dalits	36.48	40.31	38.16
Indigenous Peoples	29.65	18.68	24.61
Newar (hill Indigenous Peoples)	12.26	9.42	10.26
Other hill Indigenous Peoples	31.98	22.57	28.05
Magar	34.76	27.21	31.69
Tamang	34.55	18.86	28.34
Rai	25.54	16.21	22.01
Gurung	33.04	11.37	21.74
Limbu	19.96	36.13	25.27
Sherpa, Bhujel, Bhote, Thakali etc.	20.55	12.24	16.15
Kumal, Sunuwar, Majhi, Chepang etc.	41.28	39.47	40.40
Terai Indigenous Peoples	30.23	20.62	26.64
Tharu	24.96	21.18	23.57
Other Terai Indigenous Peoples	41.31	19.55	32.89
Other (Muslim etc.)	18.33	19.07	18.78
Total	28.45	21.26	25.16

Source: CBS 2011, NLSS III

HOUSING AND AGRICULTURAL LANDHOLDING

4.1. Housing Structures of Indigenous Peoples

A house is in many ways a physical reflection of the household's living standard. The trend is that the richer that people become, the better their standard of housing will be and vice versa. The types of materials used to construct are a useful measure of a household's standard of housing. Thatched huts represent poverty, while modern concrete buildings reflect affluence. The NLSS III classifies houses into cement bonded, mud bonded and wood/branches bonded. It also distinguishes based on access to utilities and amenities like electricity, tap water, cooking fuel and sanitary facilities, as well as ownership versus rental of a housing facility. However, it is important to remember that this analysis of the qualities and features of a house does not capture the culture specific reasons for selecting a certain housing arrangement. Likewise, the categories used do not account for ecology-friendly housing facilities, nor does the analysis capture the particular dwelling arrangements of nomadic Raute, an indigenous group in mid- and far western Nepal that refuses to live a settled lifestyle and which has retained their traditional way of life, culture, language and use of ancestral territory (Box 2).¹ It is equally true that the NLSS III does not capture the housing conditions of those who live in caves or are homeless.

¹ A group of Raute led by their leader frequently visits Kathmandu and other city/urban areas in search of support in cash and kinds and frequently approach government offices for financial support to purchase food and meat and complain against encroachment in the forest areas that they are traditionally occupying and using. They claim that they are the lords of the jungle and are happy with their way of life and let them live in the jungle in peace (based on newspapers reportings and personally recorded oral versions of Rauta leader of the last nine to three years back).

Box 2: The housing of the nomadic Raute

The Raute are a nomadic people surviving through distinctive foraging techniques based on spatial mobility, adaptive structures and prescient knowledge of local natural phenomena and of the productivity of natural eco-systems. They move in bands through their traditional territories within the present-day districts of Dang, Deukhuri, Surkhet, Dailekh, Salyan, Jajarkot, Rukum and Rolpa in 10 to 12 year cycles. They rarely stay more than two months in one place and they frequently come in contact with local settled agriculturists with whom they barter their hand-made wooden bowls and boxes in exchange for food grains. These days, they sometimes approach district administration offices to receive their social security allowances. Their continued subsistence mostly depends on the biological productivity of their territories, which is now depleting. About 40 years ago, the pre-eminent anthropologist Dor Bahadur Bista, whose whereabouts had been unknown for the previous 17 years, had an encounter with some nomadic Raute in Chamgad-Khola in Dailekh during his field visit. His observations of the Raute encampment provide a glimpse into the daily lives of this unique people:

The next morning I visited the camp once more before leaving the area. I took the occasion to do a last count of the sheds in the camp. There were twenty-two in all. They were round or oval domelike structures of freshly cut branches, twigs and green leaves. They had low entrances on one side. They were arranged in groups of six or seven around the open area in the centre of the group, all facing the centre. There were three circles like this adjoining each other so that the centres of the three circles opened one to the other. The sheds were approximately six feet in diameter at the bottom and only about four feet high, so adults could not stand upright even in the middle. The central courtyards were used by children for playing, by women for husking rice or for other similar activities and by men for making wooden bowls or chests.

The men used a slightly curved iron adze with a wooden handle for making bowls, and an iron axe for cutting trees. The women used metal pots for cooking.

Dor Bahadur Bista, 'Encounter with the Raute: The Last Hunting Nomads of Nepal' in KAILASH, Vol. IV, No. 4, 1976.

Nearly 48 percent of houses in Nepal are mud bonded and 24 percent are made of wood, while only 26 percent of houses are made of cement. A cement house correlates with a relatively high standard of living in Nepal. Observing housing structures across ethnicity, we see that most indigenous peoples (80 percent) live in houses made of more temporary materials: 63 percent live in mud bonded brick or stone houses and 17 percent live in houses made of wood and other materials. Within the indigenous peoples category, 71 percent of Magars have mud bonded stone houses and 84 percent of the Kumal, Sunuwar, Majhi and Chepang cluster have mud bonded stone houses or wood houses. For most people belonging to these indigenous groups, building a cement bonded house with stone, brick or concrete walls would be next to impossible. Some members of the Chepang indigenous group still live in caves (Box 3). The NLSS fails to capture such realities for individual ethnic groups. Among hill Dalits, only 8 percent live in cement houses, 76 percent live in mud bonded houses, and the rest live in wood houses (see Annex 1: Table 7, Table 8 and Table 9 for details).

Box 3: Living in a cave: Chepangs' struggle for shelter

1. Grandpa alone in a cave: Jayapati Chepan, 98 years old,¹ has spent his whole life in a large cave of the jungle stretched between remote Bharta and Silauti hills of Makwanpur district. He clearly remembers the devastating earthquake of 1934, among other historic natural calamities. He has never gone far away from the periphery of his cave, even to the nearest Manahari Bazaar. He survives on wild yams, tubers, fruits and edible plants that he collects every day. His wife died ten years ago and his son and daughter-in law, who were living with him, passed away five years ago. Since then he has been living alone in the cave. Relatives from a nearby village have asked him to stay with them, but he refused their generous offer saying that it is better to live in cave than to live in misery in a shelter provided by others. His only grandson has grown up and is living in Manahari Bazaar, working as a seasonal wage earner. In the Dashain festival in the last week of October 2012, his grandson Indra visited him and brought two kilograms of rice and half a kilogram of buffalo meat. Since then he has not eaten rice and meat. When asked about his attachment to the cave, he said, 'The house built by god is stronger than that built by men'. Villagers were also ready to build a hut for him, but he declined the proposal. Once his grandson Indra made him go to the village camp where

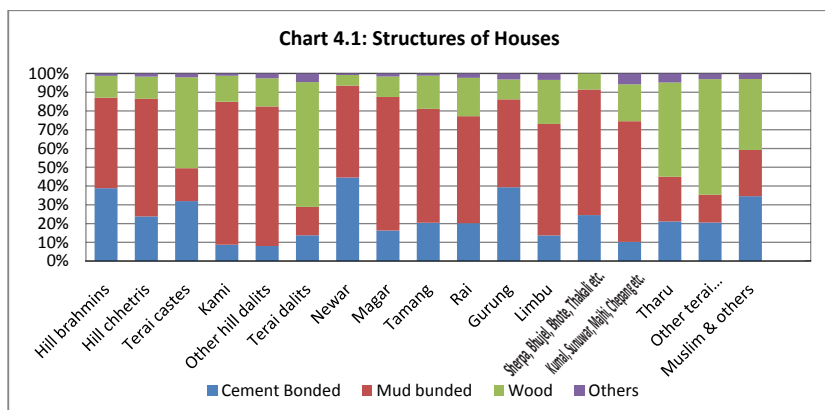
citizenship certificates and old age allowances were being distributed. He accepted the citizenship certificate, but refused to accept the social security allowance distributed to senior citizens (persons above the age of 75 years), saying 'I should not accept allowance at this time of coming close to the end of life, as I have heard that the government has plunged into debt'.

Source: Reporting (front page story) of Pratap Bista, Kantipur June 2, 2013.

2. From cave to hut: The story of Hasta Bahadur Chepang, 72 years old, was reported in the Kantipur Daily on June 17, 2013. Hasta Bahadur was living alone in a cave above the Paimarang river in Siddhi-8 of Makwanpur. He had been surviving by eating insects and grasses on the floor of the cave for 15 years. He never cooked, as he had no pots, plates or grains. After news of Hasta Bahadur's living conditions was published, a generous hotelier from Sauraha, Chitwan came to see him and offered him assistance in building a house and a monthly supply of food (10 kilograms of rice, a few kilograms of potatoes and some oil) and cooking utensils, which he accepted. About one and a half months later, the news was published in the same newspaper that Hasta Bahadur had moved to a new house in a small ceremony and that he was overcome with joy at his new accommodations.

Source: Kantipur, June 18, 2013

The Newar and Gurung groups have a higher proportion of their population living in cement bonded brick, stone and concrete houses (44.5 percent and 39.4 percent of households respectively) compared to other indigenous peoples. These proportions are higher than the proportion of Hill Brahmins living in such houses (38.8 percent). Most Terai Dalits have been living in relatively unsafe houses (84 percent), including 67 percent of households living in mud bonded houses made of stones and bricks and 15 percent living in wooden houses. Only 15 percent of Terai Dalit households have cement houses (Chart 4.1).



Source: CBS 2011, NLSS III

4.2. Households with Access to Household Utilities and Other Amenities and Facilities

Access to modern facilities is considered one of the basic measures of living conditions. This includes access to electricity, telephones, a sanitary system, garbage disposal and toilet. Hill Brahmins and Newars rank the highest out of all the caste and ethnic groups in access to these various facilities and amenities (Table 4.1). It seems natural for Newars, being mostly urban dwellers, to have access to such facilities as those facilities are concentrated in cities and urban areas. The diffusion of modern facilities in rural areas is still a recent phenomenon. There is also an emerging trend of improved access to facilities by Gurung and Sherpa groups. However, among the remaining indigenous groups, large proportions have limited access to such facilities and telephone connectivity is also very rare. Dalits, in both the hills and the Terai, have the least access to modern facilities, which is a sign of their extreme powerlessness and deprivation.

Table 4.1: Percentage of households with access to various facilities

Ethnic/Caste group	Electricity	Telephone	Sanitary system	Garbage disposal	Toilet
Hill Brahmins	83.07	24.69	24.46	16.12	85.14
Hill Chhetris	65.44	13.16	19.65	9.00	68.71
Terai Castes	74.92	6.72	13.98	4.74	27.68
Hill Dalits	53.19	2.68	8.84	3.58	49.73
Kami	51.98	2.10	8.95	3.50	49.45
Other hill Dalits	54.28	3.20	8.75	3.66	49.98
Terai Dalits	53.18	0.64	5.95	4.26	11.15
Newar (hill Indigenous Peoples)	93.08	39.58	55.93	38.46	90.18
Other hill Indigenous Peoples	62.59	9.42	15.47	9.48	56.77
Magar	59.96	5.22	12.12	6.56	51.39
Tamang	64.86	9.25	19.88	10.74	42.58
Rai	55.73	13.14	13.40	7.07	68.87
Gurung	78.73	21.57	27.98	21.37	87.16
Limbu	43.50	6.60	6.68	4.32	55.95
Sherpa, Bhujel, Bhote, Thakali etc.	78.81	14.54	21.50	20.96	79.50
Kumal, Sunuwar, Majhi, Chepang etc.	60.60	2.93	4.02	1.44	48.94
Terai Indigenous Peoples	72.02	4.95	6.44	1.91	33.45
Tharu	71.93	5.78	8.00	2.75	36.21
Other Terai Indigenous Peoples	72.18	3.39	3.50	0.32	28.25
Other (Muslim etc.)	76.03	5.33	15.86	7.67	40.69
Total	69.86	12.53	18.46	10.30	56.56

Source: CBS 2011, NLSS III

Access to cooking fuel is one of the contributing factors for improvement in quality of life. Nepalese people are gradually shifting from dependence of firewood and dried cow dung to heavy reliance on fossil fuel for cooking. More than half of Newar households use liquefied

petroleum gas (LPG) for cooking and 39 percent of households depend on wood for fuel, compared to 31 percent of Brahmin households using LPG and 55 percent depending on wood (see Table 4.2). Again, this is likely because the Newar population is heavily concentrated in cities and urban areas. About one-third of Gurung households and 26 percent of Sherpa, Bhote, Thakali, and Bhujel households use LPG, while large proportions of their populations still depend on firewood as a cooking fuel (59 percent of Gurung households and 69 percent of households of the Sherpa cluster).

More than four-fifths of indigenous households depend on firewood for cooking. This is a characteristic of 'tribal economy' (indigenous economy), which is also marked by heavy reliance on land and forest resources for survival. In a tribal economy, the forest is the main site of subsistence activities such as food gathering, hunting, collecting cooking fuel, and collecting materials for constructing houses and shades, making household tools, handicrafts and other basic activities. The forest is also the site of important spiritual pursuits and cultural vitality.² While the dependence of many indigenous groups on firewood for cooking fuel dates back many generations and constitutes part of their traditional way of life, their dependence on firewood is presenting obstacles for many groups. Government forest conservation programs and policies have considerably restricted or denied many groups' customary rights of access to forest resources. In addition, forest resources are rapidly becoming depleted due to uncontrolled and illegal deforestation, which is also affecting the ability of indigenous groups to continue to access sufficient firewood to use as cooking fuel. Around 56 percent of Terai indigenous peoples and Terai Dalits depend on cow dung for cooking fuel, as kerosene is becoming unavailable and costly and LPG is unaffordable for them.

2 See Chaudhuri 1997: 237-239 for the discussion on forest and tribal economy. See also Nicoletti 2006 for a penetrating analysis of the deep (mythical, spiritual and cultural) attachment of indigenous people (Kulunge Rai) to the forest.

Table 4.2 Percentage of households with access to cooking fuel

Ethnic/Caste group	Wood	Cow dung, leaves, straw or thatch	LPG	Kerosene	Other fuel	Total
Hill Brahmins	54.88	1.99	30.87	0.56	11.69	100.00
Hill Chhetris	75.69	1.05	18.29	0.41	4.58	100.00
Terai castes	41.94	47.87	8.61	0.32	1.26	100.00
Hill Dalits	91.15	1.30	5.79	0.26	1.50	100.00
Kami	92.34	0.85	6.18	0.38	0.26	100.00
Other hill Dalits	90.08	1.71	5.44	0.16	2.61	100.00
Terai Dalits	43.51	56.18	0.32	0.00	0.00	100.00
Newar (hill Indigenous Peoples)	38.94	2.34	52.66	1.86	4.20	100.00
Other hill Indigenous Peoples	80.44	1.25	16.08	0.38	1.86	100.00
Magar	85.76	1.51	10.90	0.26	1.57	100.00
Tamang	79.61	0.00	18.84	0.61	0.95	100.00
Rai	84.04	0.64	15.32	0.00	0.00	100.00
Gurung	59.43	0.50	34.43	1.11	4.52	100.00
Limbu	90.25	2.16	7.59	0.00	0.00	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	68.61	3.25	25.50	0.00	2.64	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	82.64	4.41	5.04	0.49	7.43	100.00
Terai Indigenous Peoples	60.10	29.04	7.07	0.31	3.49	100.00
Tharu	72.80	14.81	7.79	0.22	4.38	100.00
Other Terai Indigenous Peoples	36.16	55.84	5.72	0.47	1.80	100.00
Other (Muslim etc.)	46.57	40.33	10.83	1.05	1.23	100.00
Total	64.44	13.57	17.65	0.50	3.84	100.00

Source: CBS 2011, NLSS III

Until the mid 1950s, there were three types of forest ownership schemes in Nepal: Government forests, community/trust forests and private forests. After the introduction of the Forest Nationalization Act in 1956, private forests were nationalized without providing compensation to the

former owners (both individual and collective owners). Alternative forms of sustenance that do not rely on forest resources and the repercussions of the Forest Nationalization Act have not been studied. Since 1956, several laws have been enacted relating to forests, national parks, wildlife reserves and conservation areas and several rules, regulations, directives and guidelines have been issued in these areas. Conservation, protection, development and management of the forests, conservation areas, national parks, wildlife reserves, watershed areas and wastelands, pasturelands, wetlands and water resources were carried out without taking note of the adverse impacts on the lives of those who were dependent on forests and other natural resources. Indigenous peoples living in the mountains, hills and Terai and Dalits throughout the country were the major victims of this process.³ There is a lack of detailed information on private forests, including whether communities have succeeded in retaining their forests and avoiding legal interventions.

Land tenure regimes and processes for managing forests have changed drastically since the latter half of the twentieth century. During this time, Nepal has experienced gradual and unpredictable depletion and degradation of its forest areas (see Box 4). Statistics on sources of wood as fuel today, although imprecise, partially represent the impacts of the historical process of infringement on the customary land rights of indigenous peoples and forest dwellers, non-asset-owning occupational castes (now known as Dalits) and women to forest resources and divestment of their god-gifted natural assets handed down from generation to generation. Table 4.3 shows that Hill Brahmins have the highest proportion of their population collecting firewood from their own land (40.6 percent), followed by the Sherpa, Bhujel, Bhote and Thakali cluster (37.9 percent), Limbu (37.2 percent), Rai (34.2 percent) Newar (33.4 percent) and Terai castes (33.2 percent).

All castes and ethnicities except Terai castes and Muslims have some level of access to community-managed forests. A community managed

3 Private Forest Nationalization Act, 1956; Forest Act, 1993 (lately amended); National Parks and Wildlife Conservation Act, 1973; Grazing Land Act, 1974; National Trust for Nature Conservation Act, 1982; Watershed Conservation Act, 1982; Environmental Protection Act, 1995; Bufferzone Management Guidelines, 1999 and several other relevant regulations, directives, policies and strategies had adversely affected lives of the people living close to or around forest areas and many were displaced without proper compensation or resettlement options because of extension of forest/park/wildlife/conservation areas later than original ones.

forest is a collective forest that was nationalized by the Government some half a century ago and given to certain community organizations to protect and manage the use of forest resources. These community managed forests were not necessarily given to the original owners of the forest for management, which has been a source of conflict in some areas. Today, a large proportion of the population of Nepal depends on community-managed forests for their resource and subsistence needs, as access to government forests is very limited.

Box 4: Forest areas, types of forest tenure and management

- Total forest area in Nepal: 5.83 million hectares (6,306,443 ha. in 1988) (the UN Food and Agriculture Organization (FAO) recently estimated 3,636,000 ha. of forested area with 526,000 ha. of primary forest, or highly biodiverse and carbon-dense forest)
- Forest cover: 39.6 percent of the total land area in Nepal (the FAO estimates that 25.4 percent of the total land area is covered by forest; 14.5 percent by primary forest)
- Government managed forest (including national forests, protected forests, national parks and wildlife reserves): 4,631,085 ha. (79.5 percent of the total forest)
- Community forests under collective management (in 2011): 1,575,000 ha. (27 percent of the total forest area) (Note: this category may overlap somewhat with government-managed forests)
- Leasehold forests under collective management (in 2011): 38,997 ha.
- Collaborative forests (forest under collaborative management in 2011): 39,457 ha.
- Private forests (forest under customary management system): data not available
- Religious forests under collective management: data not available
- Forest area depletion rate per year (1990-2010): 1.23 percent (resulting in a total loss of 24 percent of the forest cover or around 1,181,000 ha.)
- Firewood provided by forests annually (1988): 9,200 metric tons

Source: Web-site of Ministry of Forest and Soil Conservation; Rameshwar Singh Pande, 1988, 'Forest Resources in Feed Supply- Nepal' in Forest Resources in Nepal: Nepalese Agricultural Information html; Krishna P. Acharya, Jagannath Adhikari and Dil raj Khanal, 'Forest Tenure Regimes and Their Impacts on livelihoods in Nepal' in Journal of Forest and Livelihood, December 2008. Vol. 7(1) and 'Tropical Rainforests: Deforestation Rates Tables and Charts', MONGABAY.COM.

Table 4.3: Distribution of firewood collecting households by place of firewood collection

Ethnic/Caste group	Own land	Community managed forest	Government forest	Other	Total
Hill Brahmins	40.64	39.11	16.05	4.21	100.00
Hill Chhetris	22.73	50.01	23.63	3.64	100.00
Terai castes	33.15	9.57	19.72	37.56	100.00
Hill Dalits	9.13	60.35	23.73	6.79	100.00
Kami	12.25	58.45	24.04	5.26	100.00
Other hill Dalits	6.34	62.05	23.46	8.15	100.00
Terai Dalits	7.85	14.55	23.70	53.90	100.00
Newar (hill Indigenous Peoples)	33.35	52.18	9.63	4.83	100.00
Other hill Indigenous Peoples	25.07	46.55	23.78	4.60	100.00
Magar	25.97	43.80	28.93	1.30	100.00
Tamang	17.58	48.61	29.95	3.86	100.00
Rai	34.16	49.82	6.37	9.65	100.00
Gurung	20.81	54.61	20.68	3.90	100.00
Limbu	37.18	41.34	8.84	12.65	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	37.92	50.42	7.86	3.80	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	15.08	40.34	38.23	6.35	100.00
Terai Indigenous Peoples	11.20	61.00	15.23	12.57	100.00
Tharu	10.55	65.84	17.85	5.76	100.00
Other Terai Indigenous Peoples	13.38	44.83	6.48	35.31	100.00
Other (Muslim etc.)	16.65	13.41	22.88	47.06	100.00
Total	23.87	44.05	21.20	10.88	100.00

Source: CBS 2011, NLSS III Data Set

4.3. Landholding/Agricultural Condition

Land is a source of livelihood and social prestige and a means of production in a feudal society. However, land also carries deep cultural, spiritual and communal meaning to indigenous peoples,

apart from being a basis of life, community and identity in their long-inherited traditions.⁴ For the Gorkha/Nepal kingdom, it was a source of revenue to sustain the nation's army, ruling families and administrative staff and a basis for imposing economic and cultural domination. It has also served as a means to institutionalize political subjugation and power dynamics based on territorial possession, and has legitimized the government's claimed authority to dispossess, alienate and transfer the lands of conquered people until half a century ago.⁵

Little is known about the history and development of indigenous land tenure and ownership systems in Nepal as documentary evidence is not available (probably destroyed) and oral histories are incomplete and inconsistent due to the declining practice of maintaining these oral traditions. The Kipat communal land tenure and ownership system, which was prevalent in the Limbuwan region of Nepal, is believed to be the country's oldest indigenous land tenure system. Under this system, each clan or village exercised communal ownership over their lands and the lands could not be sold to outsiders or non-clan members. The elimination of the pervasive Kipat system began from the early stages of the geographical unification of Nepal, with rigorous state interventions. This system was finally abolished in a piece-meal manner between 1964 and 1991, violating a 1774 treaty between the founding king of Nepal and Limbu leaders.⁶

The gradual abolition of the Kipat system with the steady strengthening of the state in an absolutist direction rendered most Kipat holders, all of whom were indigenous peoples, landless and subservient to caste elites. Government-promoted internal and international migration over the last two hundred years has also expedited the process of transfer of land title from indigenous peoples to new incoming settlers. In addition, the development of new district headquarters, urban centres,

4 ILO Convention No. 169 and UN Declaration on the Rights of Indigenous Peoples, 2007 affirm this idea, which is based on comprehensive studies carried out under the UN systems.

5 See Regmi 1978, Stiller 1973, Pradhan 1991, Burghart 1996:226-260 for insightful discussion on this subject.

6 See Regmi 1978, Caplan 2000/1970, Chemjong 1966, Forbes 1996, 1999 for the analyses of various aspects, including causes, processes and consequences, of abolition of Kipat system.

and new settlement areas in the latter half of the last century has also led to displacement and land dispossession of indigenous families. For example, Darai families of Damauli, now Vyas municipality, have still not received full compensation for their land (valued at 1200 *ropanis*) which was appropriated by the government in 1978. A few families received partial compensation (21 *bighas* out of 70 *bighas* committed), but only after 28 years from their original dispossession.⁷ This is just one example of hundreds of such cases.

For the past two hundred years, the Tharu people and other indigenous peoples in the Terai region of Nepal have suffered dispossession and alienation from their lands by incoming Indian migrants. Many indigenous groups in the Terai, particularly the Tharu, Rajbansi, Gangai, Dhimal, Meche, Santhal and Jhangad/Uraun, have had their land transferred away to high caste people who moved down to the Terai from the hill regions beginning in the mid-1950s as malaria eradication made the Terai region habitable to outsiders who did not already possess built-up immunities to the disease.

The successive influx of Indian and hill migrants changed affluent, landowning indigenous peoples in the Terai into landless, displaced or marginal landholders. These land transfers were often carried out through insincere and fraudulent means. Fifteen thousand Tharu households were rendered landless in Dang alone and six thousand families have migrated away from that area since the 1960s.⁸ By the end of that decade, 80 percent of Tharu people had become landless, despite having enough lands until 1912.⁹ Other factors such as frequent changes in land related laws, an increasing number of laws, complicated legal procedures, legal illiteracy among indigenous peoples, their lack of connections to government officials, non-recognition of customary land rights and native titles by the government, eviction of indigenous peoples from their traditionally occupied lands, and the traditional values of indigenous groups, including innocence, liberality, cooperativeness and conviviality,

7 For details, see Darai 2011:123-145.

8 Cox 1990:1318-1320

9 McDonough 1999:223-233.

also contributed immensely to the dispossession of indigenous groups from their traditional lands.¹⁰

While the NLSS III makes little attempt to explain historical land injustices that led to the present status of land ownership and landholding, it does provide information on current agricultural households and agricultural land holdings in Nepal. The NLSS defines 'agricultural household' or 'agricultural holding' as 'an economic unit of agricultural production under single management comprising all livestock and poultry kept and all land used wholly or partly for agricultural production purposes, without regard to title, legal form or size.'¹¹ Landholding must be interpreted accordingly, taking into account that the definition may not refer to actual ownership of land.

Agriculture has always been the mainstay of the Nepalese source of livelihood. The recent NLSS data shows that about 76 percent of all households in Nepal are agricultural households, operating land for agricultural production purposes including keeping livestock and poultry. Only about one-fourth of all agricultural households are female-headed households. The same is true of the agricultural households of both Terai and hill indigenous peoples, except for Newars for whom about 30 percent of agricultural households are female-headed households.

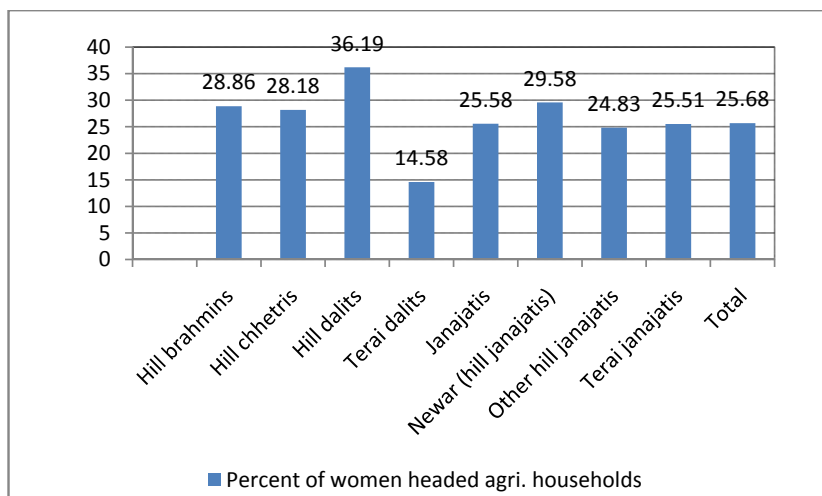
Newars are urban dwellers and are mostly involved in non-farm economic activities. Maharjan (popularly known as Jyapu or farmer) Newars are well-respected indigenous farmers of the Kathmandu Valley, famous for their intensive cultivation technology. They are now decreasing in number as Newar agricultural households in the area dwindle, due largely to expropriation of their lands for development projects and urban extension. Around 28 percent of hill Brahmin and Chettri agricultural households are headed by women, while a surprising 36 percent of hill Dalit agricultural households are headed by females. Female-headed households are far less common among

10 See Gaige 1975, Cox 1990, Krauskopff and Meyer 2000, Muller-Boker 1999, Skar 1999:159-173, Meyer and Deuel 1999:121-154, McDonough 1999, Buggeland 1999:97-117, Gunaratne 2002 for critical analyses on this subject.

11 CBS 2011:5.

Terai Dalit agricultural households, constituting only 15 percent of all Terai Dalit agricultural households. (See Chart 4.2)

Chart 4.2: Women-Headed Agricultural Household (%)



Source: CBS 2011, NLSS III

Indigenous peoples have the largest percentage of households operating agricultural land among all the broad caste and ethnic groups, followed by hill Chhetris. Likewise, the figures also show that the largest share of agricultural land, including titled and untitled land, legal and illegal holdings and rented land, regardless of land fertility, belongs to indigenous peoples. This indicates that indigenous peoples are primarily dependent on agriculture. Many indigenous hill and mountain households are shifting cultivators and usually occupy more lands for shifting cultivation purposes.¹² About 50 percent of agricultural lands belonging to indigenous peoples are irrigated (see Table 4.4). Among hill indigenous peoples other than Newars, 40 percent of their agricultural land is irrigated. This is the lowest percentage of irrigated land of any group, with hill Dalits coming in a close second. Terai indigenous peoples are better situated, with about three-fourths of their land irrigated.

¹² See Aryal and Kerkhoff 2008 for the discussion on shifting cultivation as a traditional occupation prevailing in different parts of Nepal.

The average size of agricultural land holdings does not vary greatly across different ethnicities. Except for hill Dalits whose average land holdings are about 0.4 hectares, all other groups possess landholdings whose average size varies from 0.6 hectares to 0.9 hectares.

Table 4.4: Selected Characteristics of Agricultural Land

Ethnic/Caste group	Agricultural land household (in %)	Area of agricultural land (in %)	Percentage of area irrigated	Average size of agricultural land (hectares)
Hill Brahmins	13.72	12.72	56.78	0.6
Hill Chhetris	19.79	18.51	48.58	0.6
Hill Dalits	10.21	6.45	39.74	0.4
Terai Dalits	3.15	2.72	69.61	0.6
Indigenous Peoples	36.26	37.56	50.07	0.7
Newar (hill Indigenous Peoples)	4.64	3.31	50.29	0.5
Other hill Indigenous Peoples	24.04	24.10	39.68	0.7
Terai Indigenous Peoples	7.58	10.14	74.70	0.9
Total	100.00	100.00	54.40	0.7

Source: CBS 2011, NLSS III

Paddy is the major crop cultivated by the majority of households in Nepal, irrespective of geographic location. Paddy is prioritized because it is a staple food in most Nepalese households. In the Terai region, almost 91 percent of indigenous households cultivate paddy, followed by other food and cash crops. Among hill indigenous peoples, maize is the major crop. Newars (a hill indigenous group) still cultivate paddy as their major crop (81.50 percent). As can be seen in Table 4.5, households are increasingly growing both winter and summer vegetables. The demand for vegetables is growing, especially in urban areas, plus vegetable crops provide farmers with reasonable profits at lower cost, time and effort.

Table 4.5: Indigenous Peoples' Selection of Crops to Cultivate (%)

Indigenous group	Main Paddy	Wheat	Summer Maize	Millet	Winter Potato	Mustard	Summer Vegetables	Winter Vegetables
Indigenous Peoples	65.68	44.72	72.16	43.92	51.80	36.70	73.55	75.24
Newar (hill Indigenous Peoples)	81.50	45.96	70.10	43.83	47.37	25.54	73.27	75.00
Other hill Indigenous Peoples	54.68	39.48	84.93	56.93	47.48	35.28	76.87	76.00
Terai Indigenous Peoples	90.81	60.59	32.89	2.68	68.25	48.06	63.20	72.95
Total	72.35	56.73	64.13	38.02	52.79	38.83	68.77	72.06

Source: CBS 2011, NLSS III

Most agricultural households own plough and grain storage bins, whereas only a few agricultural households own heavy and expensive equipment like tractors, power tillers, threshers and water pumps. Only about one percent of indigenous agricultural households own tractors or power tillers, one percent own threshers and about three percent own water pumps (Table 4.6). Among hill indigenous agricultural households, none possesses a tractor or power tiller, a negligible proportion owns threshers and about 1.5 percent own water pumps. This shows that hill indigenous peoples still heavily rely on traditional farming practices, tools and technology. However, among Terai indigenous agricultural households, about three percent own either tractors or power tillers and about the same proportion of them own threshers. Water pumps are especially popular among Terai indigenous agricultural households, with about 13 percent of households owning one.

Table 4.6: Indigenous Agricultural Households Owning Selected Agricultural Equipment (%)

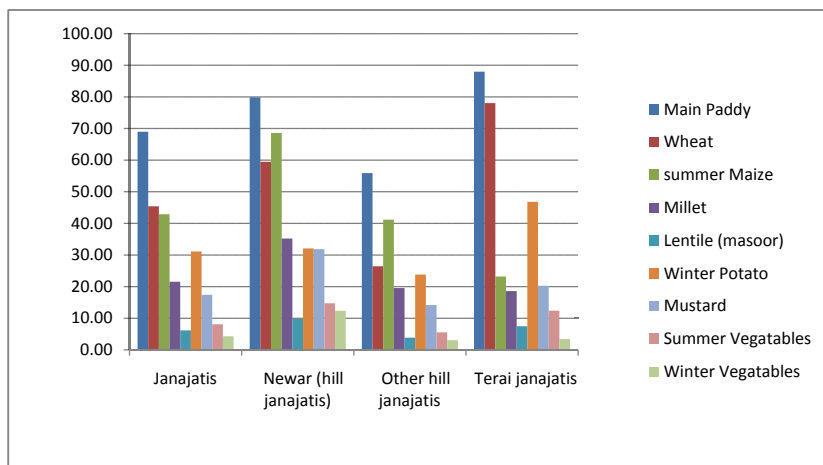
Ethnic/Caste group	Plough	Tractor/ Power tiller	Thresher	Water Pumps	Grain Storage Bin
Terai Dalits	43.29	0.00	3.14	5.11	26.22
Indigenous Peoples	53.42	0.85	0.86	3.93	25.38

Newar (hill Indigenous Peoples)	28.84	1.82	1.80	3.09	23.35
Other hill Indigenous Peoples	55.34	0.00	0.12	1.38	22.09
Terai Indigenous Peoples	62.48	2.93	2.64	12.51	37.08
Total	52.32	0.98	1.20	7.18	33.00

Source: CBS 2011, NLSS III

Regarding the use of fertilizers to cultivate crops, less than 50 percent of indigenous agricultural households use fertilizers to grow major crops such as wheat, maize and millet. Very few indigenous agricultural households have access to fertilizers for vegetable crops, although the cultivation of vegetable crops has become the major source of livelihood for a majority of indigenous households today. Over 70 percent of Terai indigenous agricultural households have access to fertilizers for major crops like paddy and wheat. This number is significantly lower for hill indigenous agricultural households (Chart 4.3). The use of fertilizer by indigenous households is more common for rice paddy cultivation than for any other crop.

Chart 4.3: Indigenous Agricultural Households Using Fertilizers in Selected Crops (%)



Source: CBS 2011, NLSS III

Livestock and poultry are the primary traditional sources of cash income for Nepalese households. By tradition, all households, irrespective of caste or ethnicity keep cattle, buffalo, goats and sheep, whereas pig and poultry are raised only by indigenous peoples and Dalits. In recent times, caste- and ethnicity-based traditional practices regarding livestock and poultry rearing have been gradually changing based on the local and market demand for livestock and poultry. Raising livestock and poultry is more common among indigenous households than any other group, though indigenous households tend to keep a small number of livestock and poultry per household.¹³ Pig farming is the most favored traditional occupation among indigenous peoples, with 82 percent of indigenous households engaged in raising pigs (Table 4.7). Pig farming is an important practice for many indigenous groups, not because of the potential for economic gain but because of its role in performing annual rituals related to ancestral worship and other seasonal rituals.

Poultry farming is another traditional activity used to generate small amounts of cash income, enable the performance of certain seasonal rituals and ensure adequate protein intake. Among indigenous households, 51 percent are currently engaged in poultry farming. About 37 percent of indigenous households are involved in rearing goat and sheep, but less than two percent of Gurung households raise goat and sheep. This substantiates the theory that the Gurung people's traditional occupation of sheep rearing is rapidly vanishing, due in part to the loss of their customary rights of access to pasture lands in the high hills and mountain areas and their increased migration to urban centres.

More than 22 percent of hill Chhetri households keep cattle, buffalo, goats and sheep and 21 percent of hill Chhetri households keep poultry, although poultry raising was not a traditional form of animal husbandry for this group. This indicates that livestock rearing is a key income source for hill Chhetris. Hill Brahmins raise livestock at a higher rate than any other group. Between 14 and 18 percent of hill

13 The mean number of livestock/poultry per agricultural households for the whole country is 1.8 heads for cattle, 0.9 head for buffalo, 2.8 heads for goat, 3.0 heads for goat and sheep, 0.2 head for pig and 4.2 heads for poultry (CBS 2011, Volume Two, Table 9.14, p. 22).

Brahmin households keep each type of farm animal and 18 percent of households own buffalo, which is the most highly priced animal.

A substantial proportion of hill Dalit households (between 9 percent and 15 percent) keep each type of livestock. However, Terai Dalits' participation in livestock and poultry rearing is negligible as less than three percent of their households own livestock and poultry. Among all groups, less than two percent of Gurung, Limbu, Sherpa, Bhujel, Bhote, Kumal, Sunuwar, Majhi, and Chepang households have cattle, buffalo, goats or sheep. Their extremely low participation in animal husbandry makes the subsistence economy of these groups all the more vulnerable.

Table 4.7: Percentage of agricultural households owning livestock or poultry

Ethnic/Caste group	Cattle	Buffalo	Goat	Goat andsheep	Pig	Poultry
Hill Brahmins	14.00	18.41	14.41	14.29	0.24	6.53
Hill Chhetris	22.36	22.79	22.33	22.21	0.66	21.05
Terai castes	12.33	13.79	10.77	10.68	0.19	2.84
Hill Dalits	10.37	10.01	9.11	9.09	15.24	13.94
Kami	5.01	4.78	4.37	4.36	5.84	7.44
Other hill Dalits	5.36	5.22	4.75	4.73	9.39	6.50
Terai Dalits	2.84	2.24	3.21	3.18	0.97	1.76
Indigenous Peoples	35.14	30.20	36.72	37.11	81.80	50.93
Newar (hill Indigenous Peoples)	2.96	3.93	4.43	4.43	0.75	5.20
Other hill Indigenous Peoples	24.47	22.30	24.52	24.55	67.94	36.38
Magar	8.91	8.88	8.79	8.79	20.68	12.19
Tamang	5.64	6.09	6.54	6.48	4.40	9.07
Rai	3.94	2.42	2.10	2.20	21.52	5.48
Gurung	1.37	1.24	1.95	1.94	0.82	2.55
Limbu	1.59	0.70	1.59	1.63	11.39	2.67
Sherpa, Bhujel, Bhote, Thakali etc.	1.20	1.47	1.53	1.52	3.35	2.14
Kumal, Sunuwar, Majhi, Chepang etc.	1.82	1.49	2.01	1.99	5.78	2.29

Terai Indigenous Peoples	7.70	3.97	7.78	8.13	13.11	9.36
Tharu	4.44	2.74	4.95	5.28	11.00	7.45
Other Terai Indigenous Peoples	3.26	1.23	2.82	2.85	2.11	1.91
Other (Muslim etc.)	2.96	2.57	3.46	3.43	0.91	2.95
Total	100.00	100.00	100.00	100.00	100.00	100.00

Source: CBS 2011, NLSS III

EMPLOYMENT

5.1. Employment Characteristics

Section 18 of Nepal's Interim Constitution of 2007 explicitly states that employment is a right belonging to every citizen. Many studies have already established that economic growth is a necessary condition for sustained growth in national employment rates, as economic growth generates more jobs and increases household disposable incomes (DFID, 2007 & 2008). No recent estimates have been made to calculate employment elasticity in Nepal. The Three Year Interim Plan (TYIP) of 2010-2013 uses the historical employment elasticity rate of 0.60 to estimate employment without taking into account the extensive propaganda regarding which types of employment are considered dignified or gainful, which may have skewed this number (Khanal, 2010).¹ Inclusive growth is not possible without providing gainful employment to the continuously increasing labour force.

By comparing the data on Labour Force Participation rate (LFPR)² of the NLSS I, II and III, we see that the economically active population in the country has been slowly increasing. The NLSS III shows that a large proportion of the indigenous population is economically active in Nepal (81.73 percent), of which only 1.91 percent is unemployed and looking for work (See Table 5.1). This implies that just 18.27 percent of indigenous people are inactive in the work force. Within the indigenous population, there is not much variation here between hill and Terai indigenous peoples. As compared to non-indigenous peoples, especially hill Brahmins and Chettris, indigenous peoples stand at

1 http://archives.myrepublica.com/portal/index.php?action=news_details&news_id=19010

2 The labour force participation rate is defined as the percentage of people in the total working-age population (defined as age 5 and older) who are currently either employed or looking for work. Individuals who are neither employed nor currently looking for work are considered "inactive" and are not included in the labour force participation rate.

about the same level. Among indigenous groups, the inactivity and unemployment rates of the Gurung and Newar groups are the highest.

Table 5.1: Activity status and unemployment rates (during last 7 days) (in %)³

Ethnic group	Employed	Un-employed (looking for work)	Not active	Total	Labour Force Participation Rate	Un- employment rate
Hill Brahmins	75.57	1.81	22.63	100.00	77.37	2.33
Hill Chhetris	80.09	1.38	18.53	100.00	81.47	1.69
Indigenous Peoples	79.83	1.91	18.27	100.00	81.73	2.33
Newar (hill Indigenous Peoples)	70.32	2.45	27.23	100.00	72.77	3.37
Other hill Indigenous Peoples	81.98	1.89	16.13	100.00	83.87	2.25
Magar	83.75	1.66	14.59	100.00	85.41	1.94
Tamang	82.24	1.99	15.77	100.00	84.23	2.37
Rai	83.09	1.37	15.54	100.00	84.46	1.62
Gurung	70.46	3.50	26.04	100.00	73.96	4.73
Limbu	83.41	2.37	14.22	100.00	85.78	2.76
Sherpa, Bhujel, Bhote, Thakali etc.	79.64	2.61	17.75	100.00	82.25	3.17
Kumal, Sunuwar, Majhi, Chepang etc.	85.88	0.54	13.57	100.00	86.43	0.63

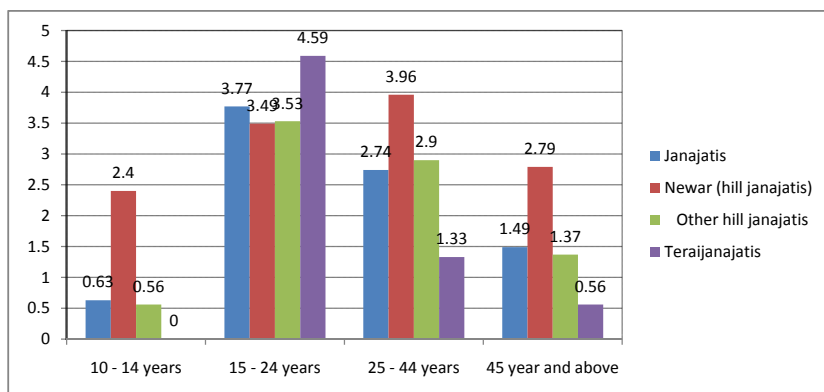
3 According to CBS, 2011 (Vol II:50) “Activity status refers to whether a person, aged 5 years and above, is economically active or not active. Activity status are measured in two-ways: ‘currently active’ (Employed for at least one hour during the previous 7 days) and “usually active” (employed over a period of 1 year), and this chapter deals with the current activity status. CBS further defines “Currently employed” in this chapter, as someone “10-years and older”) “Employed for at least one hour during the previous 7-days or has a job attachment if temporarily absent or is available to work if work could be found” and conversely, “currently unemployed” (unemployed here, as someone “10-years and older”) “who did not work during the last 7-days but was looking for work or was waiting to hear from prospective employer to start a new job or could not find work or did not know how to look for work” (P 50) Not active refers to those “who did not work in the past 7-days or did not look a work. On unemployment rate “is the ratio (percentage) of the specified population who are unemployed.

Terai Indigenous Peoples	82.19	1.48	16.32	100.00	83.68	1.77
Tharu	82.57	1.38	16.05	100.00	83.95	1.64
Other Terai Indigenous Peoples	81.37	1.72	16.92	100.00	83.08	2.07

Source: CBS 2011, NLSS III

Similarly, the unemployment rate among those aged 15 to 44 varies across different social (caste and ethnic) groups (see Annex 1, Table 10). The unemployment rate among the age group 15-24 years is the highest in indigenous peoples irrespective of their place of residence, except for Newars whose unemployment rate is the highest among the age group 25-44 years (See Chart 5.1).

Chart 5.1: Unemployment Rates of Hill and Terai Indigenous Peoples by Age Groups (during last 7 days) (in %)

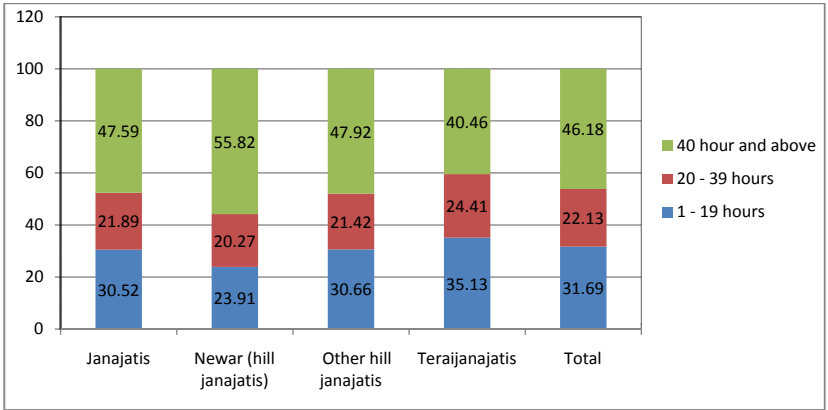


Source: CBS 2011, NLSS III

Also, there is not much variation in the number of hours worked between indigenous peoples and non-indigenous peoples (see Annex 1, Table 11). More than 40 percent of all employed indigenous peoples are working for more than 40 hours a week with Newars topping the chart again with about 56 percent working for more than 40 hours a week. Except for Tharus, only about 39 percent of other Terai indigenous

peoples have been able to work for more than 40 hours a week. This is about 8 percent lesser than the national average of all the ethnicities taken together in this particular working hour category (see Chart 5.2)

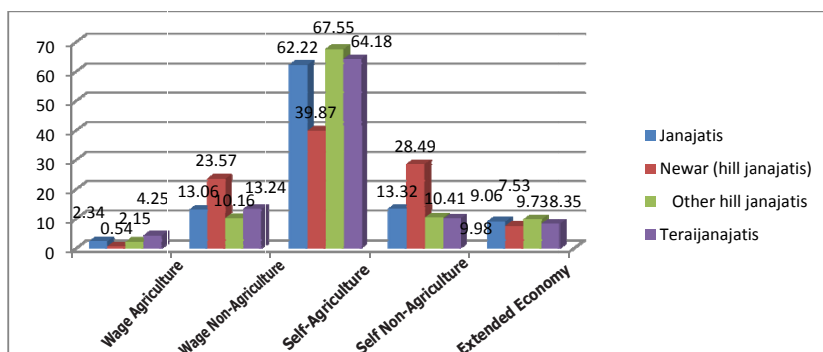
Chart 5.2: Distribution of Employed Hills and Terai Indigenous Peoples by number of Hours Worked (during last 7 days) (in %)



Source: CBS 2011, NLSS III Data Set

Most indigenous peoples work on farms tilling their own land, which is also the case with people from other ethnicities (see Annex 1, Table 12 for details). Only about 13 percent of indigenous peoples are engaged in their own non-farm activities such as trading, manufacturing and businesses, which are relatively highly paid sectors of employment (See Chart 5.3). Newars are in a better position in this case than other indigenous peoples both in the hills and Terai. About 28 percent of employed Newar population is engaged in non-farm activities, which is the highest even when non-indigenous peoples are taken into account.

Chart 5.3: Distribution of employed Hill and Terai Indigenous Peoples by main sector of employment (during last 7 days) (in %)



Source: CBS 2011 NLSS III

5.2. Characteristic of Wage Earners

About 66 percent of indigenous wage earners receive their wages⁴ from non-agricultural activity (Table 5.2). This is also evident from the fact that in the last two decades, especially after restoration of multiparty democracy in 1990 and adoption of liberalized policies, the economic activities have been more concentrated towards industrial and service sectors. The contribution of service sector in GDP was about 50 percent whereas the contribution of agricultural sector was only about 35 percent of GDP in 2009/10 (Ministry of Finance, 2011). It means agricultural dominance as a mainstay of Nepalese livelihood is being slowly replaced by modern sectors equipped largely with technology and innovation.

The wage earners from non-agricultural activity among hill Brahmins and Chhetris are fairly higher than the indigenous peoples population except for Newars. Only about 14 percent of Newar wage earners receive their wages from agricultural sector and the remaining 86 percent receive their wages from non-agricultural sector. This is the highest of all ethnicities even exceeding hill Brahmins and Chhetris.

⁴ It includes wage paid daily, long term or on contract basis (for all household members aged 5 years or over) (CBS, 2011).

Box 5: Classification of Wage Jobs

Wage Jobs in Agriculture: Jobs of the workers employed in farms, forestry and fishery, and other agricultural economic units engaged in the production of agricultural goods. Agricultural labourers for ploughing, planting and harvesting crops, fishing etc, are also considered as wage job of the agriculture sector.

Wage Jobs in Non-Agriculture: Jobs of the workers employed in factories, business enterprises, shops, service undertakings, and other economic units engaged in the production of goods and services intended for sale on the market are jobs of the non-agriculture sector. It also includes jobs of employees of government and other social and cultural institutions, hotels, restaurants, transport and communication, politicians who get remuneration, lawyers, doctors, shopkeepers etc.

Source: CBS (2009)

The data shows that out of indigenous peoples population, Magar and Gurung are in a relatively better position as most of them earn their wages (more than 70 percent) from industrial and service sectors. The wage payment in non-agricultural sector is higher than agricultural sector. The average daily wage is Rs 263 in non-agricultural activity whereas it is Rs 170 in agricultural activity.

Table 5.2: Distribution of wage earners by main sector of activity, row-wise

Ethnic/Caste group	Wage in agricultural sector	Wage in non-agricultural sector	Total
Hill Brahmins	15.32	84.68	100
Hill Chhetris	23.37	76.63	100
Indigenous Peoples	33.57	66.43	100
Newar (hill Indigenous Peoples)	13.61	86.39	100
Other hill Indigenous Peoples	39.99	60.01	100
Magar	28.56	71.44	100
Tamang	36.78	63.22	100
Rai	38.13	61.87	100
Gurung	25.56	74.44	100
Limbu	54.46	45.54	100

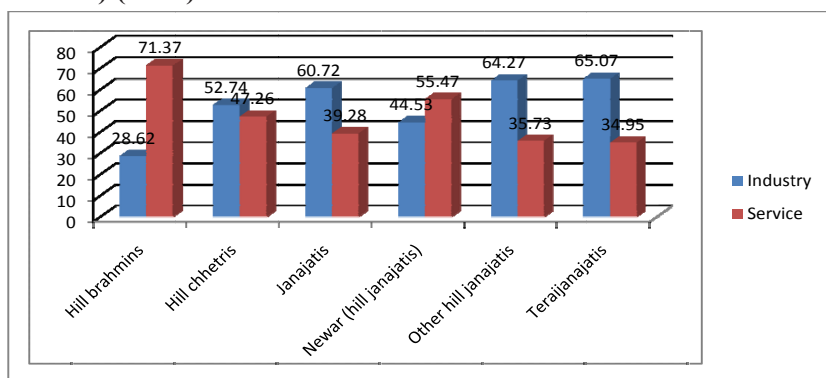
Sherpa, Bhujel, Bhote, Thakali etc.	42.03	57.97	100
Kumal, Sunuwar, Majhi, Chepang etc.	51.64	48.36	100
Terai Indigenous Peoples	45.42	54.58	100
Tharu	38.11	61.89	100
Other Terai Indigenous Peoples	44.73	55.27	100

Source: CBS 2011, NLSS III

Among hill indigenous peoples, more than 50 percent of Limbu wage earners still receive their wage from agricultural activity. The same is the case with the Kumal, Sunuwar, Majhi and Chepang cluster. So far as Terai indigenous peoples are concerned, more than 50 percent of wage earners receive their wage from non-agricultural sector.

Chart 5.4 provides the glimpse of the proportion of wage earners receiving their wages from industrial and service sectors.⁵ Except for hill Brahmins and Newars, people from all other ethnicities are more concentrated in industrial sectors. About 61 percent of indigenous peoples earn their wages from the industrial sector (64 percent of hill indigenous peoples and about 65 percent of Terai indigenous peoples).

Chart 5.4: Distribution of wage earners by Sectors (Industry and Service) (in %)



Source: CBS 2011, NLSS III

5 Agricultural wage earners are not taken into account in this part of the analysis. The proportion estimated here is between the industrial and service sectors.

In the agricultural sector, more than 90 percent of all the ethnic groups receive their wages on a daily basis. This means that the remaining 10 percent receive their wages on a longer term or on contract basis. In non-agricultural sectors, more than 50 percent receive their wages on a salaried basis and they are also covered with various social protection measures, e.g. retirement benefits like provident funds and pension funds, insurance against death and injuries and various other benefits and allowances. In this regard, Kochhar et al (2012) adds that wage workers include casual laborers – who are paid on a daily, irregular, or piece-rate basis – and regular wage or salary earners, who receive a regular payment from a job in the public or private sector and usually earn leave and supplementary benefits.⁶ The former type prevails in the agricultural sector, which is largely an informal sector of employment, whereas the latter type is more common in non-agricultural sectors, in which formal employment prevails. This nature of wage payment is most common in developing and underdeveloping economies like Nepal.

Table 5.3 below shows that there is not much variation between indigenous peoples and non-indigenous peoples in the agricultural sector so far as the mode of payment is concerned. There is also not much disparity in the mode of payment within non-agricultural sector between these two groups, except for hill Brahmins, 78 percent of whom receive their wages on a salary basis. Only about 48 percent of indigenous peoples receive their wages on a salary basis in non-agricultural sectors, i.e. the industrial and service sectors. The lowest percentages of Magar (31.37 percent) and Tharu (31.5 percent) groups are paid wages on a daily basis in non-agricultural sectors.

Table 5.3: Distribution of wage earners by mode of payment (in %)

Ethnic/Caste group	Paid on daily basis (Yes/No)					
	Agriculture (%)			Non-agriculture (%)		
	Yes	No	Total	Yes	No	Total
Hill Brahmins	100	0	100	21.53	78.47	100
Hill Chhetris	99.04	0.96	100	46.22	53.78	100

6 <http://www.imf.org/external/pubs/ft/fandd/2012/kochhar.htm>

Indigenous Peoples	97.27	2.73	100	52.13	47.87	100
Newar (hill Indigenous Peoples)	97.91	2.09	100	27.62	72.38	100
Other hill Indigenous Peoples	94.32	5.68	100	66.03	33.97	100
Magar	100	0	100	68.63	31.37	100
Tamang	100	0	100	52.43	47.57	100
Rai	100	0	100	45.19	54.81	100
Gurung	92.75	7.25	100	45.97	54.03	100
Limbu	98.07	1.93	100	48.32	51.68	100
Sherpa, Bhujel, Bhote, Thakali etc.	100	0	100	54.93	45.07	100
Kumal, Sunuwar, Majhi, Chepang etc.	95.3	4.7	100	49.78	50.22	100
Terai Indigenous Peoples	95.96	4.04	100	49.21	50.79	100
Tharu	96.1	3.9	100	68.5	31.5	100
Other Terai Indigenous Peoples	90.47	9.53	100	59.04	40.96	100

Source: CBS 2011, NLSS III

The average daily wage is very poor in Nepal as compared to other South Asian countries. Many casual/temporary workers are unlikely to find formal sector employment in Nepal. Moreover, minimum wages in Nepal approach the level at which lower-productivity workers will be effectively excluded from formal wage employment.⁷

Wage earners receive higher wages in non-agricultural sectors than in the agricultural sector by about Rs. 93. People from all ethnicities that earn wages receive them more often in the form of cash than through in kind payments, across employment sectors. The average daily wage received in cash in non-agricultural sectors is higher than that received in the agricultural sector by Rs. 102. For in kind wages, the difference is approximately Rs. 26. Hill Brahmins and Chhetris receive the highest daily wage across employment sectors. The average daily wage

⁷ siteresources.worldbank.org/SOUTHASIAEXT/.../Chapter6.pdf

of hill Brahmins is as high as Rs. 199 in the agricultural sector and Rs. 372 in non-agricultural sectors (Table 5.4). The average daily wage received by indigenous peoples in the agricultural sector is Rs. 26 and in the non-agricultural sectors it is Rs. 106 – lower than the average wage received by hill Brahmins in these two sectors respectively.. This reveals noticeable discrimination in the payment of wages to indigenous peoples, especially in non-agricultural sectors. But Tamang, Rai and those from Sherpa, Bhujel, Bhote and Thakali cluster are in a better position as compared to other indigenous peoples; they receive on average more than Rs. 300 as a daily wage, although this is still lower than that received by hill Brahmins. Terai indigenous peoples receive lower daily wages on average than hill indigenous peoples by about Rs. 14 and Rs. 12 in the agricultural and non-agricultural sectors respectively.

Table 5.4: Average daily wage in cash/kind received by wage earners (in Rs.)

Ethnic/Caste group	Agriculture Sector			Non-agriculture Sector		
	Cash	Kind	Total	Cash	Kind	Total
Hill Brahmins	156	56	199	262	194	372
Hill Chhetris	135	57	181	210	107	258
Indigenous Peoples	126	59	173	225	88	266
Newar (hill Indigenous Peoples)	125	44	162	269	208	340
Other hill Indigenous Peoples	122	71	173	199	81	223
Magar	140	65	186	187	86	235
Tamang	129	54	180	275	73	317
Rai	112	67	164	276	80	312
Gurung	132	41	162	254	55	291
Limbu	96	58	148	155	45	180
Sherpa, Bhujel, Bhote, Thakali etc.	134	45	174	313	88	379
Kumal, Sunuwar, Majhi, Chepang etc.	134	45	174	216	46	241

Terai Indigenous Peoples	110	67	159	192	48	211
Tharu	131	70	179	197	76	218
Other Terai Indigenous Peoples	102	71	158	204	90	243
Total	117	65	170	219	91	263

Source: CBS 2011, NLSS III

5.3. Assessment of Non-Farm Economic Activities

A household is said to be operating a non-farm enterprise if any member of that household reports to be “self-employed in a non-agricultural activity.” Overall, non-farm economic activities have increased during a period of 8 years, i.e. between 1995/96 and 2003/04 (CBS, 2011).

National level data shows that 35 percent of sampled households are employed in non-farm enterprises, such as manufacturing (35 percent), trade (36 percent), services (17 percent) and other industrial sectors (12 percent).⁸ A majority of the non-farm enterprises in urban areas are in the trade sector, while the manufacturing sector is dominant in rural areas.

Hill indigenous peoples other than Newar and hill Dalits are mostly employed in the manufacturing sector, while Terai castes, Newars, Muslims and hill Brahmins are mainly employed in trade (see Table 5.5). The service sector is dominated by hill Brahmins: about 33 percent are employed in the service sector, particularly in high-paying and well-respected jobs. Slightly more than 29 percent of Terai Dalits are engaged in various types of services, but they typically perform service jobs of a traditional, indecent nature.

⁸ 39 percent of sampled *indigenous peoples* households are employed in non-farm activities. The same in the case of *Newars*, *other Hill indigenous peoples* and *Terai indigenous peoples* are about 51 percent, 36.5 percent and 30.5 percent respectively.

Table 5.5: Distribution of household non-farm activities of various groups by type of enterprise

Ethnic/Caste group	Percentage distribution of enterprises				
	Manu- facturing	Trade	Services	Other	Total
Hill Brahmins	14.74	41.29	32.85	10.71	100.00
Hill Chhetris	28.91	39.33	17.16	14.60	100.00
Terai castes	24.17	47.47	17.92	10.44	100.00
Hill Dalits	67.65	16.35	8.12	7.88	100.00
Kami	72.62	11.14	9.15	7.09	100.00
Other hill Dalits	62.39	21.85	7.03	8.73	100.00
Terai Dalits	22.58	30.70	29.53	15.07	100.00
Indigenous Peoples	43.35	33.02	12.12	11.51	100.00
Newar (hill Indigenous Peoples)	31.49	44.19	18.03	6.29	100.00
Other hill Indigenous Peoples	51.65	27.86	8.11	12.38	100.00
Magar	61.03	23.27	3.53	12.16	100.00
Tamang	52.26	25.12	13.14	9.48	100.00
Rai	46.31	34.00	6.06	13.63	100.00
Gurung	48.16	26.00	10.14	15.70	100.00
Limbu	38.48	40.81	7.66	13.05	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	38.07	42.06	6.63	13.25	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	54.34	18.77	7.74	19.16	100.00
Terai Indigenous Peoples	30.32	35.10	18.17	16.41	100.00
Tharu	35.97	26.73	19.29	18.02	100.00
Other Terai Indigenous Peoples	14.30	58.87	14.98	11.85	100.00
Other (Muslim etc.)	25.97	45.14	12.94	15.95	100.00
Total	35.40	36.13	16.63	11.72	100.00

Source: CBS 2011, NLSS I

Table 5.5 shows that majority of indigenous households are self-employed – either in manufacturing or in the trade sector. These two sectors employ about 75 percent of total indigenous peoples households

(population) involved in non-farm activities whereas service and other sectors employ only about 25 percent of them. The same is true for Newars and other hill indigenous peoples but in the case of Terai indigenous peoples, the services and other sectors employ about 35 percent of them. This implies that indigenous peoples' households in the hills have had less access to jobs in the services and other emerging sectors than the Terai groups. These sectors today contribute about 50 percent of the GDP of the country.

Most of the non-farm enterprises run by indigenous households do not employ hired labour. This is also true for households belonging to other ethnicities.⁹ National level data shows that only about 17 percent of the enterprises employing hired labour employ 10 or more workers. This means that large number of these enterprises employ less than 10 workers. Thus, most of them run their enterprise either as a small- or medium-scale enterprise or as an informal sector. However, all of these enterprises may not be registered with the concerned authority. The national level data shows that almost 80 percent of the household non-farm activities are unregistered.

Table 5.6 shows average household revenues and expenditures for households whose head from non-farm activities and also their expenditures made primarily on wages and as capital expenditure.

Table 5.6: Average Revenue and Expenditure of Household Non-Farm Activities*

Ethnic/Caste group	Gross revenue (Rs.)	Net revenue (Rs.)	Total expenditure (Rs.)	Expenditure on wages (Rs.)	Capital expenditure (Rs.)
Hill Brahmins	872093	301506	570587	74325	23254
Hill Chhetris	463403	93800	369603	32722	45227
Indigenous Peoples	417640	102106	315534	22133	10467

9 Only about 15 percent of indigenous households that are self-employed in non-farm enterprises employ hired labours. For Newars, the proportion is higher at 25 percent, whereas for hill indigenous peoples it is lower at only 11 percent. In the Terai, only 15 percent of the non-farm enterprises run by Terai indigenous households employ hired labourers.

Newar (hill Indigenous Peoples)	996389	208075	788313	39539	17951
Other hill Indigenous Peoples	246899	70253	176646	17179	8852
Magar	164525	45931	118594	20555	7517
Tamang	316845	95302	221543	16112	3652
Rai	145194	54437	90757	6872	10783
Gurung	249585	83347	166238	22284	7358
Limbu	82669	29899	52770	398	89
Sherpa, Bhujel, Bhote, Thakali etc.	828939	175230	653709	60207	7035
Kumal, Sunuwar, Majhi, Chepang etc.	150756	28232	122524	7758	47806
Terai Indigenous Peoples	153551	56024	97526	13492	4770
Tharu	159329	57761	101568	16964	6041
Other Terai Indigenous Peoples	137280	51135	86145	3717	1191
Total	468717	127003	341714	31573	16852

Source: CBS 2011, NLSS III

*All figures are in average.

It is clear from the Table 5.6 above that only the enterprises run either by hill Brahmins and Newars have been able to generate the highest amount of – both gross and net – revenues. The situation of hill Chhetris and indigenous peoples are more or less the same i.e., their enterprises have only been able to generate gross revenue from about Rs. 417,000 to Rs. 460,000 and net revenue from about Rs. 93,000 to Rs. 100,000. This is about one half of what household enterprises of hill Brahmins and Newars have been able to generate. The situation of enterprises run by other hill indigenous peoples is even worse – they generate only about Rs. 246,000 as their gross revenue and about Rs. 70,000 as their net revenue. This situation reveals that indigenous peoples, except Newar, lack capital power to influence decision makers and have limited access to productive resources and valued opportunities.

On the expenditure side, it can be seen that most of the expenses have been made on the payment of wages. For example, in case of

indigenous peoples' enterprises, the average amount of expenditure made on wages is about two times higher than that on the capital expenditures. The same is the case with enterprises run by Newars and other hill indigenous peoples. On disaggregated level, the expenditure situation of the enterprises run by most of the hill indigenous peoples households are still worse – their wage payment is about three times higher than their capital expenditures except for some such as in the case of enterprises run by Rai as well as Kumal, Sunuwar, Majhi, Chepang etc group, where the wage payment is less than the capital expenditures.

5.4. Status of Child Labour¹⁰

Child labour is partially cultural imperative of work conditioning and role performance, but more than that it is compulsion of harsh conditions of life to make ends meet today. A little more than 50 percent of indigenous (peoples) children (51 percent) go to school only whereas about 41 percent of indigenous children have to manage both school and work. The proportion of school going children is the highest among Newars compared to any other indigenous or non-indigenous groups. Similarly, Gurung children are also in a better off position with about 63 percent of their children able to attend school without working. However, less than 47 percent of children from other hill indigenous peoples, have been able to go to school only and even within this category more than 50 percent of children of Rai (56.31%), Sherpa, Bhujel, Bhote and Thakali cluster (50.80%) and Limbu (50.55%) have to have a hard time managing both school and work. If we consider the children at work only, we will find that the child labour rate is higher among Tamangs and the Kumal, Sunuwar, Majhi and Chepang cluster in the hills, with more than 5 percent of children engaged in labour. This is also higher among Terai indigenous peoples with about two percent of Tharu children and about eight percent of other Terai indigenous children engaged as child labourers (See Table 5.7).

¹⁰ Children here refer to a boy or a girl with age between 5 and 14 years.

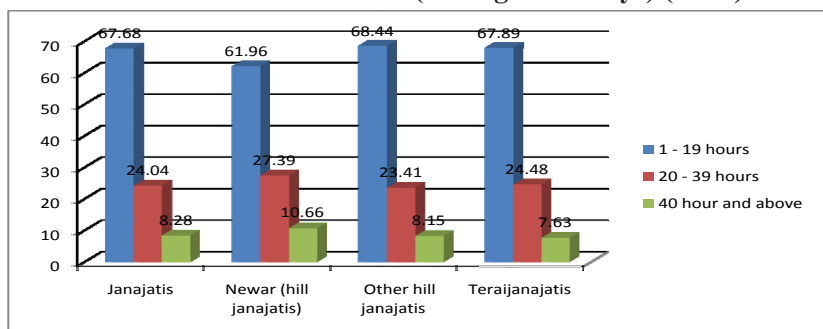
Table 5.7: Distribution of children by activity status (during last 7 days) (in %)

Ethnic/Caste group	School only	School & work	Work only	Not active	Total
Hill Brahmins	61.19	36.37	0.13	2.31	100.00
Hill Chhetris	48.83	46.60	1.33	3.24	100.00
Indigenous Peoples	50.80	41.24	3.08	4.88	100.00
Newar (hill Indigenous Peoples)	66.09	30.56	0.13	3.22	100.00
Other hill Indigenous Peoples	47.11	44.56	3.48	4.85	100.00
Magar	45.35	47.40	2.60	4.65	100.00
Tamang	53.76	37.33	5.32	3.60	100.00
Rai	35.96	56.31	2.38	5.35	100.00
Gurung	63.03	31.19	2.43	3.35	100.00
Limbu	46.45	50.55	0.90	2.10	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	47.43	50.80	0.89	0.89	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	40.67	36.08	8.43	14.82	100.00
Terai Indigenous Peoples	51.45	38.84	3.75	5.96	100.00
Tharu	49.83	44.52	1.87	3.78	100.00
Other Terai Indigenous Peoples	54.98	26.50	7.83	10.69	100.00

Source: CBS 2011, NLSS III

Inactivity status is also higher among children of Kumal, Sunuwar, Majhi and Chepang cluster whereas it is the lowest among Sherpa, Bhujel, Bhote and Thakali children. Unlike adults as postulated earlier, more than 60 percent of all active children between the ages of 5-14 years from all ethnicities/castes in the hills or in the Terai are able to find work for less than 19 hours in a week. The proportion of involvement of children in jobs declines with the increase in number of hours worked (See Annex 1, Table 13). This is also corroborated by the fact that significant number of children also goes to school and is therefore able to work only for limited number of hours. Among indigenous children, there is not much variation in the number of hours worked between those in the Terai and those in the hills (See Chart 5.5).

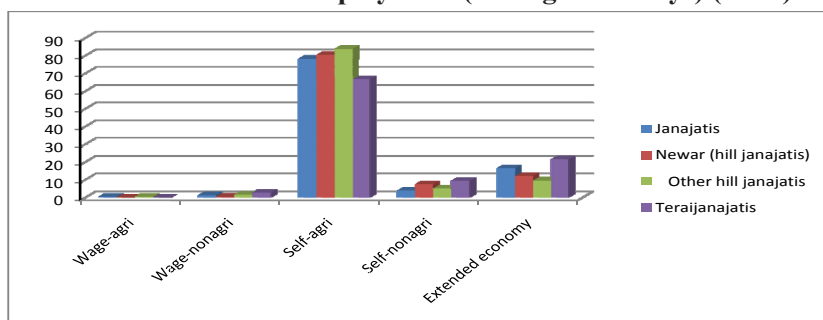
Chart 5.5: Distribution of Indigenous Peoples child workers by number of hours worked (during last 7 days) (in %)



Source: CBS 2011, NLSS III

Most of the working children are employed in their own farm helping their parents in the fields (see Annex 1, Table 14 for details). Larger number of hill indigenous children (both Newars and non-Newars) are engaged in their own farms than Terai Indigenous peoples. Only a small number of children work in others' farm for wages – they rather prefer working in industry and service sectors to get more wages. Hill indigenous children from the Tamang, Rai and Gurung groups and the Sherpa, Bhujel, Bhote and Thakali cluster have nil employment in wage agriculture work, with a greater number of these children instead attracted to self-employment and extended economy sectors (See Chart 5.6).

Chart 5.6: Distribution of Indigenous Peoples child workers by main sector of child employment (during last 7 days) (in %)



Source: CBS 2011, NLSS III.

ACCESS TO EDUCATION

6.1. Caste hierarchy and educational participation

Nepal has a historical legacy of strict caste-based social hierarchy, under which entitlements to knowledge and power, including educational opportunity, were reserved for high caste society. Caste hierarchy is still a determining factor in a child's ability to obtain an education in Nepal. Indigenous systems of knowledge transmission were systematically destroyed with the imposition of the Hindu system of knowledge transmission and the downfall of small chiefdoms and republics of indigenous peoples during the fourteenth to seventeenth centuries.

These processes were further accelerated after the formation of modern Nepal in late eighteenth century. In modern Nepal, education functioned as an elite social institution for transmitting and perpetuating the dominant culture (Hindu Arya culture), promoting the cultural assimilation of Nepal's diverse ethnic groups, promoting caste-based social stratification, consolidating the Hindu kingdom and perpetuating high caste domination and social control. Up until half a century ago, higher education continued to be taught only in Sanskrit and English.

After the mid-1950s, as the country ushered in a new democratic era, education became universal and accessible to anybody, at least in theory, irrespective of caste, ethnic identity or origin, religious affiliation, gender or economic status. While tremendous progress has been made in the field of education to promote greater access and inclusion since that time, educational statistics continue to reveal that "caste and ethnicity, no doubt, continue to affect children's educational opportunities in contemporary Nepali society."¹ Educational

1 Stash and Hannun 2009:49-50.

expansion continues to disproportionately benefit high caste groups, providing them with better access to modern schooling credentials and reinforcing historical inequalities and caste hierarchies, even in this new democratic era.²

Huge disparities in educational attainment can be seen between dominant caste groups and marginalized indigenous peoples, Dalits, Terai middle castes, Muslims and other lower castes. These persistent disparities in education can be attributed to factors including asymmetrical inter-group power relations, class disparities, mono-cultural and mono-lingual education, overall educational policy favourable to dominant groups, domination of high caste Hindu values in schools, non-recognition and non acceptance of diversity, repressive school bureaucracy, inappropriate pedagogical practices, politicization of teachers and educational institutions and reduced access to schools and higher education institutions by children belonging to non-dominant groups.

Today, the challenges facing Nepal's education system are intertwined with the problems engendered by the country's history of cultural annihilation, linguistic suppression, social discrimination, economic marginalization, political subjugation and persistent systemic and institutional exclusion of large segments of the population. With the expansion of educational opportunities for wealthy, high caste individuals and increasing privatization of educational institutions, the disparities in quality of education between public schools and private schools, increased recognition of state-approved educational credentials and growing trend of credentialism,³ education is gradually becoming the 'great inequalizer' by reinforcing social class structure and caste hierarchy while perpetuating and legitimizing inequalities (see Box 6). This situation leads to the proposition that school is a "privileged instrument of the bourgeois sociodicy which confers on the

2 Ibid: 19-55.

3 Credentialism is excessive reliance on a candidate's credentials (certain specified qualifications and experiences, especially academic degrees) when hiring for a position or assigning social status. The practice has received criticism because such strict, standardized requirements may eclipse a candidate's actual skills and qualifications and create limited, exclusive circles of eligibility. For an elaborate discussion on this subject, see Collins 1979:5, Parkin 1979 cited in Kaber 2008:32.

privileged the supreme privilege of not seeing themselves as privileged manages the more easily to convince the disinherited that they owe their scholastic and social destiny to their lack of gifts or merits, because in matters of culture absolute dispossession excludes awareness of being dispossessed.”⁴ The issue of access to education requires deeper analysis and input from a variety of contexts and perspectives. The NLSS III only provides some of the information required to understand the issues and challenges surrounding education in our society.

Box 6: Educational Disparities

- The proportions of illiterate individuals (six years and older) within the Kumal, Sunuwar, Majhi and Chepang cluster (48 percent), Tamang (43 percent) and Terai indigenous groups (44 percent) are more than double of that of hill Brahmins (21 percent).
- The proportion of illiterate individuals (six years and older) among hill Dalits (42 percent) is double to that of hill Brahmins (21 percent).
- The proportion of illiterate (six years and older) of Terai Dalits (69 percent) is more than three times to that of hill Brahmins (21 percent).
- About 20 percent of hill and Terai indigenous students (with exception of Newar students) attend private schools and colleges, whereas 41 percent of hill Brahmin students and 25 percent of hill Chhetri students attend such schools. Less than 11 percent Dalit students and closer to 12 percent of Limbu students are able to attend private schools. Private schools are typically more than 25 times more costly than public schools.
- The mean year of schooling attained by indigenous peoples is about seven years, whereas it is 10 years for hill Brahmins.
- Among the literate population who has passed the School Leaving Certificate (SLC) or higher, 54.3 percent are hill Brahmins or Chhetris (33.6 percent are hill Brahmins alone), 12.8 percent are Newars, 11.1 percent are other hill indigenous peoples, 3.7 percent are Terai indigenous peoples and 1.6 percent are Dalits.
- Among the literate population that has attained a graduate level education or above, 59.7 percent are hill Brahmins or Chhetris (41.5 percent are hill Brahmins alone), 13.6 percent are Newars, 6.5 percent are other hill indigenous peoples, 2.3 percent are Terai indigenous peoples and less than one percent are Dalits.

4 Bourdieu 2008:31, 34-39.

- Among all students of higher education (graduate level and above), 68.4 percent of students are hill Brahmins or Chhetris, 12.3 percent are Newars, 12.7 percent are hill indigenous peoples other than Newar, 4 percent are Terai Caste, 1.5 percent are Dalits and 0.2 percent are Muslims. These numbers are disproportionate, as hill indigenous peoples, Terai Castes, Dalits and Muslims together form 63 percent of the total population.
- In sum, the social/power hierarchy is reflected in the literacy and educational system, which in turn serves to perpetuate a modified form of social/power hierarchy, leaving essentially the same dominant groups at the top of the hierarchy.

Source: Achrya et al. 2008 (analysis of census 2001 data, disaggregated data by caste/ethnicity of census 2011 not available at present), Bhatta 2011 and CBS 2011, NLSS III Data Set.

6.2. Literacy

Literacy is understood in Nepal as having the skills of reading, writing and simple arithmetic calculations. In this sense, literacy has been broadly understood as alphabetical literacy rather than functional literacy. Literacy may be limited in its formal purposes, but its value and social ramifications elevate it beyond its programmatic aims and intentions in an illiterate or semi-literate society. It is an established fact that literacy enables and empowers incipiently literate people to examine, assess, challenge or accept, reconfigure and reinforce prevailing societal concepts, attitudes and practices surrounding love, gender, marriage, social relationships and social change and prompt them to exercise their agency, even gendered agency, positively affecting micro-processes of social transformation.⁵

Literacy rates in Nepal vary widely among the various castes and ethnic groups (Table 6.1). The literacy rate of hill Brahmins is the highest, at 79 percent.⁶ Hill Brahmins also boast the highest female literacy rate at 70.6 percent, which indicates that they have retained their traditional domination in education despite extensive Nepali

⁵ See Ahearn 2004 for extensive discussion on this proposition.

⁶ Literacy rates here are assessed by examining individuals age 6 and older.

language literacy campaigns and the government's programmes to promote universalization of educational opportunities. Terai Dalits have the lowest literacy rate at just 31 percent. In the same vein, only about 44 percent of Terai caste groups are literate. These relatively low rates are mainly attributable to language barriers, as many ethnic groups still speak a language other than Nepali in the home, as well as caste and gender discrimination, a high rate of female illiteracy and economic deprivation preventing individuals from attending school.

Within indigenous peoples, despite remarkable gains in literacy in the past decade, the gains are not evenly distributed across different groups. Newars have the highest literacy rate at 75 percent, while Terai indigenous peoples other than Tharu have the lowest literacy rate at 50 percent. The literacy rate of the Kumal, Sunuwar, Majhi and Chepang cluster is only about 52 percent and the literacy rates of the Tamang, Tharu, Sherpa and Bhujel cluster and the Limbu, Rai, Gurung and Magar groups hover around 56 to 68 percent. Low female literacy rates have contributed to low overall literacy rates of these indigenous groups.

There are also wide variations in adult literacy between groups.⁷ There is a much wider gap in literacy rates between group with highest adult literacy rate (hill Brahmins with 75.6 percent) and the group with lowest adult literacy rate (Terai Dalits with 28.7 percent). The adult literacy rate among indigenous groups ranges from 43 percent among Terai indigenous peoples other than Tharus to nearly 65 percent among Gurungs, not including the Newars who boast a 72 percent adult literacy rate. These figures suggest that the increased participation of children in schools in recent years is significantly contributing to increased literacy among traditionally educationally disadvantaged groups.

7 Adult literacy is defined as the literacy rate within the population aged 15 years and older.

Table 6.1: Literacy rates by caste/ethnicity and gender

Ethnic/Caste group	Population 6 yrs and older			Population 15 yrs and older		
	Male	Female	Total	Male	Female	Total
Hill Brahmins	89.06	70.61	79.02	88.85	65.23	75.64
Hill Chhetris	80.22	59.92	68.92	79.17	50.54	62.88
Terai Castes	58.48	30.92	43.92	61.27	24.97	41.76
Hill Dalits	69.15	49.87	58.24	63.58	38.84	48.93
Kami	67.93	48.23	56.99	61.37	39.07	48.41
Other hill Dalits	70.33	51.35	59.41	65.77	38.63	49.42
Terai Dalits	47.73	16.46	31.01	49.17	11.03	28.66
Indigenous peoples	73.96	55.47	63.87	71.63	48.53	58.64
Newar (hill Indigenous Peoples)	85.39	66.72	75.28	85.02	61.65	72.20
Other hill Indigenous Peoples	72.51	55.44	63.23	68.70	47.76	56.89
Magar	79.00	57.83	67.47	73.69	49.94	59.90
Tamang	64.26	50.28	56.64	61.37	41.55	50.58
Rai	73.87	59.48	66.13	72.41	49.66	60.12
Gurung	79.29	59.00	67.72	77.84	55.32	64.72
Limbu	71.60	58.96	64.97	64.10	47.64	54.76
Sherpa, Bhujel, Bhote, Thakali etc.	77.49	57.48	66.48	73.02	50.49	59.88
Kumal, Sunuwar, Majhi, Chepang etc.	59.41	45.81	52.25	55.68	43.34	48.68
Terai Indigenous Peoples	68.21	46.29	56.06	66.80	38.78	50.81
Tharu	70.54	49.49	58.94	69.89	43.22	54.61
Other Terai Indigenous Peoples	63.12	39.57	49.90	60.50	29.47	42.95
Other (Muslim etc.)	59.03	35.53	46.29	61.25	28.37	42.79
Total	72.21	51.41	60.85	71.64	44.55	56.45

Source: CBS 2011, NLSS III

6.3. Educational status

The NLSS groups the educational status of individuals aged six years and over into three categories: (i) never attended school, (ii) attended

school in the past and (iii) currently attending school. Terai Dalits have the highest proportion of population that has never attended school (53 percent), followed by the Tamang and Terai indigenous peoples other than Tharu with 40.6 percent and 44.4 percent respectively (Chart 6.1, see also Annex Table 15). About 35 percent of hill indigenous peoples have never attended schools, which is close to the proportion of hill Dalits (37.2 percent). Muslims also have a large proportion (42 percent) of their population that has never attended schools.

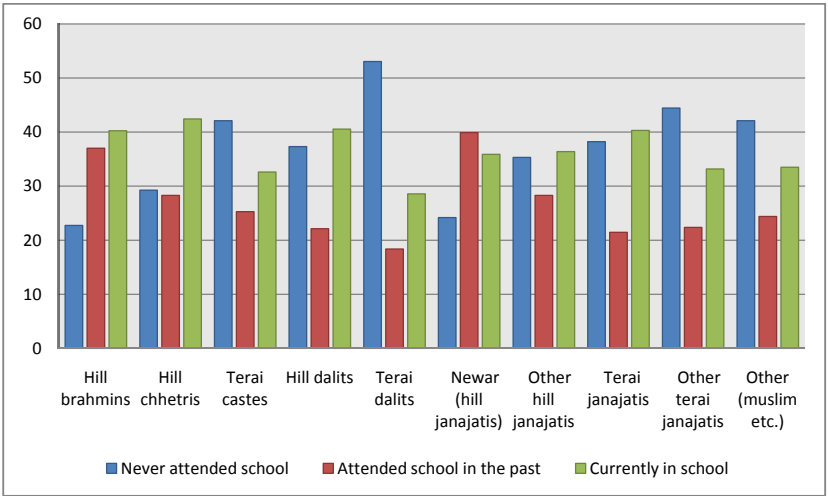
One significant reason for the higher proportion of these groups who has never attended school is the disproportionate share of the female population that has never attended school. About two-thirds of Terai Dalit women and almost half of hill Dalit, indigenous and Muslim women have never attended school. The proportion of hill Brahmins who have never attended school is the smallest, at 22.7 percent. For male hill Brahmins, the proportion is less than 14 percent, while 30.3 percent of female Brahmins have never attended school. While these numbers still show an important difference between educational opportunities for men versus women, even among high caste Brahmins, they also reveal significantly greater educational opportunities for hill Brahmin women than for women of other castes and ethnicities.

Hill Brahmins and Newars show significantly higher rates of past school attendance compared to other groups, whereas Dalits show the lowest rates (Table 6.2). Terai caste groups, hill and Terai Dalits and Terai indigenous peoples have relatively small proportions of their population that has attended school in the past (less than 22 percent).

Current rates of school attendance also vary somewhat across castes and ethnic groups, but the differences are not as stark and most groups have a school attendance rate of around 30 to 40 percent. About 44 percent of the Tharu population is currently in school, which is higher than the current school attendance rates of the Limbu (42.6 percent), hill Dalit (40.6 percent), Chhetri (42.4 percent) and hill Brahmin (40.3 percent) groups. The Kumal, Sunuwar, Majhi and Chepang cluster and the Terai Dalits have the smallest rates of current school attendance, at 31.3 percent and 28.6 percent respectively. These current educational participation rates of many of these groups, who have traditionally

lagged far behind the dominant groups in terms of education, are encouraging (2003-04).⁸

Chart 6.1: Percentage distribution of educational status of population 6 years and older by caste/ethnicity and gender



8 In 2003-04, 40 percent of the hill Brahmin population was 'currently attending school' in comparison of 29 percent indigenous population of hills and Terai (see NIRS 2006. *Socio-economic Status of Indigenous Peoples* [Based on NLSS 2003-04 Data Set]).

Annex/ Table 15: Educational attainment of population 6 years and older by caste/ethnicity and gender

Ethnic/Caste group	Male				Female				Total			
	Never attended school	Attended school in the past	Currently in school	Total	Never attended school	Attended school in the past	Currently in school	Total	Never attended school	Attended school in the past	Currently in school	Total
Hill Brahmins	13.75	42.77	43.49	100.00	30.27	32.19	37.54	100.00	22.74	37.01	40.25	100.00
Hill Chhetris	17.80	35.34	46.86	100.00	38.38	22.69	38.93	100.00	29.26	28.29	42.44	100.00
Terai castes	27.36	36.07	36.58	100.00	55.26	15.65	29.09	100.00	42.10	25.28	32.62	100.00
Hill Dalits	26.16	28.34	45.50	100.00	45.88	17.35	36.76	100.00	37.32	22.13	40.55	100.00
Kami	27.13	27.01	45.86	100.00	45.86	19.94	34.21	100.00	37.53	23.08	39.39	100.00
Other hill Dalits	25.21	29.64	45.15	100.00	45.91	15.03	39.06	100.00	37.12	21.24	41.64	100.00
Terai Dalits	36.64	29.72	33.64	100.00	67.34	8.49	24.17	100.00	53.05	18.37	28.58	100.00
Indigenous Peoples	22.95	36.89	40.16	100.00	43.07	22.30	34.63	100.00	33.93	28.93	37.14	100.00
Newar (hill Indigenous Peoples)	13.51	48.55	37.95	100.00	33.26	32.59	34.16	100.00	24.20	39.90	35.89	100.00
Other hill Indigenous Peoples	25.29	34.86	39.85	100.00	43.75	22.77	33.48	100.00	35.33	28.29	36.39	100.00

Magar	21.24	34.70	44.06	100.00	42.36	25.41	32.24	100.00	32.74	29.64	37.62	100.00
Tamang	32.27	33.44	34.28	100.00	47.56	18.49	33.94	100.00	40.61	25.30	34.10	100.00
Rai	24.46	33.83	41.71	100.00	39.43	22.80	37.77	100.00	32.51	27.90	39.59	100.00
Gurung	23.91	39.36	36.72	100.00	40.66	28.92	30.42	100.00	33.46	33.41	33.13	100.00
Limbu	22.89	32.03	45.08	100.00	40.54	19.13	40.32	100.00	32.15	25.27	42.58	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	21.75	38.60	39.64	100.00	44.64	21.86	33.50	100.00	34.35	29.39	36.26	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	26.89	37.13	35.98	100.00	50.98	21.95	27.07	100.00	39.57	29.14	31.29	100.00
Terai Indigenous Peoples	24.48	32.57	42.95	100.00	49.28	12.54	38.18	100.00	38.22	21.47	40.31	100.00
Tharu	21.74	32.60	45.66	100.00	46.37	11.63	42.00	100.00	35.31	21.05	43.65	100.00
Other Terai Indigenous Peoples	30.46	32.50	37.04	100.00	55.38	14.45	30.17	100.00	44.44	22.37	33.19	100.00
Other (Muslim etc.)	29.74	30.74	39.53	100.00	52.56	19.03	28.41	100.00	42.10	24.39	33.50	100.00
Total	22.78	35.92	41.30	100.00	44.14	21.47	34.39	100.00	34.44	28.04	37.53	100.00

Source: CBS 2011, NLSS III

6.4. Gross enrollment rate

The gross enrollment rate (GER) is the ratio of the total number of students enrolled in school at a given level of education, irrespective of their age, compared to the total number of children in the age group specified for that level of education. Therefore, GER for a given grade level can be greater than 100 percent if there are a significant number of under-age and over-age children enrolled in that particular grade level.⁹ The national GERs in primary school, lower secondary school, secondary school and higher secondary school are 120.5 percent, 87.3 percent, 73.6 percent and 75.7 percent respectively (see Annex Table 16).

Hill Dalits have the highest GER in primary school of all the caste and ethnic groups, with 147.8 percent enrollment, followed by hill indigenous peoples other than Newar with 138 percent (see Chart 6.2). These high numbers may mean that these groups have shown increased interest in sending their children in schools in recent years and that previously a substantial proportion of their children did not have the opportunity to enroll in school at the appropriate age for primary education (6-10 years). Terai indigenous peoples other than Tharus have the lowest GER in primary school at 87.5 percent. The GERs of Terai Dalits and Terai caste groups also fall below the national average with 92.7 percent and 106.4 percent enrollment in primary school, respectively. The figures on GER provided by the NLSS III do not necessarily conform to the figures of the Department of Education's flash reports; however, they have been found to be reliable to capture the overall trend and are consistent to a considerable extent with the findings of the NLSS III (see Box 7).

At the lower secondary level, GERs of some groups sharply declined. Hill Dalits, Terai castes, hill indigenous peoples and Terai Dalits all show low GERs at this level, with 74.3 percent, 62 percent, 85.5 percent and 58 percent enrollment respectively. Among all groups, the Kumal, Sunuwar, Majhi and Chepang cluster of indigenous peoples have the lowest GER of 50 percent. The GERs of Terai Dalits,

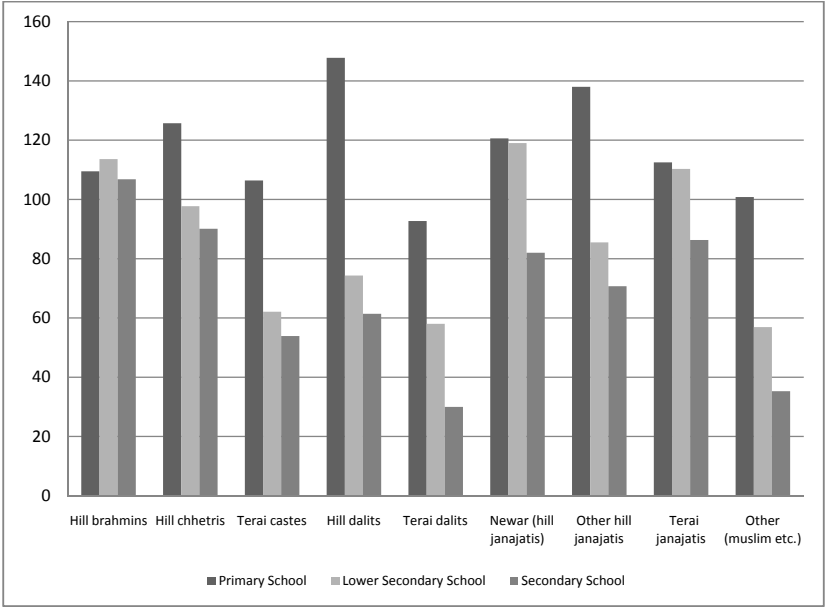
9 CBS, The World Bank, DFID and ADB. 2006:85; CBS 2011:83.

Muslims, Terai castes, hill Dalits and hill indigenous peoples except Newar are 58 percent, 57 percent, 62 percent, 74.3 percent and 85.5 percent respectively – below the national average of 87.3 percent. On the other hand, the GER of hill Brahmins increases from 109.5 percent in primary school to 113.6 percent in lower secondary school and that the GER of Newar remains almost constant at around 120 percent.

At the secondary level, the GERs of Terai Dalits, the Kumal, Sunuwar, Majhi and Chepang cluster, and Muslims markedly decline and stand at 30 percent, 33 percent and 35 percent respectively. The GERs of hill Brahmins and hill Chhetris at the secondary school level remain almost constant, with only a slight decline. The GERs of hill Dalits, hill indigenous peoples and Terai indigenous peoples diminish by 17 to 22 percentage points from the lower secondary level to the secondary level.

The GER of hill Brahmins in higher secondary school soars to 145 percent and this trend is followed by Newars with 134.6 percent enrollment (Chart 6.2). The improvement in GERs at this level is encouraging for hill Chhetris (110 percent) and the Sherpa, Bhujel, Bhote and Thakali cluster of hill indigenous peoples (118.8 percent). Terai Dalits and the Kumal, Sunuwar, Majhi and Chepang cluster of hill indigenous peoples have the lowest GERs at this level of education, with 19 percent and 26 percent enrollment respectively. Limbus (33.3 percent) and Magars (43 percent) among hill indigenous peoples, Muslims (32.3 percent), Terai castes (37.3 percent) and hill Dalits (38.2 percent) are among the groups with lowest GERs at the higher secondary level – far below the national average of 75.7 percent. The GER of Terai indigenous peoples (57.9 percent) in higher secondary school is also far from satisfactory. Gender disparity has without a doubt contributed to the decreased GERs at the higher levels of education. Thus, the issues of participation, parity and equity in education, access to education, and social justice through education are sprouting beyond the precinct of primary education.

Chart 6.2: Gross enrollment rates by level of schooling



Annex/ *Table 16: Gross enrollment rates (GER) by level of schooling, ethnicity and gender

	Primary School			Lower Secondary School			Secondary School			Higher Secondary School			Tertiary Level		
	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
Ethnic/Caste group															
Hill Brahmins	108.5	110.4	109.5	112.6	114.8	113.6	101.1	111.3	106.8	143.5	146.5	145.1	58.6	43.1	49.1
Hill Chhetris	128.2	123.4	125.7	100.4	95.3	97.7	90.4	89.7	90.1	113.6	107.0	110.0	31.4	13.9	20.4
Terai Castes	108.2	104.3	106.4	67.1	56.7	62.1	59.6	47.6	53.9	42.3	32.9	37.3	14.7	3.2	7.5
Hill Dalits	140.2	155.4	147.8	79.8	69.5	74.3	67.8	55.9	61.4	50.0	27.6	38.2	4.5	2.5	3.2
Kami	140.4	136.5	138.4	77.2	67.4	73.5	88.5	50.0	66.7	53.8	28.0	40.4	2.5	1.3	1.7
Other hill Dalits	140.4	175.6	156.8	81.3	72.2	75.0	51.5	60.0	56.7	46.2	28.1	35.6	6.3	3.7	4.6
Terai Dalits	108.6	79.6	92.7	74.4	35.5	58.0	38.1	24.1	30.0	27.8	7.7	19.4	9.1	2.0	6.5
Hill Indigenous Peoples	130.2	128.6	129.4	83.9	108.1	95.1	92.7	65.3	76.7	65.6	73.6	69.7	17.6	11.8	14.2
Newar (hill Indigenous Peoples)	119.7	122.3	120.6	100.0	138.4	119.0	93.1	71.8	82.0	125.5	141.1	134.6	45.5	35.4	39.6
Other hill Indigenous Peoples	141.0	135.2	138.0	77.8	94.9	85.5	88.6	58.3	70.7	55.3	63.4	59.4	8.2	7.4	7.7
Magar	154.5	136.1	144.9	75.7	100.0	84.8	87.0	61.0	71.4	41.2	44.6	43.0	4.3	3.8	4.0
Tamang	129.9	123.3	126.1	73.8	95.2	84.7	94.1	53.7	72.0	64.3	86.7	74.6	3.6	8.7	7.5
Rai	145.6	143.5	144.5	97.4	85.7	90.1	85.0	59.3	73.9	72.7	64.5	66.0	16.7	7.0	11.8
Gurung	163.6	125.0	136.4	87.5	120.0	100.0	130.0	66.7	82.4	71.4	111.1	87.0	8.3	17.2	13.2
Limbu	131.4	172.7	149.1	77.8	122.2	100.0	75.0	53.3	65.2	50.0	27.3	33.3	7.1	5.3	9.1
Sherpa, Bhujel, Bhote, Thakali etc.	128.0	172.7	140.5	76.9	105.9	90.3	120.0	81.8	100.0	87.5	171.4	118.8	17.6	8.3	9.4
Kunai, Sunuwar, Majhi, Chepang etc.	114.3	125.9	121.0	60.0	35.3	50.0	33.3	31.3	33.3	11.1	40.0	26.3	18.2	0.0	6.9
Terai Indigenous Peoples	108.4	116.2	112.5	92.4	131.3	110.3	100.0	77.5	86.3	57.7	58.1	57.9	16.9	5.8	9.9
Tharu	120.0	132.3	126.3	95.2	140.0	114.2	92.5	94.3	93.5	65.8	60.0	61.3	17.6	7.0	10.9
Other Terai Indigenous Peoples	81.1	92.2	87.5	94.1	111.8	97.1	125.0	38.9	68.0	42.9	44.4	45.8	10.0	2.9	5.6
Other (Muslim etc.)	100.0	101.6	100.8	53.6	63.0	56.9	50.0	22.2	35.3	58.1	10.0	32.3	4.5	1.3	2.1
Total	121.7	119.4	120.5	85.2	89.6	87.3	81.0	67.1	73.6	76.8	74.8	75.7	22.9	13.4	17.1

Source: CBS 2011, NLSS III

Box 7: Gross enrollment rate and share in enrollment, 2011-12

Gross enrollment rate (GER), 2011-12:

• GER in primary school (1-5 grades) (%)	135.9
○ Girls	141.2
○ Boys	131.0
• GER in lower secondary school (6-8 grades) (%)	100.0
○ Girls	104.1
○ Boys	96.0
• GER in Basic level (1-8 grades) (%)	123.7
○ Girls	126.6
○ Boys	119.1
• GER in secondary school (9-10 grades) (%)	70.1
○ Girls	71.9
○ Boys	68.4
• GER in higher secondary school (11-12 grades) (%)	28.9
○ Girls	30.2
○ Boys	27.6
• Share of Dalit enrollment in primary school (%)	21.7
• Share of Dalit enrollment in lower secondary school (%)	14.6
• Share of Dalit enrollment in secondary school (%)	10.5
• Share of Dalit enrollment in higher secondary school (%)	6.8
• Share of indigenous peoples* enrollment in primary school (%)	37.6
• Share of indigenous peoples* enrollment in lower secondary school (%)	40.8
• Share of indigenous peoples* enrollment in secondary school (%)	40.4
• Share of indigenous peoples* enrollment in higher secondary school (%)	31.5

* Includes Newars

Source: *Flash 1 Report 2068 (2011-012)*, Ministry of Education, Department of Education, Sanothimi, Bhaktapur, Nepal, November 2011

6.5. Net enrollment rate

The net enrollment rate (NER) is defined as the ratio of enrollment of children of the official targeted age in a given level of schooling compared to the total number of children of the official targeted age. Thus, NER excludes under-age and over-age children enrolled at each grade level and provides a more precise measurement of the extent of

participation of children of the official school age in a given level of education.¹⁰ Here, the highest possible value is 100 percent.¹¹ NER is one of the key indicators of the progress made in achieving MDGs.

According to the NLSS III, the NER at the national level for primary school (grades 1-5), lower secondary school (grades 6-8), secondary school (grades 9-10) and higher secondary school (grades 11-12) stand at 78 percent, 42 percent, 28 percent and 13 percent respectively (Table 6.2)).¹² These numbers do not conform to the figures of the Ministry of Education's flash report, but are reasonably close (see Box 8). The NERs of hill Brahmins, hill Chhetris, hill Dalits and indigenous peoples in primary schools are 84.8 percent, 83.3 percent, 85.9 percent and 82 percent respectively. There is not much difference in the net enrollment rates in primary schools across different caste and ethnic groups, with the exception of Terai indigenous peoples other than Tharu, Terai Dalits and the Kumal, Sunuwar, Majhi and Chepang cluster of hill indigenous peoples. These groups show the lowest net enrollment rates of 62.2 percent, 64.4 percent and 66.5 percent, respectively. The NERs of Terai groups in primary schools are generally lower than those of hill groups, with 67.8 percent enrollment among Terai castes, 64.4 percent among Terai Dalits and 73.3 percent among Terai indigenous peoples, despite improved access to primary schools in the Terai (see Chapter 8 for a detailed discussion).

NERs decrease sharply at the higher levels of education. At the lower secondary school level, the NER of hill Brahmins stands at 68.4 percent, which is much better than the rates of other groups. The NERs are much lower for Muslims, Terai Dalits and the Kumal, Sunuwar, Majhi and Chepang cluster of hill indigenous peoples, with 16.9 percent, 18.8 percent and 20.1 percent enrollment respectively. As with the GER, gender disparities greatly contribute to the sharp decline in NER at the higher levels of education (see Annex Table 17). The NER of hill indigenous peoples other than Newar dropped from 84.4 percent in

10 CBS, The World Bank, DFID and ADB. 2006:85.

11 DOE, 2011:28.

12 The specified age groups for different levels of education are as follows: 6-10 years for primary level, 11-13 years for lower secondary, 14-15 years for secondary level, 16-17 years for higher secondary level and 18-23 years for tertiary level (CBS 2011:83)

primary school to 39 percent in lower secondary school, 23.6 percent in secondary school, 9.5 percent in the higher secondary school and 4.5 percent at tertiary level. This means that less than 10 percent of primary school enrollees will enter into higher secondary school, and less than five percent will remain enrolled in school through the tertiary level.

The NERs of hill Brahmins and Newars are far better than those of other groups as the level of education increases, and at the higher secondary level, the rates of these two groups are several times higher than the remaining groups. At the tertiary level, the NER of hill Brahmins is about seven times higher than the NERs of Dalits, indigenous peoples, Muslims and Terai caste groups. Gender disparities are more pronounced among the groups who show comparatively low NERs, such as the Kumal, Sunuwar, Majhi and Chepang cluster of indigenous peoples at the primary and secondary school levels and the Terai Dalit group at the lower secondary and higher secondary levels. Wide gender disparities have also been found in the NERs of Terai indigenous peoples and hill Chhetris in secondary and higher secondary schools (Annex Table 17).

Between 2003-04 (NLSS II) and 2010-11 (NLSS III), Dalits and indigenous peoples other than Newars all showed significant improvement in NERs. This suggests that these groups are on track to gradually achieve greater educational advancement.¹³ The NER of hill indigenous peoples in primary schools rose from 71 percent in 2003-04 to 84.4 percent in 2010-11. The NER of Terai indigenous peoples showed only marginal improvement at this level, increasing from 72 percent to 73.3 percent during the same period. Likewise, the NER of hill Dalits in primary schools showed modest improvement, from 84 percent in 2003-04 to 85.9 percent in 2010-11. The NER of Terai Dalits in primary schools was more dramatic, rising 35 percent in 2003-04 to 64.4 percent in 2010-11.

Although the NERs of Dalits and indigenous peoples other than Newars in lower secondary and secondary school have shown great progress in

13 NIRS 2006 provides some figures for comparison purposes, which have been referred in this report.

recent years, these enrollment rates are still significantly lower than the equivalent enrollment rates among hill Brahmins and Chhetris.

The NERs of hill indigenous peoples in lower secondary and secondary school increased from 24 percent and 10 percent respectively in 2003-04 to 39 percent and 23.6 percent respectively in 2010-11. The NERs of Terai indigenous peoples at the same levels rose from 20 percent and 12 percent in 2003-04 to 40.7 percent and 21.3 percent respectively in 2010-11.

Table 6.2: Net enrollment rates by level of schooling, ethnicity and gender

Ethnic/Caste group	Primary School	Lower Secondary School	Secondary School	Higher Secondary School	Tertiary Level
Hill Brahmins	84.8	68.4	49.6	32.0	29.9
Hill Chhetris	83.3	53.4	37.6	16.9	12.4
Terai castes	67.8	30.0	20.4	4.6	4.0
Hill Dalits	85.9	28.9	14.7	1.2	2.2
Kami	86.4	31.8	17.2	1.4	1.4
Other hill Dalits	85.5	26.6	12.5	1.1	2.9
Terai Dalits	64.4	18.8	10.0	1.8	2.0
Hill Indigenous Peoples	82.0	42.0	27.3	11.9	8.6
Newar (hill Indigenous Peoples)	87.7	59.7	46.7	28.1	26.3
Other hill Indigenous Peoples	84.4	39.0	23.6	9.5	4.5
Magar	87.2	36.4	19.8	6.9	2.5
Tamang	80.7	46.8	26.1	13.8	5.4
Rai	89.2	38.5	23.2	11.0	7.1
Gurung	86.5	45.3	45.9	13.2	4.2
Limbu	91.6	34.8	23.0	0.0	5.7
Sherpa, Bhujel, Bhote, Thakali etc.	85.8	45.1	27.1	14.1	7.3
Kumal, Sunuwar, Majhi, Chepang etc.	66.5	20.1	5.4	4.4	0.0
Terai Indigenous Peoples	73.3	40.7	21.3	8.6	4.5
Tharu	79.3	38.5	25.7	10.4	4.4
Other Terai Indigenous Peoples	62.2	46.5	7.6	2.4	4.6
Other (Muslim etc.)	67.2	16.9	13.3	7.2	2.0
Total	78.4	42.0	28.2	12.9	10.3

Source: CBS 2011, NLSS III

Annex/ Table 17: Net enrollment rates by level of schooling, ethnicity and gender

	Primary School			Lower Secondary School			Secondary School			Higher Secondary School			Tertiary Level		
	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
Ethnic/Caste group															
Hill Brahmins	80.8	88.8	84.8	68.8	67.9	68.4	48.9	50.2	49.6	30.8	33.1	32.0	31.2	29.0	29.9
Hill Chhetris	84.5	82.1	83.3	52.9	53.8	53.4	41.1	33.6	37.6	18.5	15.5	16.9	16.5	9.8	12.4
Terai castes	63.9	71.5	67.8	29.7	30.4	30.0	22.5	18.0	20.4	4.5	4.7	4.6	6.6	2.5	4.0
Hill Dalits	83.5	88.3	85.9	30.4	27.6	28.9	15.2	14.2	14.7	2.6	0.0	1.2	4.0	1.2	2.2
Kami	86.0	86.7	86.4	36.6	25.8	31.8	14.4	19.3	17.2	2.8	0.0	1.4	2.5	0.9	1.4
Other hill Dalits	81.3	89.9	85.5	23.3	28.7	26.6	15.9	9.3	12.5	2.4	0.0	1.1	5.3	1.5	2.9
Terai Dalits	69.7	60.2	64.4	26.2	9.8	18.8	6.0	12.9	10.0	3.1	0.0	1.8	4.2	0.0	2.0
Hill Indigenous Peoples	79.6	84.4	82.0	42.3	41.7	42.0	30.3	25.2	27.3	12.7	11.3	11.9	11.0	7.0	8.6
Newar (hill Indigenous Peoples)	86.6	88.8	87.7	53.0	66.2	59.7	51.0	42.9	46.7	28.7	27.5	28.1	29.7	23.5	26.3
Other hill Indigenous Peoples	83.7	85.1	84.4	40.0	37.8	39.0	25.1	22.6	23.6	9.8	9.1	9.5	5.0	4.2	4.5
Magar	85.6	88.9	87.2	36.7	36.0	36.4	22.2	17.8	19.8	5.5	8.1	6.9	2.4	2.5	2.5
Tamang	81.5	80.2	80.7	43.2	50.4	46.8	26.3	26.0	26.1	17.5	8.7	13.8	3.2	6.8	5.4
Rai	85.9	92.3	89.2	40.0	37.1	38.5	10.6	32.5	23.2	3.6	16.3	11.0	13.2	1.2	7.1
Gurung	84.8	87.7	86.5	50.0	37.7	45.3	73.1	34.9	45.9	16.7	7.6	13.2	4.2	4.2	4.2
Limbu	86.5	100.0	91.6	37.9	31.7	34.8	23.9	22.5	23.0	0.0	0.0	0.0	3.2	7.8	5.7
Sherpa, Bhujel, Bhote, Thakali etc.	88.4	79.7	85.8	51.8	39.9	45.1	47.2	18.0	27.1	19.6	7.4	14.1	10.0	6.0	7.3
Kumal, Sunuwar, Majhi, Chepang etc.	72.0	59.4	66.5	32.6	5.2	20.1	9.9	2.8	5.4	0.0	8.5	4.4	0.0	0.0	0.0
Terai Indigenous Peoples	65.3	80.5	73.3	43.6	37.2	40.7	24.2	19.4	21.3	10.6	6.8	8.6	9.2	1.6	4.5
Tharu	74.9	83.6	79.3	40.7	35.8	38.5	29.7	22.7	25.7	13.7	8.2	10.4	7.7	2.4	4.4
Other Terai Indigenous Peoples	44.6	75.3	62.2	52.4	40.5	46.5	0.0	10.8	7.6	4.0	0.0	2.4	12.4	0.0	4.6
Other (Muslim etc.)	63.5	70.6	67.2	19.5	13.7	16.9	13.9	12.8	13.3	10.0	4.3	7.2	3.4	0.8	2.0
Total	76.6	80.0	78.4	42.5	41.5	42.0	30.4	26.2	28.2	13.4	12.4	12.9	12.7	8.7	10.3

Source: CBS 2011, NLSS III

Box 8: Net enrollment Rates (NER), 2011-12

• Primary School (1-5 grades) (%)	95.1
○ Girls	94.5
○ Boys	95.6
• Lower Secondary School (6-8 grades) (%)	70.0
○ Girls	69.5
○ Boys	70.5
• Basic Level (1-8 grades) (%)	86.6
○ Girls	86.1
○ Boys	87.0
• Secondary School (9-10 grades) (%)	52.1
○ Girls	51.4
○ Boys	52.7
• Higher Secondary School (11-12 grades) (%)	9.4
○ Girls	9.7
○ Boys	9.1

Source: Flash 1 Report 2068 (2011-012), Ministry of Education, Department of Education, Sanothimi, Bhaktapur, Nepal, November 2011

6.6. Net attendance rate

The net attendance rate or ratio (NAR) is the percentage of children of a specified age group who are currently *attending* school. NAR for the primary school level is the ratio of children of primary school age (6-10 years) currently attending primary school, compared to all children of primary school age. Similarly, NARs for lower secondary, secondary and higher secondary schools are the percentages of children and youths currently attending lower secondary, secondary and higher secondary schools to all children and youths of the specified age group for the corresponding level of education – 11-13 years, 14-15 years and 16-17 years respectively.¹⁴ All three indicators – GER, NER and NAR – together provide the actual picture of participation in school education.

Hill Brahmins have the highest NAR in primary school with 81.4 percent, followed by hill Dalits and hill Chhetris with NARs of 74.2

¹⁴ CBS 2011: 82

percent and 73.6 percent respectively (Table 6.3). Terai indigenous peoples other than Tharu have the lowest NAR in primary school at just 48.8 percent. The NAR of Terai indigenous peoples is 63 percent, which is also significantly below the national average of 69 percent. Interestingly, among all caste and indigenous groups, Limbus have the highest NAR at 87.3 percent. This is largely because of the unparalleled attendance of Limbu girls (90.7 percent). However, the NAR of Limbu children plummets to 25 percent in lower secondary school, 10.7 percent in secondary school and a negligible ratio in higher secondary school (see Annex Table 18 for NAR by gender).

Hill Brahmins have the highest NAR in lower secondary, secondary and higher secondary schools compared to all other groups, at 53.9 percent, 30.2 percent and 11.5 percent respectively. Newars stand just behind hill Brahmins in this regard. At the higher secondary school level, the groups with the lowest NARs are Terai indigenous peoples (1.8 percent), Terai caste groups (1.8 percent), hill Dalits (1.6 percent), Terai Dalits (1.3 percent) and hill indigenous peoples other than Newars (3 percent). These figures demonstrate that the participation of Dalit and indigenous children (with the exception of Newars) has been constrained at the higher levels of education.

Table 6.3: Net attendance rate by level of schooling and ethnicity/caste

	Primary School	Lower Secondary School	Secondary School	Higher Secondary School	Tertiary Level
Hill Brahmins	81.4	53.9	30.2	11.5	23.9
Hill Chhetris	73.6	35.7	20.3	6.5	10.2
Terai castes	55.2	15.9	7.2	1.8	3.1
Hill Dalits	74.2	15.5	7.0	1.6	2.1
Kami	77.1	19.3	10.3	1.2	1.4
Other hill Dalits	71.8	12.4	3.7	1.9	2.7
Terai Dalits	56.2	14.8	8.4	1.3	2.0
Hill Indigenous Peoples	72.5	27.2	13.7	3.7	6.4
Newar (hill Indigenous Peoples)	77.1	40.2	26.6	9.1	21.1

Other hill Indig- enous Peoples	75.1	25.7	11.4	3.0	3.3
Magar	75.4	22.8	11.0	2.2	1.6
Tamang	71.0	34.3	15.2	5.0	3.3
Rai	80.6	22.5	6.7	0.6	5.5
Gurung	84.1	31.4	16.5	3.8	3.7
Limbu	87.3	25.0	10.7	0.0	5.3
Sherpa, Bhujel, Bhote, Thakali etc.	76.4	24.5	16.9	12.0	7.8
Kumal, Sunuwar, Majhi, Chepang etc.	57.7	11.1	0.0	0.0	0.0
Terai Indigenous Peoples	63.2	23.6	11.2	1.8	3.1
Tharu	72.4	24.8	12.2	2.5	2.5
Other Terai Indig- enous Peoples	48.8	20.3	7.7	0.0	4.4
Other (Muslim etc.)	56.8	9.9	6.4	4.0	1.5
Total	68.8	26.7	15.0	4.5	8.2

Source: CBS 2011, NLSS III

Annex/ Table 18: Net attendance rate by level of schooling, ethnicity and gender

Ethnic/Caste group	Primary School			Lower Secondary School			Secondary School			Higher Secondary School			Tertiary Level		
	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
Hill Brahmins	78.3	84.4	81.4	54.3	53.4	53.9	20.1	40.6	30.2	8.7	14.4	11.5	23.4	24.3	23.9
	76.7	71.0	73.6	33.5	37.8	35.7	22.8	18.0	20.3	5.3	7.8	6.5	13.3	8.2	10.2
	53.3	57.0	55.2	14.6	17.1	15.9	4.2	10.6	7.2	2.8	0.7	1.8	4.4	2.4	3.1
Terai castes	70.9	77.5	74.2	16.4	14.6	15.5	6.1	7.9	7.0	2.3	1.0	1.6	3.7	1.1	2.1
Hill Dalits	71.4	82.3	77.1	22.2	15.3	19.3	8.1	12.6	10.3	2.5	0.0	1.2	2.2	0.9	1.4
Kami	70.6	73.1	71.8	9.8	14.2	12.4	4.0	3.3	3.7	2.1	1.8	1.9	5.2	1.3	2.7
Other hill Dalits	59.1	53.9	56.2	21.5	6.8	14.8	6.8	9.6	8.4	2.7	0.0	1.3	4.2	0.0	2.0
Terai Dalits	69.8	75.1	72.5	27.0	27.4	27.2	15.3	12.1	13.7	3.9	3.5	3.7	8.2	5.2	6.4
Hill Indigenous Peoples	71.7	82.6	77.1	32.3	47.5	40.2	25.1	27.9	26.6	7.6	10.3	9.1	23.9	18.6	21.1
Newar (hill Indigenous Peoples)	74.1	76.2	75.1	26.5	24.7	25.7	12.9	9.5	11.4	4.2	2.1	3.0	3.8	2.9	3.3
Other hill Indigenous Peoples	75.1	75.7	75.4	24.2	21.1	22.8	11.3	10.6	11.0	1.9	2.4	2.2	1.3	1.8	1.6
Magar	65.5	74.9	71.0	33.3	35.2	34.3	20.4	9.7	15.2	6.8	3.1	5.0	2.9	3.6	3.3
Tamang	78.2	82.6	80.6	21.0	23.9	22.5	3.7	8.9	6.7	0.0	1.1	0.6	10.3	1.0	5.5
Rai	87.7	82.0	84.1	31.0	32.0	31.4	16.1	17.0	16.5	12.8	0.0	3.8	3.0	4.6	3.7
Gurung	82.5	96.7	87.3	29.9	19.9	25.0	15.4	6.2	10.7	0.0	0.0	0.0	3.0	7.0	5.3
Limbu	79.3	71.7	76.4	24.7	24.3	24.5	28.4	5.1	16.9	15.2	10.0	12.0	9.6	6.8	7.8
Shorpa, Bhujel, Bhote, Thakali etc.	63.3	51.2	57.7	19.7	0.0	11.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kumal, Sunuwar, Majhi, Chepang etc.	56.6	68.7	63.2	25.5	21.5	23.6	15.5	7.2	11.2	0.0	2.9	1.8	5.5	1.5	3.1
Terai Indigenous Peoples	71.2	73.3	72.4	26.9	22.3	24.8	19.9	5.0	12.2	0.0	4.1	2.5	3.3	2.0	2.5
Tharu	34.1	61.3	48.8	21.1	19.4	20.3	0.0	14.7	7.7	0.0	0.0	0.0	10.2	0.0	4.4
Other Terai Indigenous Peoples	50.9	62.5	56.8	8.2	11.7	9.9	7.6	5.1	6.4	7.9	0.0	4.0	2.2	0.8	1.5
Other (Muslim etc.)	67.2	70.3	68.8	26.5	26.9	26.7	14.2	15.7	15.0	4.6	4.4	4.5	9.8	7.2	8.2
Total															

Source: CBS 2011, NLSS III

6.7. Types of school attended

Recent trends show that the disparity in educational performance between public schools (also known as government or community schools) and private schools is increasing. This can be seen in the results of the School Leaving Certificate (SLC) examination. Public schools, which are generally more accessible for pupils from lower classes and historically oppressed castes and ethnic backgrounds, are becoming the worst performers in the SLC examination, causing deep frustrations among parents and declining faith in the school system. Private schools are primarily accessible to pupils from the affluent class, mostly those living in urban areas, and have become best performers in SLC examinations and a model of quality education. Government schools provide better access to schools and greater equity in education, contributing meaningfully to the goal of achieving universal primary education. However, they are performing poorly in achieving the target rates of primary school completion.¹⁵ Government schools are beset with problems of educational performance, academic standards, lack of competent teachers and persistent exclusion of certain poor, remote, and/or culturally and linguistically isolated segments of the population. Private schools are beyond the reach of average people because of exorbitant tuition fees and other required costs such as uniform, sports and library fees and other incidental charges.

Thus, public schools and private schools are producing a kind of division in Nepali society – a poor education for children of the poor and oppressed people and a better education for children of more affluent families. Quality of education is becoming dependent on the wealth of a student's parents. Privatization of education and poorly regulated commercialization of education are alienating impoverished children and youths from the newly expanded opportunities of quality education. Students at higher levels of education, including the higher secondary level, are becoming more radical and are creating disturbances in running schools and colleges smoothly. It is argued that private schools are becoming battlefields of political actors advocating

15 Net enrolment rate in primary education was 93.7 per cent and primary (grade 1 to grade 5) completion rate was 77.9 in 2010. For details, see *Nepal Millennium Development Goals: Progress Report 2010* published by NPC and UN Country Team of Nepal.

radical transformation and thus, a new tension in the field of education is emerging.¹⁶ In the current atmosphere of pressure for affirmative education or compensatory education, and the increasing realization of the right to education, the emergence of educational institutions that are primarily accessible to only affluent classes and dominant groups poses significant problems for policy makers. Whether education is a public good to be delivered by the state or a market commodity to be purchased by those who can afford it is a critical debate for a poor and underdeveloped country like Nepal. On the other hand, it is not yet certain that students of private schools and colleges will outstrip students of public schools and colleges in job performance, upward mobility, or other relevant long-term indicators. We will know more in coming years, as publicly and privately educated students complete their schooling and enter the workforce.

Government schools are primarily becoming schools for Dalits and indigenous peoples other than Newars, as 80 to 89 percent of students belonging to those groups attend public schools (Table 6.4). About 89 percent of Dalit students receive their education from government schools and colleges, while only 11 percent of Dalit students are fortunate enough to attend private schools and colleges. Indigenous students are similarly situated to Dalits in this regard. The proportion of students attending government schools and colleges is the highest for the Limbu indigenous group at 88.3 percent, followed by Magars at 83.4 percent, the Kumal, Sunuwar, Majhi and Chepang cluster at 83.2 percent and Tharus at 81.5 percent. Substantial proportions of Newar and hill Brahmin students attend private schools – 50 percent and 41 percent of their student populations respectively. Most indigenous groups have less than 20 percent of their students attending such schools, with the exception of the Gurung (34 percent) and Sherpa (29.4 percent) groups. This shows that Newars and hill Brahmins are the privileged groups who can afford expensive education believed to enable entry into the modern globalizing market.

Terai caste groups have made significant headway in increasing student access to private schools, and about one-third of Terai caste

16 See Caddell 2009 for the critical discussion on it.

students are now attending private schools. From the perspective of attaining educational credentials, the figures divulge that Newar and Brahmin students have at least a four times greater chance of success in all levels of education than the students of other groups, including Dalit, indigenous and Muslim students. About 18 percent of Muslim and Sherpa students attend Madarasa and Gumba schools, which were recognized by the Government almost a decade ago. This shows significant progress in ensuring greater quality of education for students of these groups in recent years.

Table 6.4: Type of school attended by individuals currently in school/college

Ethnic/Caste group	Community/ Government School/College	Institutional/ Private School/ College	Other School/ College	Total
Hill Brahmins	58.55	41.06	0.40	100.00
Hill Chhetris	74.13	25.45	0.42	100.00
Terai Castes	67.28	32.03	0.68	100.00
Hill Dalits	88.84	10.90	0.25	100.00
Kami	88.65	11.03	0.32	100.00
Other hill Dalits	89.01	10.79	0.19	100.00
Terai Dalits	88.36	11.64	0.00	100.00
Indigenous Peoples	74.08	25.46	0.46	100.00
Newar (hill Indigenous Peoples)	49.10	49.99	0.91	100.00
Other hill Indigenous Peoples	79.53	20.18	0.29	100.00
Magar	83.84	15.84	0.32	100.00
Tamang	75.97	23.94	0.09	100.00
Rai	80.88	18.83	0.29	100.00
Gurung	64.82	33.97	1.21	100.00
Limbu	88.31	11.69	0.00	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	70.27	29.35	0.38	100.00

Kumal, Sunuwar, Majhi, Chepang etc.	83.22	16.78	0.00	100.00
Terai Indigenous Peoples	79.24	20.20	0.56	100.00
Tharu	81.54	17.89	0.58	100.00
Other Terai Indigenous Peoples	73.02	26.45	0.53	100.00
Other (Muslim etc.)	53.86	28.57	17.57	100.00
Total	71.94	26.83	1.24	100.00

Source: CBS 2011, NLSS III

6.8. Reasons for dropout

About 25 percent of the individuals who attended schools in the past reported that they left school because of 'poor academic progress' and 22 percent because of 'help needed at home'. These are the two main reasons given for school dropouts in the country (see Annex Table 19). Repetition and drop-out are serious unresolved issues in our education system (see Box 9). Academic progress is associated with multiple factors, such as curricula, textbooks/subject matter, themes and goals of the text materials, medium of instruction, competency of teachers and teaching techniques, classroom diversity management and elimination of caste prejudices, power relationships among teachers and students and parents, learning environment, caring-centred or bureaucratic educational approach, models and processes of socialization and acculturation and overall education policies. The high proportion of school dropout rates caused by 'help needed at home' is further evidence that livelihood conditions and related challenges, including economic and social constraints, cultural and moral obligations, and unjust and inequitable distribution of goods, services, resources and opportunities, can all hinder a child's ability to attend school and obtain an education.

About 34 percent of Tamang and Gurung young people pursuing education are forced to drop out because of poor academic progress. The same is true of 33 percent of Terai indigenous peoples other than Tharu and 30 percent from the Magar group. These groups show the highest drop out rates due to poor academic progress among all caste and ethnic groups (see Annex Table 19). In sum, indigenous peoples

have the highest proportion (27.7 percent) of drop-outs due to poor academic progress (failures in exams/tests) compared to all other groups. These ongoing reports of poor academic progress by indigenous students raise several pertinent questions: how are they taught? How do dominant social groups influence the curriculum? How is the content presented?¹⁷

'Help needed at home' was the major cause to leave schools for 34.3 percent of Kami, 28.8 percent of Terai Dalits, 26.1 percent of the Sherpa cluster, 25.7 percent of Rai and 25.5 percent of Magar. Of the young people who dropped out of school, 13.4 percent Terai Dalits, 11.8 percent of Tamangs, 9 percent of Tharus and 9 percent of the Kumal, Sunuwar, Majhi and Chepang cluster did so because school was 'too expensive'. About 8.7 percent of Terai castes and 8.3 percent of Newars also reportedly dropped out because of school being 'too expensive'.

Box 9: Promotion, repetition and dropout rates, 2011-12

Promotion, repetition, drop-out and overall survival rates:

○ Promotion rate in Grade One (%)	70.8
○ Promotion rates from Grades One to Five (%)	83.1
○ Repetition rate in Grade One (%)	21.3
○ Repetition rates in Grades One to five (%)	11.5
○ Repetition rate in Grade Eight (%)	6.0
○ Drop-out rate in Grade one (%)	7.9
○ Drop-out rates from grades One to Five (%)	5.4
○ Overall survival rate to Grade Five (%)	82.8
○ Boys	81.7
○ Girls	84.3
○	

Source: Flash 1 Report 2068 (2011-012), Ministry of Education, Department of Education, Sanathimi, Bhaktapur, Nepal, November 2011

17 Questions like these associated with social justice, equality and caring education, values to be transmitted, linkage of culture and cognition and roles of domination in schooling urgently need to be addressed in order to ensure that the school system is supportive of and appropriate to Nepal's diverse, multicultural society. For an insightful discussion on the issues of pedagogy, cognitive development, cultural compatibilities, learning environment, and institutional and structural constraints on educational advancement, see Pang et al. 2006: 23-43.

Marriage is another major reason for dropping out of school. This is especially true for hill Brahmins and Chhetris because girls in these groups usually discontinue their education after marriage. When they are allowed by their husbands' families to continue their schooling, it becomes the subject of news reporting (because this so rarely happens). About 29 percent of hill Brahmins and 23 percent of hill Chhetris left school after marriage, making this the single reason for the largest proportions of their populations discontinuing educational pursuits. This is also a major reason cited for leaving school among other groups, with significant proportions of Terai castes (15.6 percent), hill Dalits (14.9 percent) and indigenous peoples (15 percent) who dropped out of school citing marriage as the reason. About 13 percent of dropouts among Newars and the Sherpa, Thakali, Bhujel and Bhote cluster report that they left school because they started jobs or were employed in some paid work.

Annex/ Table 19: Reason for leaving school/college for population (6-24 years of age) who attended school in the past

Ethnic/Caste group	Help at home	Too expensive	Poor academic progress	Parents did not want	Completed desired level	Marriage	Started working	Other	Total
Hill Brahmins	18.28	3.54	22.43	4.38	2.36	28.87	3.69	16.44	100.00
Hill Chhetris	25.04	3.64	24.04	5.45	1.29	22.87	2.47	15.20	100.00
Terai Castes	21.11	8.66	23.53	10.95	2.90	15.58	3.75	13.51	100.00
Hill Dalits	28.79	3.82	22.63	9.53	0.71	14.93	3.60	15.99	100.00
Kami	34.30	6.86	20.06	9.11	0.00	18.85	1.61	9.21	100.00
Other hill Dalits	22.74	0.50	25.46	9.99	1.48	10.62	5.79	23.42	100.00
Terai Dalits	28.08	13.37	17.67	9.84	0.00	6.76	5.72	18.55	100.00
Indigenous Peoples	20.97	5.80	27.67	5.61	1.49	14.98	4.60	18.87	100.00
Newar (hill Indigenous Peoples)	20.89	8.30	26.19	1.37	1.37	13.72	13.14	15.03	100.00
Other hill Indigenous Peoples	21.35	5.17	27.92	4.82	1.57	15.17	3.63	20.35	100.00
Magar	25.49	2.99	29.79	7.27	0.53	15.80	2.15	15.98	100.00

Tamang	21.22	11.77	34.24	3.31	2.08	7.98	5.72	13.68	100.00
Rai	25.71	0.00	21.10	2.46	4.41	20.28	2.98	23.07	100.00
Gurung	11.90	4.60	33.50	3.65	0.00	13.79	1.80	30.77	100.00
Limbu	10.93	0.00	20.98	0.00	0.00	19.20	1.65	47.24	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	26.08	2.55	14.95	6.60	1.79	18.12	12.72	17.18	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	9.91	8.95	19.25	5.09	3.00	22.39	2.40	29.01	100.00
Terai Indigenous Peoples	19.44	6.66	27.69	11.83	1.25	15.05	2.68	15.39	100.00
Tharu	20.49	8.96	24.47	12.20	0.00	17.92	3.25	12.71	100.00
Other Terai Indigenous Peoples	17.64	2.72	33.20	11.21	3.40	10.14	1.70	19.99	100.00
Other (Muslim etc.)	12.15	13.33	22.72	10.56	3.83	17.27	5.34	14.79	100.00
Total	21.98	6.45	24.59	7.37	1.78	17.24	4.03	16.54	100.00

Source: CBS 2011, NLSS III

6.9. Mean Years of schooling

As shown in Table 6.4, about 55 percent of the adult population of Nepal (aged 15 years and above) has ever attended school, either in the past or currently. Gender disparity in school attendance is wide with about 70 percent of adult males having attended school and only 43 percent of adult females. Hill Brahmins have the largest percentage of their population having attended school at 71 percent (see Chart 6.4). Newars have the next largest proportion of present or past school attendance at 69.9 percent. About 60 percent of the adult population of hill Chhetris has ever attended school, a proportion resulting from the lower school attendance of the female population (48.3 percent).

Among indigenous peoples, the variation in past or current school attendance is wide, with 70 percent of the adult population of Newars having ever attended schools in contrast to 43 percent of the adult population of Terai indigenous peoples other than Tharu. Among the

remaining indigenous groups, the proportions of the population who have ever attended school range from 50 to 58 percent. These rates are higher than the rates of Dalit groups and below those of Brahmin and Chhetri groups. Terai Dalits have the lowest proportion of their adult population who has ever attended school at 30.4 percent. There is a huge disparity between female and male populations in rates of ever having attended school. These disparities are the widest among Terai Dalits (38 percentage points stand between the male and female rates of past or current school attendance) and Terai castes (36 percentage points of disparity). Terai indigenous peoples also show great gender disparity, with 31 percentage points separating the rates of males versus females who have ever attended school. Even in educationally advanced groups like hill Brahmins and Newars, the gender disparity is stark with women having a rate of past or present school attendance that is more than 20 percentage points lower than the equivalent rate for men.

The distribution of mean years of schooling by caste and ethnicity reveals that Brahmins have the highest mean years of schooling, estimated at 9.9 years. This is just above the 9.3 mean years of schooling of Newars. In 2003-04 (NLSS II), Newar and Thakali groups each had a mean number of years of schooling of 9.1 years, higher than that of Brahmins at 8.2 years.¹⁸ Among hill indigenous peoples, the mean years of schooling of the Gurung group has shown rapid improvement and is now up to 8 years. The Kumal, Sunuwar, Majhi and Chepang cluster has the lowest mean years of schooling among all caste and ethnic groups at 6.1 years.

The mean years of schooling of the Dalit groups ranges from 6.2 to 6.3 years, and the mean schooling for indigenous peoples ranges from 6.6 to 7.9 years. Lower years of schooling, especially any amount less than seven years, makes entrance into the coveted job market in non-farm sectors almost impossible because of increased emphasis on requiring academic credentials for jobs and the progressing development of tertiary industries (service sector) jobs.

18 NIRS 2006, op cit.

Chart 6.4: Percentage of population 15 years and older who has ever attended school and their mean years of schooling

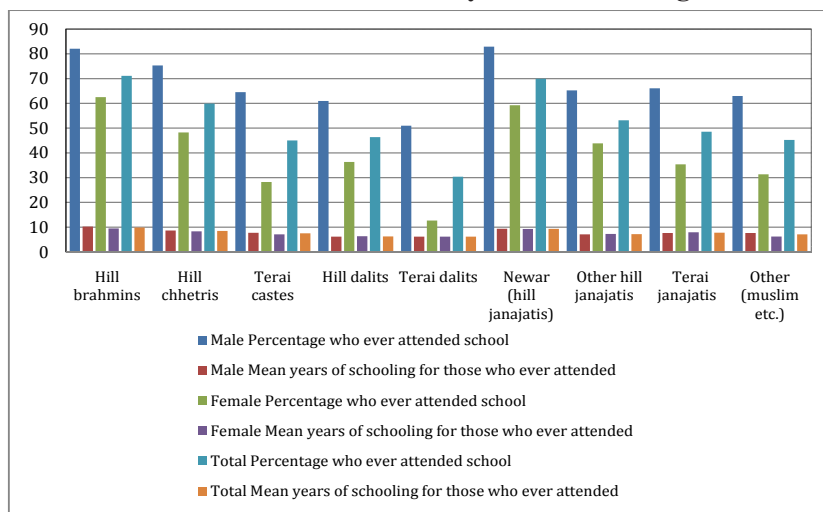


Table 6.4: Percentage of population 15 years and older who has ever attended school and their mean years of schooling

Ethnic/Caste group	Male		Female		Total	
	% that has attended school	Mean years of schooling among those who attended	% that has attended school	Mean years of schooling among those who attended	% that has attended school	Mean years of schooling among those who attended
Hill Brahmins	82.06	10.22	62.51	9.48	71.13	9.86
Hill Chhetris	75.32	8.66	48.25	8.30	59.92	8.49
Terai Castes	64.52	7.73	28.24	7.07	45.02	7.51
Hill Dalits	60.97	6.16	36.32	6.34	46.38	6.24
Kami	59.24	6.26	36.89	6.23	46.25	6.25
Other hill Dalits	62.67	6.06	35.82	6.45	46.49	6.24
Terai Dalits	50.96	6.16	12.68	6.16	30.37	6.16
Indigenous Peoples	69.00	7.76	45.02	7.87	55.51	7.81
Newar (hill Indigenous Peoples)	82.90	9.37	59.26	9.29	69.93	9.33
Other hill Indigenous Peoples	65.23	7.10	43.86	7.24	53.17	7.16

Magar	68.96	6.39	45.99	6.74	55.63	6.56
Tamang	58.37	7.17	37.25	7.37	46.87	7.26
Rai	67.75	8.00	46.33	7.76	56.17	7.89
Gurung	68.82	8.04	50.86	7.99	58.36	8.02
Limbu	63.35	6.90	45.34	7.47	53.14	7.18
Sherpa, Bhujel, Bhote, Thakali etc.	69.85	8.11	45.92	7.75	55.89	7.94
Kumal, Sunuwar, Majhi, Chepang etc.	63.05	6.06	40.01	6.24	49.98	6.14
Terai Indigenous Peoples	66.08	7.63	35.35	7.91	48.55	7.75
Tharu	68.91	7.91	38.16	8.29	51.29	8.07
Other Terai Indigenous Peoples	60.30	6.98	29.46	6.89	42.85	6.95
Other (Muslim etc.)	63.00	7.65	31.35	6.21	45.23	7.09
Total	69.56	8.17	42.95	8.02	54.64	8.11

Source: CBS 2011, NLSS Data Set

6.10. Languages used in the households and learning context

The learning context can be an important factor in determining the ability of each student to succeed in school. The language used for educational instruction, the model of the acculturation processes of educational institutions, and the cultural experiences of knowledge seekers are all important to creating a learning context and environment that enables students to succeed. The NLSS discloses that about 58 percent of households in Nepal speak Nepali language as their first language and the rest speak different languages in their households (Table 6.9). Nepali language is spoken in very few Terai Dalit households (2.78 percent), Terai caste households (4.45 percent) and Terai indigenous households (7.51 percent). Similarly, among hill indigenous peoples, only 22 percent of Tamangs and 26 percent of Limbus speak Nepali language in their households. Conversely, more than 80 percent of Tharus, slightly more than 77 percent of Tamangs and more than 72 percent of Limbus use their own native languages – Tharu, Tamang and Limbu respectively – in their households. Maithili, Newar, Gurung, Bhojpuri, Bantawa and Magar are also widely used native languages in family households, among others.

Multilingual education at the basic level has not been implemented in Nepal, despite ongoing demands and discussions and plans for implementation. Thus, students who speak native languages other than Nepali in the home are facing tremendous problems in communicating with teachers and comprehending school subject matter in the early stages of their education. Almost one-third of Tamang, Gurung, Magar and Terai indigenous students (other than Tharu) had to leave school or college because of poor academic performance. While the NLSS data does not reveal the specific causes contributing to the poor academic performance of these groups, it can be surmised that lack of proficiency in the language used as the medium of instruction (Nepali) and the languages used in textbooks might be one of the factors contributing to the poor performance of these groups. The relationship between family language and medium of instruction and textbook languages in effecting academic performances therefore needs further exploration.

Annex/ Table 20: Language used in the household

Ethnic/Caste group	Nepali	Maithili	Bhojपुरी	Tamang	Tharu	Newar	Awadhi	Magar	Limbú	Gurung	Bantawa	Other	Total
Hill Brahmins	99.14	0.19	0.18	0.00	0.08	0.24	0.00	0.00	0.00	0.00	0.00	0.16	100.00
Hill Chhetris	98.99	0.55	0.00	0.00	0.13	0.00	0.09	0.00	0.00	0.00	0.00	0.25	100.00
Terai Castes	4.45	50.99	31.09	0.00	0.30	0.00	8.83	0.00	0.00	0.00	0.00	4.33	100.00
Hill Dalits	97.94	0.43	0.77	0.00	0.00	0.00	0.74	0.00	0.00	0.12	0.00	0	100.00
Kami	99.71	0.00	0.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	100.00
Other hill Dalits	96.34	0.82	1.19	0.00	0.00	0.00	1.41	0.00	0.00	0.23	0.00	0	100.00
Terai Dalits	2.78	59.15	26.93	0.00	1.36	0.00	6.61	0.00	0.00	0.00	0.00	3.18	100.00
Indigenous Peoples	42.21	4.79	1.34	12.48	10.65	9.89	0.00	4.47	2.84	2.35	2.31	6.69	100.00
Newar (hill Indigenous Peoples)	46.26	0.11	0.00	0.11	0.00	53.40	0.00	0.00	0.00	0.00	0.00	0.12	100.00
Other hill Indigenous Peoples	52.08	0.56	0.77	20.13	0.00	0.13	0.00	7.22	4.59	3.80	3.72	7.01	100.00
Magar	74.27	1.40	1.44	0.00	0.00	0.00	0.00	22.88	0.00	0.00	0.00	0	100.00

Tamang	22.07	0.00	0.00	0.00	77.32	0.00	0.00	0.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.13	100.00
Rai	49.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.14	1.13	26.07	22.03	100.00		
Gurung	58.32	1.29	0.00	0.00	0.91	0.00	0.00	0.00	0.00	0.00	0.00	1.00	38.13	0.00	0.35	100.00		
Limbu	26.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	72.31	0.00	0.00	1.26	100.00		
Sherpa, Bhujel, Bhote, Thakali etc.	69.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.29	0.00	0.00	0.00	0.00	28.79	100.00		
Kumal, Sunuwar, Majhi, Chepang etc.	67.32	0.00	4.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.28	100.00		
Terai Indigenous Peoples	7.51	22.40	4.38	0.00	0.00	53.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.77	100.00		
Tharu	7.50	6.03	5.97	0.00	0.00	80.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	100.00		
Other Terai Indigenous Peoples	7.51	53.23	1.40	0.00	0.00	3.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33.95	100.00		
Other (Muslim etc.)	10.29	32.94	27.73	0.00	0.00	0.00	0.00	0.00	12.59	1.68	0.00	0.00	0.00	0.00	14.78	100.00		
Total	57.75	12.58	7.06	4.56	4.02	3.64	2.09	1.70	1.04	0.87	0.84	3.85						

Source: CBS 2011, NLSS III Data Set

6.11. Mother's role in education of children

The NLSS has attempted to generate data on the trend of women's empowerment. Some areas have been identified that provide information on women's say in the decision making process of household affairs, thus indicating their level of empowerment. Women's role in making decisions regarding their children's education is one such area. Whether the male household head or the female household head makes the final decision on up to what grade children should attend school is pertinent information for understanding the role of women in the household. Female heads of household and the spouses of male heads of household were asked this question and information was sought for the past 12 months preceding the date of NLSS data collection.

Table 6.5 demonstrates that for about 58 percent of the total population, both spouses together make the final decision on up to what grade children should attend school. Among the various caste and ethnic groups, 65.94 percent of Terai Dalit spouses, 62.22 percent of Tharu spouses, 61.34 percent of Terai caste spouses and 61.29 percent of Magar spouses make this decision jointly. About 26 percent of hill Dalit women have the final say in this decision, which is the highest proportion of women making this decision out of all the caste and ethnic groups. Terai groups have the lowest proportions of women making the final decision, which divulges that regional variations are more pronounced in relation to women's roles in household decision-making, even in matters regarding their children's education. However, joint or cooperative decisions appear encouraging. Among hill groups, a small proportion of hill Brahmin women, about 12 percent, have the final say in deciding up to what grade their children should attend school. Hill Chhetri women are more likely to have the final say in this decision than their male counterparts, as 16.10 percent of Chhetri women make this final decision in the household. Indigenous women have less influential roles in this regard, but are more likely to make this decision jointly or cooperatively with their spouses.

Table 6.5: Who makes final decision regarding up to what grade children should attend school

Ethnic/Caste group	Wife	Husband	Both	Other	Total
Hill Brahmins	12.12	15.07	56.53	16.28	100.00
Hill Chhetris	16.10	14.81	58.87	10.23	100.00
Terai Castes	9.19	14.51	61.34	14.96	100.00
Hill Dalits	26.03	14.92	49.01	10.04	100.00
Kami	23.61	14.00	54.89	7.50	100.00
Other hill Dalits	28.40	15.83	43.23	12.54	100.00
Terai Dalits	8.18	12.98	65.94	12.90	100.00
Indigenous Peoples	13.75	16.71	58.15	11.39	100.00
Newar (hill Indigenous Peoples)	14.94	15.58	59.84	9.64	100.00
Other hill Indigenous Peoples	13.80	16.68	57.13	12.39	100.00
Magar	12.98	14.90	61.29	10.83	100.00
Tamang	11.96	14.34	58.85	14.84	100.00
Rai	14.99	17.90	55.37	11.74	100.00
Gurung	15.61	11.90	59.38	13.12	100.00
Limbu	22.64	24.54	43.69	9.13	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	11.63	35.28	42.30	10.79	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	15.94	12.08	54.30	17.68	100.00
Terai Indigenous Peoples	12.96	17.43	59.53	10.08	100.00
Tharu	9.86	16.70	62.22	11.23	100.00
Other Terai Indigenous Peoples	18.90	18.82	54.39	7.89	100.00
Other (Muslim etc.)	18.48	20.86	50.56	10.10	100.00
Total	14.20	15.69	57.84	12.26	100.00

Source: CBS 2011, NLSS III

6.12. Scholarships

Students attending schools or colleges in Nepal can receive scholarships from various agencies to pay their education expenses. The Government of Nepal is the primary institution that provides a substantial amount of scholarships to students currently attending schools or colleges. The Government is spending billions of rupees on scholarships - Rs.3.64

billion was spent during fiscal year 2010/11 - and about 3.82 million students receive scholarship every year.¹⁹ Hill Dalits and Terai Dalits are the groups with the largest percentage of students, who have received scholarships, at 45.4 percent and 31.6 percent respectively, but the mean amount received by a hill Dalit student in the 12 months preceding the survey was about Rs. 540 and the mean amount received by a Terai Dalit student was about Rs. 584 (see Table 6.6). These are the smallest average scholarship amounts received by any ethnic group.²⁰ Less than 16 percent of Terai indigenous students and less than 14 percent of hill indigenous students (other than Newars) received scholarships over the same one-year period, and the scholarship amounts ranged from Rs. 587 to Rs.1772. The mean amount received per person for hill indigenous students was Rs. 949 and the mean amount received by Terai indigenous students was about Rs. 636.

On the other hand, 11 percent of hill Brahmin students and 11 percent of Newar students received scholarships, with a mean scholarship amount of Rs. 1983 and Rs. 2303 per person, respectively (Table 6.6). About 14 percent of hill Chhetri students also received scholarships, but the mean amount received was smaller (Rs. 1043.95) compared to scholarships received by hill Brahmin and Newar students. A small percentage of Terai caste students received scholarships (6.82 percent) but the mean amount received was higher than for many other groups (Rs. 1673.98). The proportion of Dalit students receiving scholarships was much larger than for other groups, but the mean amount received by them is three times lower compared to the mean amount received by hill Brahmin and Newar students, who have already been educationally advanced for centuries. The distribution pattern of scholarships and mean amounts distributed suggest that efforts to equalize educational opportunities as claimed by the concerned authorities have not been meaningful; educational equity and 'appropriate and sufficient treatment according to the needs and functional characteristics of students'²¹ have not been taken

19 MoF, July 2010:184 and July 2011:195-196 (Economic Surveys of FY 2009/10 and FY 2010/11).

20 Scholarship for basic level is in lowest amount (Rs.400) and the amount increases at the upper level, with the maximum amount of Rs.18,000 per annum per person for the sons/daughters of martyrs studying at the higher secondary level (Ibid).

21 Mejia and Gordon, 2006:47.

seriously and social justice and fairness in treatment is still a distant dream for educationally disadvantaged groups who have long experienced discrimination and deprivation in educational opportunities.

Table 6.6: Distribution of students by caste/ethnicity who have received scholarships and mean amount received per person

Ethnic/Caste group	Yes	No	Total	Mean amount received (Rs.)
Hill Brahmins	11.06	88.94	100.00	1983.43
Hill Chhetris	13.64	86.36	100.00	1043.95
Terai Castes	6.82	93.18	100.00	1673.98
Hill Dalits	45.40	54.60	100.00	539.78
Kami	45.46	54.54	100.00	380.86
Other hill Dalits	45.35	54.65	100.00	679.10
Terai Dalits	31.60	68.40	100.00	584.39
Indigenous Peoples	13.54	86.46	100.00	1057.74
Newar (hill Indigenous Peoples)	10.73	89.27	100.00	2302.84
Other hill Indigenous Peoples	13.62	86.38	100.00	948.91
Magar	13.56	86.44	100.00	725.33
Tamang	12.12	87.88	100.00	1160.13
Rai	15.63	84.37	100.00	705.85
Gurung	11.02	88.98	100.00	1733.94
Limbu	11.37	88.63	100.00	717.07
Sherpa, Bhujel, Bhote, Thakali etc.	12.74	87.26	100.00	1772.51
Kumal, Sunuwar, Majhi, Chepang etc.	21.87	78.13	100.00	893.04
Terai Indigenous Peoples	15.50	84.50	100.00	635.58
Tharu	16.06	83.94	100.00	650.50
Other Terai Indigenous Peoples	13.91	86.09	100.00	587.33
Other (Muslim etc.)	8.49	91.51	100.00	596.25
Total	15.65	84.35	100.00	998.24

Source: CBS 2011, NLSS III

6.13. Education and poverty

The NLSS provides useful information on poverty profiles, which helps to develop an understanding of the relationships between various factors (household characteristics) and poverty incidences. However, the disaggregated data it provides by caste and ethnicity requires cautious interpretation beyond the broader categories (i.e. for specific ethnic groups such as Rai, Gurung, Limbu and other individual groups) because of sample size deficiencies. The level of educational attainment of a head of household is correlated with the poverty rate.

The highest poverty headcount rates (14.10 to 51.70 percent) are found consistently among households whose heads are illiterate, across and within all castes and ethnicities. The highest poverty headcount rate across all of the caste and ethnic groups is found among hill Dalit households whose heads are illiterate (51.70 percent poverty rate) (Table 6.7). The poverty rate drops to 18 percent for households whose heads have achieved an educational attainment of grades six to eight. However, the poverty rate of hill Dalit households whose heads have attained higher secondary education actually increases. This statistic goes against the general trend and requires further exploration, as it suggests that educational attainment may not bring the same benefits for all castes and ethnicities. Nonetheless, the general trend shows that the rise in educational attainment level of household heads brings the probability of poverty down by a considerable extent and attaining higher secondary education brings down the poverty headcount rates to the lowest level, with the exception of hill Dalit and Terai Dalit households.

Among indigenous peoples, 34 percent of hill indigenous households (other than Newars) with illiterate heads of household are below the poverty line, whereas only 8.6 percent households with heads who have completed education through grades 6-8 were living in poverty. Similarly, 33 percent of Terai indigenous peoples with illiterate household heads were living below the poverty line. The proportion went down significantly to 17 percent in households whose heads had achieved an educational attainment of grades six to eight.

Table 6.7: Poverty headcount rate by the level of educational attainment of head of household

Ethnic/Caste group	Illiterate	Literate, primary level not completed	Completed 5-7 grades	Completed 6-8 grades	11+	Total
Hill Brahmins	17.70	15.10	16.90	2.50	3.60	10.30
Hill Chhetris	30.60	25.90	18.10	19.80	9.00	23.40
Terai Castes	37.30	24.10	14.20	21.60	9.30	28.30
Hill Dalits	51.70	37.30	27.30	17.70	30.70	43.60
Kami	44.80	40.00	16.90	19.10	11.90	37.90
Other hill Dalits	58.00	35.30	37.90	15.50	65.20	48.90
Terai Dalits	42.20	32.30	27.50	44.10	0.00	38.20
Indigenous Peoples	31.30	27.90	20.40	9.50	7.40	24.60
Newar (hill Indigenous Peoples)	14.10	17.10	9.80	5.40	2.50	10.30
Other hill Indigenous Peoples	33.70	31.30	24.80	8.60	9.10	28.00
Magar	36.30	32.30	31.80	15.80	2.30	31.70
Tamang	35.60	29.70	16.60	0.00	11.20	28.30
Rai	30.20	30.70	16.40	0.00	2.10	22.00
Gurung	34.90	15.30	22.20	8.40	0.00	21.70
Kumal, Sunuwar, Majhi, Chepang etc.	46.40	44.30	37.70	9.20	0.00	40.40
Terai Indigenous Peoples	33.20	26.50	14.60	16.80	14.70	26.60
Tharu	28.60	29.40	7.30	19.00	14.10	23.60
Other Terai Indigenous Peoples	41.40	20.40	28.30	9.60	16.60	32.90
Other (Muslim etc.)	22.10	17.70	22.00	5.40	9.50	18.80
Total	33.50	27.00	19.50	12.90	7.10	25.20

Source: CBS 2011, NLSS III

HEALTH SERVICES

7.1. Health of the people and health care delivery

The World Health Organization (WHO) has defined health as a 'state of complete, physical, mental and social wellbeing, and not merely the absence of disease and infirmity (Preamble of the WHO Constitution, 1946). However, the concept of well-being is open to interpretation as it is partly determined by cultural and social constructs and it is context specific, not limited to material endowment only. It is true in almost all societies that people define themselves 'healthy' or 'sick' or 'ill' on the basis of some specific criteria established by individuals, relatives, friends, traditional healers and modern medical practitioners. As health and illness are subject to the interpretations of others, they 'are no longer purely biological occurrences, but are sociological occurrences as well' and 'complete well-being' is also the result of one's 'social environment'.¹

The indigenous concept of health 'extends beyond the physical and mental well-being of an individual to the spiritual balance and well-being of the community as a whole' and 'articulates physical, mental, spiritual and emotional elements, from both individual and communal points of view'.² Cultural paradigms of health (magical/shamanic, religious/spiritual, traditional medicines, healing/ therapy, etc.) are still prominent in Nepal because of limited access to and impact of modern bio-medical models of health. From all perspectives, health is a prized possession for the satisfaction of personal and family life and survival and the well-being of the community.

Distribution of health care services based on bio-medical models of

1 Schaefer 1989:479.

2 UN Department of Economic and Social Affairs 2009:156-157.

health care and the quality and equity of the health care delivery system are some major health concerns in contemporary Nepal. Increasing numbers of people are raising critical questions such as who is reaping the benefits of Nepal's health care system and who is suffering as a result of the system. The cost of health care is also rising and the humanistic dimension of patient care is disappearing. Health care is turning into a lucrative business and hospital industries are expanding. Rich and powerful people are becoming healthier through their involvement in the health industry, while poor and powerless people continue to suffer from unaddressed health problems every day. Inequity in health care and uneven health service delivery systems are creating a stark rural-urban divide in the delivery of health care services. Medical treatment from doctors and physicians is very rare in rural areas as doctors earn much more in affluent, urban areas than in poor, sparsely populated areas and are therefore drawn to work in the urban areas.

Medical care is beyond the access of most people and government support to patients for medical care is negligible. Essential interventions against infectious diseases and nutritional deficiencies are becoming pervasive with some success, but many poor and traditionally discriminated communities, including those in remote regions, are still being excluded from these benefits. Free distribution of essential drugs by public health institutions in rural areas has been largely ineffective because of limited and untimely distribution processes. The right to life of poor and powerless people in Nepal is not being properly protected, perpetuating their ongoing tragic life situation.

The NLSS III furnished only partial information on all of these contemporary health issues, as it was primarily focused on generating data that is relevant for meeting the MDGs and the set targets of the government's periodic plan. However, the NLSS III does provide a great deal of information on unequal distribution of health care and the inequities in health care service delivery systems based on social hierarchies such as social class, gender, caste and ethnicity and geographical locations (rural-urban, ecological belts and development regions). Nonetheless, the data on caste- and ethnicity-based differences, a crucial area of perpetual discrimination, is incomplete. This chapter examines overall health status of indigenous peoples and their access

to health care delivery in comparison to other caste and ethnic groups, particularly dominant caste groups. It also probes into the issues of health care delivery systems on the basis of available data.

7.2. Chronic illnesses

One important indicator of health status is the prevalence of chronic diseases or illnesses in a society. Disease is a socially defined state of health, usually determined by experts such as doctors (and paramedics in the case of Nepal), whereas illness is a subjectively felt state of ill health.³ The term chronic illness in the NLSS III also includes chronic disease. Figures on disease and illness in the NLSS are based on self-reporting by survey respondents. We have no empirical information on the tendency research participants to understating, overstate, or generalize symptoms of disease, but common sense suggests that health-conscious individuals who have more frequent health care interactions are more likely to generalize and overstate symptoms of their diseases, whereas uninformed or less informed individuals, who typically live in more adverse or harsh living conditions, are likely to understate symptoms of disease or illness.

The variations in proportions of the population reporting chronic illnesses across different caste and ethnic groups are not very wide, with some exceptions (see Chart 7.1). NLSS has defined chronic illness as illnesses that involve long-term suffering, including cancer, asthma, heart disease, diabetes, kidney diseases, epilepsy, respiratory problems, liver cirrhosis, high/low blood pressure, gynecological problems, occupational illnesses (such as a spine or leg fracture, or any other disability that prevents the individual from performing any kind of work, which was caused by in the individual's employment), gastrointestinal diseases and drug abuse.⁴

Hill Brahmin, Newar and Gurung groups have the largest proportions of their populations that reported suffering from chronic illness, at 15.5 percent, 14.1 percent and 13.5 percent respectively (Table 7.1).

3 O'Donnell 1997:441.

4 CBS 2011 (Volume One):101.

The high prevalence of chronic illness among these comparatively well-off and better-educated groups may be due to the fact that health conscious, affluent persons generally have more health interactions and consultations with medical professionals and para-professionals, and are more likely to overstate their illnesses. The proportion of people suffering from chronic illnesses among the richest quintiles is 16.3 percent – almost double that of the poorest quintile (7.9 percent). This further substantiates the proposition that wealthy groups tend to be more aware of and more likely to overstate their chronic illnesses. This trend has remained constant since the first NLSS (1995-96). We can therefore conclude that the figures may not accurately demonstrate the prevalence of chronic illness across different groups, but instead indirectly reveal the level of interaction and consultation of various groups to health care delivery institutions and health care providers.

Tharu, Limbu, Rai and Tamang groups have the lowest proportions of their populations suffering from chronic illnesses, with rates ranging from 8.3 percent to 9.7 percent. These groups may have a tendency to understate their disease symptoms because of limited medical or paramedical consultations due to the lack of resources and opportunities for consultation. Several Dalit and indigenous groups have reported suffering from chronic illnesses in similar proportions. A high proportion of female Brahmins report suffering from chronic diseases compared to the female members of other groups, which may be again due to their privileged opportunity to consult and interact with health care providers. On an average, females report higher rates of chronic illness than males across almost all groups by about 26 percentage points. The only exceptions to this are the Newar and Gurung groups and the Kumal, Sunuwar, Majhi and Chepang cluster. More research is necessary to determine whether this stark gender disparity in the prevalence of chronic illnesses is the result of gender discrimination in health care.

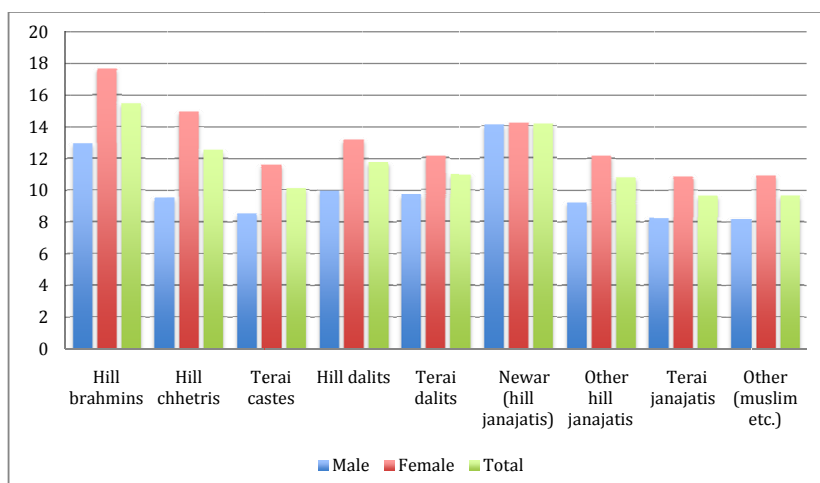


Table 7.1: Percentage of population reporting chronic illnesses by caste/ethnicity and gender

Ethnic/Caste group	Male	Female	Total
Hill Brahmins	12.95	17.66	15.49
Hill Chhetris	9.54	14.99	12.54
Terai Castes	8.52	11.55	10.11
Hill Dalits	10.00	13.22	11.79
Kami	11.59	12.93	12.33
Other hill Dalits	8.52	13.49	11.29
Terai Dalits	9.69	12.11	10.96
Indigenous peoples	9.87	12.23	11.14
Newar (hill Indigenous Peoples)	14.08	14.18	14.14
Other hill Indigenous Peoples	9.24	12.15	10.81
Magar	9.04	13.76	11.58
Tamang	8.64	10.58	9.69
Rai	7.84	11.27	9.66
Gurung	13.44	13.57	13.51
Limbu	6.67	9.77	8.27
Sherpa, Bhujel, Bhote, Thakali etc.	9.90	12.09	11.12
Kumal, Sunuwar, Majhi, Chepang etc.	12.01	12.30	12.16

Terai Indigenous Peoples	8.23	10.88	9.66
Tharu	6.17	9.47	7.96
Other Terai Indigenous Peoples	12.27	13.77	13.07
Other (Muslim etc.)	8.18	10.94	9.66
Total	9.89	13.32	11.74

Source: CBS 2011, NLSS III

The distribution of people suffering from various kinds of chronic illnesses across different caste and ethnic groups is uneven and in some cases, the variations are extreme (see Chart 7.1). From the perspective of social epidemiology,⁵ the uneven distribution of individuals suffering from chronic and acute illnesses (see Chart 7.2) and the variations in morbidity rates across different identity groups such as social class, caste/ethnic groups, territorial groups and gender groups, reveal the differential impacts of Nepal's current health policy and health care delivery systems among different segments of the population. This information allows for the mapping of inequalities and inequities in the prevailing health care system.

Slightly more than 54 percent of the total population that reported suffering from cancer belongs to indigenous groups. Instances of the disease appear to be especially concentrated among hill indigenous peoples, as 34 percent of the population suffering from cancer, are hill indigenous peoples. 20.5 percent of those suffering from cancer are hill Dalits and the remaining broad ethnic groups each account for less than 10 percent of the population who is suffering from cancer (see Annex Table 21). About 30 to 39 percent of the total population suffering from specific diseases like heart related disease, respiratory problems, asthma, epilepsy, cancer, diabetes, kidney/liver problems, rheumatism, high/low blood pressure and gastrointestinal diseases are indigenous peoples. The most prevalent diseases among indigenous peoples after cancer are low or high blood pressure (39 percent of those suffering are indigenous), kidney and liver diseases (37.3 percent of those suffering are indigenous)

5 Social epidemiology is the study of distribution of disease (both epidemic and non-epidemic diseases, injuries, drug and alcohol dependence, suicide and mental illness), impairment and general health status across a population (Wolinsky, 1980:7 cited in Schaefer 1989: 479).

and respiratory problems (37.1 percent of those suffering are indigenous). The burden of diseases like cancer, kidney and liver disease, respiratory problems and other chronic illnesses falls disproportionately with indigenous peoples, seriously affecting their economic advancement which in turn can further harm their health condition.

Only three percent of indigenous peoples, particularly Sherpas, reported suffering from occupational illness. This shows that indigenous peoples have limited access to employment opportunities in sectors like manufacturing, construction, services and other non-farm enterprises. Hill Chhetris account for the second largest percentage of those suffering from different kinds of chronic illnesses. About 26 percent and 27 percent respectively of those suffering from heart disease and respiratory problems are Hill Chhetris. Terai women account for 41 percent of all reported gynecological problems. Terai caste groups and Terai Dalits account for substantial proportions of the population suffering from occupational illnesses, which may indicate a concentration of high-risk work opportunities in the Terai region. This uneven distribution of chronic illnesses across diverse segments of the population may reflect the inequalities of health care across on caste/ethnicity, gender and social class.

Hill Brahmins spent an average of Rs. 10,627 per person on treatment of chronic illnesses in the 12 months preceding the enumeration date of the NLSS III. This is the highest rate of spending on treatment of chronic illnesses by any group, followed by Newars with an average spending of Rs. 8,321 per person and Gurungs with an average spending of Rs. 5,879 per person (Table 7.2). Most indigenous groups and Dalits generally have the lowest spending on treatment of chronic diseases, which may indicate their inability to afford to spend more money on treatment, rather than indicating that less spending is actually required per person for treatment of these groups. Spending on health care generally correlates with a household's income level – the higher the income, the higher the spending on health care expenses. The burden of illness appears to be too heavy for low-income groups, whose per capita income is two to three times less than that of highest income groups like Newars and Brahmins. Disadvantaged indigenous peoples and Dalits may be unable to afford necessary medical treatments for chronic diseases, which may in turn contribute to handicapping their economic growth.

Annex/ Table 21: Percentage distribution of types of chronic illness by caste/ethnicity

Ethnic/ Caste group	Heart related	Respiratory	Asthma	Epilepsy	Cancer	Diabetes	Kidney/ Liver disease	Rheumatism	Gynecological problems	Occupational illnesses	High/low blood pressure	Gastrointestinal diseases	Other	Total
Hill Brahmins	16.54	11.08	17.86	19.70	9.37	22.92	8.77	16.50	15.95	20.65	17.69	16.03	15.11	16.49
Hill Chhetris	26.16	26.95	20.04	24.67	8.97	21.11	20.66	16.90	16.97	14.68	12.38	19.60	20.79	19.19
Terai Castes	10.17	3.73	11.54	12.69	6.88	12.15	13.61	16.14	16.02	41.15	13.86	15.78	10.55	13.69
Hill Dalits	8.21	11.98	10.58	5.32	20.46	3.70	8.98	6.52	15.22	6.26	6.02	10.62	6.87	8.71
Kami	3.89	5.88	5.89	2.85	20.46	2.36	4.82	3.22	5.99	0.00	3.10	4.88	4.33	4.37
Other hill Dalits	4.32	6.10	4.69	2.47	0.00	1.33	4.16	3.30	9.24	6.26	2.92	5.74	2.54	4.34
Terai Dalits	3.29	3.92	5.39	0.00	0.00	0.47	10.70	4.14	4.86	14.24	4.65	4.13	4.47	4.25
Indigenous peoples	31.84	37.11	31.18	32.54	54.32	34.57	37.28	34.27	29.13	3.01	38.95	30.03	37.32	33.26
Newar (hill Indigenous Peoples)	10.90	7.45	5.20	2.73	0.00	19.65	8.23	7.16	4.80	0.00	12.88	4.59	6.85	7.36
Other hill Indigenous Peoples	19.82	21.73	20.41	29.81	34.03	10.90	26.01	17.49	14.92	3.01	18.32	20.39	23.41	19.62
Magar	6.50	11.14	6.87	12.45	19.88	2.78	9.67	7.26	5.43	0.00	6.48	7.03	7.27	6.94
Tamang	3.72	3.15	4.78	10.34	0.00	1.71	3.44	3.82	4.72	0.00	2.50	5.42	5.75	4.49
Rai	5.91	2.98	3.13	0.00	14.15	0.47	0.00	2.29	0.66	0.00	2.52	1.88	3.51	2.46
Gurung	1.32	0.00	1.60	0.00	0.00	3.26	12.90	1.31	3.13	0.00	3.85	1.60	1.80	2.04
Limbu	0.00	1.40	0.98	2.76	0.00	0.00	0.00	1.09	0.20	0.00	1.37	0.99	0.89	0.91

Sherpa, Bhujel, Bhote, Thakali etc.	0.50	1.38	0.80	4.25	0.00	1.34	0.00	0.83	0.00	3.01	1.61	1.31	1.28	1.14
Kumal, Sunuwar, Majhi, Chepang etc.	1.87	1.68	2.25	0.00	0.00	1.34	0.00	0.90	0.79	0.00	0.00	2.15	2.91	1.65
Terai Indigenous Peoples	1.13	7.93	5.56	0.00	20.29	4.02	3.03	9.63	9.41	0.00	7.76	5.04	7.06	6.28
Tharu	0.00	1.02	2.76	0.00	20.29	1.85	3.03	6.46	4.37	0.00	4.45	2.83	3.62	3.45
Other Terai Indigenous Peoples	1.13	6.91	2.81	0.00	0.00	2.17	0.00	3.17	5.04	0.00	3.31	2.21	3.44	2.83
Other (Muslim etc.)	3.78	5.23	3.43	5.08	0.00	5.09	0.00	5.52	1.85	0.00	6.45	3.81	4.89	4.40
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: CBS 2011, NLSS

Table 7.2: Cost of treatment of chronic illnesses

Ethnic/Caste group	Average expenses (Rs.)
Hill Brahmins	10627
Hill Chhetris	5394
Terai Castes	3772
Hill Dalits	3093
Kami	2535
Other hill Dalits	3595
Terai Dalits	3659
Indigenous peoples	4380
Newar (hill Indigenous Peoples)	8321
Other hill Indigenous Peoples	3709
Magar	3189
Tamang	3929
Rai	4279
Gurung	5879
Limbu	879
Sherpa, Bhujel, Bhote, Thakali etc.	4017
Kumal, Sunuwar, Majhi, Chepang etc.	3263
Terai Indigenous Peoples	2814
Tharu	1994
Other Terai Indigenous Peoples	4359
Other (Muslim etc.)	5383
Total	5284

Source: CBS 2011, NLSS III t

The cost of chronic illnesses may be better reflected by the number of days taken off of employment or other usual activities because of such illnesses in the 12 months preceding the NLSS III survey. However, this data is still an imprecise measure of health and chronic illness between caste and ethnic groups because factors such as poverty, powerlessness, coercive work environments and lack of or limited life chances can typically compel a 'recovering' person to enjoy less rest, tolerate more residual pains and resume work or other usual activities in less time. Affluent 'recovering' persons, in contrast, usually take more time off of work after illnesses and rest for longer to ensure a full recovery.

The number of days taken off of work due to chronic illness is unevenly distributed across different caste and ethnic groups, demonstrating uneven distribution of the burden of disease. Terai Dalits had to stop working or discontinue their usual activities for about 30 days in the 165 days preceding the NLSS III enumeration date due to chronic illnesses (Table 7.4). Terai castes had to stop working for 24 days in a year because of chronic illness. Among indigenous peoples, the Kumal, Sunuwar, Majhi and Chepang cluster missed 22 work days in the preceding 12 months due to chronic illness. On an average, indigenous peoples reported about 16 days of lost productivity in a year due to chronic illness. Hill Brahmins reported stopping their usual activities for 13 days in the same period, which is comparatively better than most other groups with the exception of some indigenous groups.

Table 7.3: Distribution of working days stopped due to chronic illnesses in the past 12 months by caste/ethnicity

Ethnic/Caste group	Average number of days
Hill Brahmins	13.43
Hill Chhetris	18.23
Terai castes	23.97
Hill Dalits	16.81
Kami	14.79
Other hill Dalits	18.82
Terai Dalits	30.25
Indigenous peoples	15.62
Newar (hill Indigenous peoples)	18.26
Other hill Indigenous peoples	13.96
Magar	12.48
Tamang	17.16
Rai	12.32
Gurung	16.72
Limbu	3.38
Sherpa, Bhujel, Bhote, Thakali etc.	5.13
Kumal, Sunuwar, Majhi, Chepang etc.	22.02
Terai Indigenous peoples	17.71
Tharu	16.19
Other Terai Indigenous peoples	19.55
Other (Muslim etc.)	20.38
Total	17.83

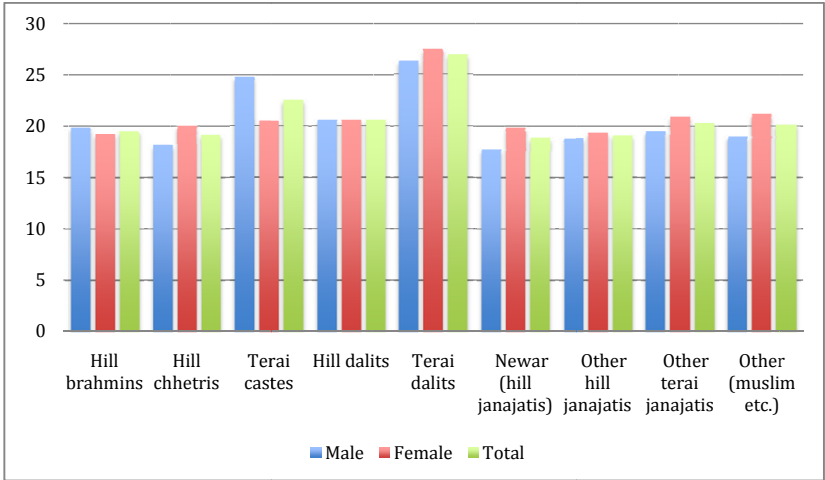
Source: CBS 2011, NLSS III

7.2. Acute illnesses

Acute illness has been defined by the NLSS as sickness (other than chronic illness) and injuries. It is measured in the NLSS based on reports of acute illness within the 30 days preceding the date of the NLSS survey enumeration. Acute illness is mostly related to contagious diseases and injuries caused by accidents and conflicts. The government has made efforts to prevent and control acute illnesses, particularly contagious diseases, and services have been set up which are accessible to a substantial

proportion of the population. The rate of incidence of acute illness across different caste and ethnic groups is not very wide, with the exception of Terai Dalits (Chart 7.2). About 27 percent of Terai Dalits reported suffering from an acute illness, such as diarrhea, dysentery, respiratory problems, malaria, cold, fever, flu, measles, jaundice, skin disease, Tuberculosis or injury, within the preceding 30 days (Table 7.4). The incidence of acute illness in Terai caste, hill Dalit, and Terai indigenous groups other than Tharus is also above the national average of 20.2 percent. Women have a higher incidence of acute illness among indigenous peoples. Among the Kumal, Sunuwar, Majhi and Chepang cluster, females report acute illness at a rate about 26 percentage points higher than male members of the group. On the other hand, male members of Terai castes have a higher reported incidence of acute illnesses than women by 17 percentage points. Among indigenous peoples, Magar and Tamang groups show a similar trend but with only 5 to 6 percentage points of difference in the incidence of acute illness between men and women.

Chart 7.2: Percentage of population reporting acute illnesses by gender



Common colds, fevers and the flu are the most common forms of acute illness across all castes and ethnic groups, with the exception of the Rai (19.6 percent), Tharu (23.3 percent) and Sherpa groups (23.8 percent) and the Kumal, Sunuwar, Majhi and Chepang cluster (21.2 percent)

(see Annex Table 22). The average incidence of colds, fevers, and the flu in the whole national population is 30.5 percent. Large proportions of Limbus (41.3 percent), Newars (39 percent), hill Brahmins (36.9 percent), Muslims (36.2 percent), Magars (34.6 percent) and Terai indigenous peoples other than Tharu (34.1 percent) reported suffering from colds, fevers and the flu.

Table 7.4: Percentage of population reporting acute illnesses by ethnicity and gender

Ethnic/Caste group	Male	Female	Total
Hill Brahmins	19.88	19.23	19.53
Hill Chhetris	18.14	19.99	19.15
Terai castes	24.70	20.46	22.48
Hill Dalits	20.54	20.55	20.54
Kami	20.80	21.60	21.24
Other hill Dalits	20.29	19.59	19.90
Terai Dalits	26.29	27.42	26.89
Indigenous Peoples	18.58	19.43	19.03
Newar (hill Indigenous Peoples)	17.69	19.85	18.85
Other hill Indigenous Peoples	18.80	19.32	19.08
Magar	20.43	19.36	19.86
Tamang	18.85	17.73	18.25
Rai	18.54	19.85	19.23
Gurung	17.32	20.72	19.24
Limbu	18.66	20.98	19.86
Sherpa, Bhujel, Bhote, Thakali etc.	16.98	19.67	18.47
Kumal, Sunuwar, Majhi, Chepang etc.	15.18	20.43	17.85
Terai Indigenous Peoples	18.66	19.39	19.06
Tharu	18.23	18.63	18.44
Other Terai Indigenous Peoples	19.50	20.96	20.28
Other (Muslim etc.)	18.99	21.16	20.16
Total	20.21	20.21	20.21

Source: CBS 2011, NLSS III Data Set

The second most common acute illness is other types of fever, with about 24 percent of the national population reporting suffering from

this type of ailment. Large proportions of the Terai caste (34.5 percent) and Terai Dalit (32.3 percent) groups, and the Sherpa, Bhujel, Bhote and Thakali cluster (30.6 percent) reported suffering from other types of fever (see Annex Table 22). Diarrhea is another common acute illness affecting all sections of the population, with 15.5 percent of the national population suffering from this ailment. Diarrhea is more pervasive in the Far West of Nepal compared to other regions. About 23 percent of the Kumal, Sunuwar, Majhi and Chepang cluster, 22.5 percent of Rais, 21.3 percent of Limbus and 18.2 percent of Magars reported suffering from diarrhea. Similarly, 18.6 percent of hill Dalits and 17 percent of hill Chhetris reported suffering from diarrhea. Physical injury accounts for 5 percent of all acute illnesses nationally. The incidence of physical injury is the highest for the Limbu (7.7 percent), Rai (6.5 percent), Newar (6.3 percent) and Kami (6.2 percent) groups.

Annex/ Table 22: Percentage distribution of acute illnesses by type and ethnicity

Ethnic/Caste group	Diarrhea	Dysen- tery	Respi- ratory problems	Malaria	Cold/ fever/ flu	Other fever	Skin disease	Injury	Other	Total
Hill Brahmins	11.14	1.60	2.26	1.01	36.86	22.20	1.43	3.87	19.62	100.00
Hill Chhetris	17.08	2.03	3.64	1.20	28.72	18.65	2.54	5.43	20.71	100.00
Terai Castes	15.40	2.09	1.25	2.02	26.88	34.46	0.58	4.42	12.90	100.00
Hill Dalits	18.57	1.31	3.51	0.84	29.52	18.59	1.82	5.88	19.97	100.00
Kami	20.07	1.78	3.30	0.45	29.61	22.18	2.22	6.18	14.21	100.00
Other hill Dalits	17.10	0.85	3.70	1.22	29.43	15.07	1.42	5.58	25.63	100.00
Terai Dalits	15.68	1.02	1.08	2.17	29.16	32.32	1.03	3.69	13.86	100.00
Indigenous Peoples	15.94	1.66	2.54	0.93	30.72	19.56	3.06	5.39	20.21	100.00
Newar (hill Indigenous Peoples)	14.80	2.55	2.80	1.05	38.99	8.67	1.08	6.27	23.80	100.00
Other hill Indigenous Peoples	17.18	1.21	2.63	0.64	29.69	20.96	3.21	5.15	19.32	100.00
Magar	18.16	0.63	3.43	1.52	34.62	21.54	2.19	5.12	12.80	100.00
Tamang	14.68	1.33	1.79	0.16	29.19	22.74	0.92	3.85	25.35	100.00
Rai	22.46	0.58	0.76	0.00	19.61	27.36	3.02	6.47	19.74	100.00
Gurung	5.90	2.98	4.65	0.95	30.14	8.05	19.54	5.26	22.53	100.00
Limbu	21.28	1.96	2.61	0.00	41.31	13.16	1.85	7.72	10.11	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	13.35	1.83	2.12	0.00	23.81	30.60	0.96	5.33	22.01	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	23.24	1.66	3.45	0.00	21.20	13.95	0.00	4.61	31.89	100.00

Terai Indigenous Peoples	13.37	2.21	2.07	1.65	27.03	24.29	4.22	5.34	19.83	100.00
Tharu	16.40	1.98	2.18	2.01	23.15	22.56	5.50	5.46	20.75	100.00
Other Terai Indigenous Peoples	7.85	2.62	1.86	0.97	34.07	27.45	1.91	5.11	18.14	100.00
Other (Muslim etc.)	13.21	1.99	1.04	1.32	36.23	28.89	0.85	3.58	12.90	100.00
Total	15.53	1.74	2.38	1.27	30.53	23.54	1.99	4.88	18.14	100.00

Source: CBS 2011, NLSS III Data Set

7.3. Health care consultations

The rates of health care consultations among different groups are helpful for understanding the status of health care service delivery in Nepal. The NLSS III provides information on the impacts of health institutions operating in the country. The main health institutions run by the government are hospitals at the district, zonal, regional and central levels, health centres and health posts at the municipality and VDC levels and Ayurvedic hospitals and health posts at the district, municipality and village levels. Private sector health institutions in Nepal include hospitals, nursing homes and clinics, mostly located in cities and urban centres. At present, there are 4,593 health institutions with 7,285 hospital beds and 93,495 health workers, including 63,328 women health volunteers trained on short-term maternity health and primary health care and working at the village level.⁶

People of all identity groups and classes either consult doctors (physicians or surgeons), if available and affordable, and then go to paramedics for the treatment of acute illnesses, or do not consult with any medical professionals. Doctors' services are not usually available in rural and remote areas because doctors choose not to work in those areas and the changes of a private medical institution earning a profit in such areas are slim.⁷ Paramedics usually provide health care services in such areas. Proportions of the population who have consulted doctors for the treatment of acute illnesses vary across different castes and ethnic groups. About 34 percent of hill Brahmins have consulted doctors for treatment of acute illnesses, which is the largest proportion out of all the caste and ethnic groups. About 31 percent of Muslims and Terai Dalits have consulted with doctors for such treatment (Table 7.5).

6 MOF, 2013: 221.

7 There are 1,954 doctors under government health service (primarily in hospitals and health centres), 8,563 health assistants, 12,550 nurses, 394 Kaviraj (Ayurvedic doctor), 360 Baidya (Ayurvedic health assistant) and 3,190 health workers are employed in health institutions like hospitals (107), Ayurvedic hospitals (293) and health centres, primary health centres (204), health posts (2,175) and sub-health-posts (1,665). Several posts for medical doctors have remained vacant for many years. For a more detailed discussion, see *Ministry of Finance 2013, Economic Survey FY 2012-2013* (16 July 2012- 15 July 2013).

Hill indigenous peoples, except Newars, have the lowest rates of consultations with doctors, with around 13 to 18 percent having consulted with doctors for the treatment of acute illnesses. Instead, large proportions of hill and Terai indigenous peoples other than Newars (about 27 percent) consult paramedics for the treatment of acute illnesses. Large proportions of hill Dalits (35 percent) and hill Chhetris (32 percent) also consult with paramedics for the treatment of acute illnesses. Pharmacists are also a significant source of treatment for acute illnesses and about 16 percent of the national population has consulted with them. Across all caste and ethnic groups, the proportions of people who consult with Kaviraj/Vaidya are negligible. A small proportion of the population (1.2 percent), most of whom are indigenous peoples, consult with traditional healers and more than 7 percent of marginalized indigenous peoples like the Kumal, Sunuwar, Majhi and Chepang cluster consult traditional healers for the treatment of acute illnesses. This shows that dependence on traditional healing practices is eroding and traditional knowledge of health care is gradually disappearing for various reasons.

Astonishingly, 33 percent to 48 percent of hill indigenous peoples have not consulted anyone for the treatment of acute illnesses (see Table 7.5). This is a serious matter of public concern and more research is required to determine the extent to which lack of consultation with medical professionals is due to factors like the increasing medicalization of life; impersonalized medical care and hospital treatment (see Box 9); the dominance of health practitioners; the growing tendency to strip patients of their rights and dehumanize the medical consultation process; increasing instances of a patient's wealth influencing whether they are admitted into hospitals; and institutional discrimination and cultural disconnects in dealing with sick people in distress. Claims are mounting regarding increasingly irresponsible behavior and depersonalized practices of medical practitioners, as well as reports that more affluent patients receive better medical care, while impoverished patients are neglected or refused admission altogether. The medical industry in Nepal has also been accused of inadequate communication with patients, unavailable medical services in times of need, a growing trend of doctors earning their qualifications based on their ability to pay and not their capabilities, and a pervasive practice of

medical schools offering bribes of Rs. 100 to 150 million for the right to claim a university affiliation.⁸

Table 7.5: Percentage of health consultations for acute illnesses by practitioner type and ethnicity

Ethnic/Caste group	Consulted					Not consulted	Total
	Doctor	Para-med	Ka-viraj/Vaid-hya	Phar-macist	Trad-itional/other		
Hill Brahmins	33.66	26.05	0.15	11.26	0.57	28.30	100.00
Hill Chhetris	24.42	31.93	0.00	12.84	1.31	29.51	100.00
Terai Castes	24.14	27.02	0.32	21.08	0.92	26.52	100.00
Hill Dalits	23.32	35.03	0.25	15.12	0.60	25.67	100.00
Kami	21.72	33.17	0.00	17.79	0.24	27.08	100.00
Other hill Dalits	24.90	36.85	0.50	12.51	0.95	24.29	100.00
Terai Dalits	30.86	21.90	0.00	25.90	0.00	21.35	100.00
Indigenous Peoples	19.34	26.00	0.41	12.89	2.07	39.30	100.00
Newar (hill Indig-enous Peoples)	28.06	20.51	0.28	11.37	1.61	38.17	100.00
Other hill Indig-enous Peoples	16.18	27.29	0.35	11.02	2.35	42.82	100.00
Magar	13.28	30.19	0.48	14.65	2.67	38.74	100.00
Tamang	16.78	21.80	0.00	10.81	2.30	48.31	100.00
Rai	14.85	33.18	1.29	2.08	1.93	46.66	100.00
Gurung	23.98	29.48	0.00	3.92	0.00	42.62	100.00
Limbu	17.80	24.18	0.00	11.07	1.37	45.59	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	19.16	25.17	0.00	12.43	0.00	43.24	100.00
Kumal, Sunu-war, Majhi, Chepang etc.	17.91	22.03	0.00	19.34	7.33	33.38	100.00
Terai Indigenous Peoples	21.25	26.74	0.69	19.35	1.65	30.32	100.00
Tharu	20.94	28.75	0.53	15.91	0.51	33.36	100.00

8 See Bhatta, Nadhavi. 2013. 'Birami Arpatalharu' (Sick Hospitals) in Annapurna Post, July 31, 2013.

Other Terai Indigenous Peoples	21.82	23.08	0.97	25.61	3.73	24.79	100.00
Other (Muslim etc.)	31.12	29.19	2.14	20.02	0.68	16.86	100.00
Total	24.46	27.91	0.35	15.50	1.23	30.56	100.00

Source: CBS 2011, NLSS III

The most accessible and affordable health institutions in Nepal are governmental sub-health posts and health posts in rural areas and private clinics and pharmacies in urban centres. About 28 percent of Limbu, 25.2 percent of hill Dalits other than Kami, 18.5 percent of Kami, 18.1 percent of Magar, 17.6 percent of hill Chhetri and 17.1 percent of Tamang have consulted sub-health posts for the treatment of acute illnesses (see Annex Table 23). For other groups, the rate of consultations with sub-health posts falls below the national average. Rai and groups belonging to Kumal cluster have the highest rates of consulting health posts for the treatment of acute illnesses, with 19 percent and 16 percent respectively. Gurungs have better access to public health centres compared to all other groups. The figures in Table 7.8 demonstrate that hill Dalits, hill Chhetris and hill indigenous peoples other than Newar have highest rate of dependence on health posts and sub-health posts for treatment of acute illnesses.

Among all groups enumerated in NLSS III, hill Brahmins have the highest proportion of their population that has consulted hospitals for the treatment of acute illnesses with (16.2 percent), followed by hill Dalits (14.4 percent), hill Chhetris (13.5 percent) and Newars (13.4 percent). Disaggregating by indigenous group, the Gurung (15.6 percent), Limbu (14.6 percent) and Tamang (13.2 percent) groups have the highest proportions of their populations that have consulted with hospitals for treatment compared to other indigenous groups.

Private clinics are the major source of health care consultations in cities and urban centres. High proportions of Newars and the Sherpa, Bhujel, Bhote and Thakali cluster (about 36 percent each) and Muslims (35 percent) have consulted private clinics for the treatment of acute illnesses. On average, 27 percent of the national population visits clinics

for health care and medical consultation. Private hospitals are the most expensive option in Nepal and patients are not admitted until and unless they pay a certain deposit amount. There is no health insurance system in the country. Private hospitals are usually for the care of affluent and powerful people. Patients and their relatives often have to spend all their earnings and property for the treatment of a disease or injury. Substantial proportions of Gurung (17 percent) and the Sherpa, Bhujel, Bhote and Thakali cluster (14.8 percent) have gone to private hospitals for treatment of acute illnesses, which may mean that these indigenous groups are becoming more well off in recent years and more capable of financing the enormous treatment costs at private hospitals. Limbus and the Kumal, Majhi, Sunuwar and Chepang cluster have the least access to private hospital facilities. The health consultation figures reveal that hill Brahmins use the services of government hospitals more than those of private hospitals, though the proportion of their population using the services of private hospitals is not much lower than that of other groups.

Annex Table 23: Percentage of health consultations for acute illnesses by type of health institution and by ethnicity/caste

Ethnic/Caste group	Government Institutions						Private Institutions				Total
	Sub-health post	Health post	Public health centre	Hospital	Other	Sub-total	Pharmacy	Clinic	Private hospital	Other	Sub-total
Hill Brahmins	12.71	10.92	3.97	16.15	1.24	44.99	15.61	29.41	7.41	2.58	55.01
Hill Chhetris	17.60	8.20	2.92	13.50	1.24	43.46	23.30	24.88	5.45	2.91	56.54
Terai Castes	9.36	4.44	1.83	6.46	3.24	25.33	31.30	32.03	2.44	8.90	74.67
Hill Dalits	21.94	9.71	3.38	14.41	0.00	49.44	21.30	22.22	5.31	1.72	50.55
Kami	18.54	10.46	5.03	15.84	0.00	49.87	20.66	24.56	3.96	0.96	50.14
Other hill Dalits	25.16	9.00	1.82	13.07	0.00	49.05	21.91	20.02	6.58	2.44	50.95
Terai Dalits	10.99	7.44	0.00	10.19	3.32	31.94	35.34	27.06	3.01	2.64	68.05
Indigenous Peoples	12.42	8.82	2.77	10.04	2.81	36.86	25.66	25.32	6.77	5.40	63.15
Newar (hill Indigenous Peoples)	3.43	7.35	1.86	13.36	0.22	26.22	25.41	35.81	7.64	4.94	73.80
Other hill Indigenous Peoples	16.11	10.51	3.34	10.19	3.23	43.38	21.12	22.11	7.23	6.15	56.61

Magar	18.13	7.91	2.58	7.25	5.40	41.27	26.55	21.30	6.48	4.39	58.72	100.00
Tamang	17.13	9.55	2.54	13.20	1.58	44.00	22.36	19.39	9.80	4.45	56.00	100.00
Rai	14.78	18.96	2.23	11.44	3.55	50.96	10.03	26.25	2.71	10.04	49.03	100.00
Gurung	8.78	14.35	13.60	15.60	0.00	52.33	9.34	21.31	17.02	0.00	47.67	100.00
Limbu	27.81	2.40	2.93	14.57	2.40	50.11	23.79	23.58	0.00	2.51	49.88	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	10.13	6.47	4.02	5.14	0.00	25.76	13.60	35.78	14.79	10.06	74.23	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	9.28	15.88	0.00	7.83	3.48	36.47	26.38	17.11	1.11	18.92	63.52	100.00
Terai Indigenous Peoples	10.28	5.97	2.08	7.35	3.66	29.34	36.26	25.30	5.11	3.98	70.65	100.00
Tharu	10.24	8.07	1.89	6.67	5.13	32.00	35.07	29.44	2.68	0.80	67.99	100.00
Other Terai Indigenous Peoples	10.35	2.59	2.39	8.45	1.30	25.08	38.17	18.61	9.04	9.09	74.91	100.00
Other (Muslim etc.)	4.05	4.78	1.21	12.36	3.74	26.14	24.88	35.21	4.68	9.07	73.84	100.00
Total	13.05	7.89	2.54	11.30	2.25	37.03	25.26	27.47	5.28	4.97	62.98	100.00

Source: CBS 2011, NLSS III.

7.4. Expenditure on health consultation

Contrary to popular belief, the average cost of treatment for acute illnesses, including diagnostic and other service costs, costs of medicine and travel costs, in government health facilities is slightly higher than the cost of treatment in private health institutions, particularly private clinics and hospitals. The cost of treatment for chronic illnesses and diseases in private hospitals is several times higher than that of government hospitals, depending upon the nature of illness or disease and the service standards of the hospitals or nursing homes. However, the same does not apply in the case of treatment of acute illnesses, except for severe injuries. Private hospitals in Nepal have complete control in determining the costs for diagnosis, treatment and patient care. There is no effective system of compensation or special care for patients who suffer adverse health effects or threat to life as a result of errors in diagnosis, medication/drug therapy and/or surgery. Thus, treatment of illnesses involves financial and personal risks, apart from the costs of the institutional treatment process itself. The NLSS III reveals that the mean expenditure on hill Brahmins' most recent consultation for treatment of acute illnesses was Rs. 1,391 in government health institutions and Rs. 982 in private institutions. For the Sherpa, Bhujel, Bhote and Thakali cluster, the most recent costs were Rs. 8,794 for treatment in government institutions and Rs. 983 for treatment in private health institutions. For Rai, the most recent costs were Rs. 2,792 and Rs. 1,737, respectively (Table 7.6). The overall cost of health consultation for indigenous peoples in government health institutions (Rs. 1,690) was high compared to other groups, but such cost was lower in private institutions (Rs. 981).

Table 7.6: Mean expenditure (in Rs.) of most recent consultation in government and private institutions for acute illness by type of consultation and ethnicity/caste

Ethnic/Caste group	Government institution				Private institution			
	Diagnostic & other service cost	Medicine cost	Travel cost	Total cost	Diagnostic & other service cost	Medicine cost	Travel cost	Total cost
Hill Brahmins	377	820	194	1391	193	732	57	982
Hill Chhetris	105	576	164	844	202	720	102	1024
Terai castes	148	570	46	764	135	944	54	1132
Hill Dalits	177	524	98	800	98	531	69	698
Kami	111	332	67	510	106	540	39	685
Other hill Dalits	241	709	129	1079	91	522	96	709
Terai Dalits	92	552	34	679	164	814	66	1043
Indigenous peoples	627	896	168	1690	258	644	78	981
Newar (hill Indigenous Peoples)	435	1909	157	2501	406	599	46	1051
Other hill Indigenous Peoples	795	828	199	1822	291	655	103	1048
Magar	628	874	142	1644	241	533	72	846
Tamang	362	720	178	1259	410	594	107	1111
Rai	1361	1018	413	2792	577	990	170	1737
Gurung	497	474	169	1140	238	635	78	950
Limbu	163	341	54	558	120	605	40	765
Sherpa, Bhujel, Bhote, Thakali etc.	5025	3266	502	8794	210	534	239	983
Kumal, Sunuwar, Majhi, Chepang etc.	890	391	118	1399	59	1027	89	1175
Terai Indigenous Peoples	177	488	68	733	89	660	56	805
Tharu	237	490	82	809	64	631	44	738
Other Terai Indigenous Peoples	52	485	40	577	127	702	73	902
Other (Muslim etc.)	157	1147	42	1346	195	804	51	1050
Total	312	722	133	1167	191	748	70	1010

Source: CBS 2011, NLSS III

7.5. Disability

The prevalence of disability across castes and ethnic groups does not vary widely. Higher rates of disability are found within the hill Brahmin (4.2 percent), hill Dalit (4.1 percent), Gurung (4.9 percent), Tamang (4.8 percent) and Terai indigenous groups other than Tharu (4.4 percent) (Table 7.7). The prevalence of physical disability was higher among Tharus (49.6 percent), the Sherpa, Bhujel, Bhote and Thakali cluster (47.7 percent) and Terai Dalits (40.7 percent). Among all people with disabilities, about 36 percent of Rai and 31 percent of hill Dalits other than Kami are visually disabled. Among individuals with both a visual and hearing disability, about 7 percent and 5 percent respectively belong to two indigenous groups, Tamang and Rai – the highest proportions of persons with such disability among all ethnic groups. Mental disability is heavily concentrated among Terai indigenous peoples (32.1 percent). The highest proportion of persons with multiple disabilities has been found among hill indigenous peoples other than Newar (10.8 percent). Though disability does not seem to be correlated with caste or ethnicity, the uneven distribution of certain types of disability among the caste and ethnic groups deserves in-depth examination.

Table 7.7: Percentage of population by type of disability

Ethnic/Caste group	Disability	Type of disability						Total
		Physical	Visual	Hearing	Visual and hearing	Speech	Mental	
Hill Brahmins	4.18	29.35	28.90	18.66	1.36	4.94	10.67	100.00
Hill Chhetris	3.54	31.07	17.38	26.52	1.95	8.73	5.09	100.00
Terai Castes	2.79	19.07	25.98	30.48	1.24	10.30	4.27	100.00
Hill Dalits	4.13	34.84	22.91	29.04	1.41	6.62	2.63	100.00
Kami	4.35	31.92	15.10	41.45	2.80	6.78	1.95	100.00
Other hill Dalits	3.92	37.82	30.89	16.34	0.00	6.46	3.31	100.00
Terai Dalits	2.70	40.67	19.78	21.58	0.00	7.42	4.67	100.00
Indigenous Peoples	3.65	30.51	20.52	19.75	3.51	8.77	8.79	100.00
Newar (hill Indigenous Peoples)	3.45	19.08	28.87	25.89	2.97	7.75	11.28	100.00
Other hill Indigenous Peoples	3.87	29.88	20.19	19.38	3.59	10.22	5.98	100.00
Magar	3.43	36.55	17.60	20.00	1.95	9.10	0.00	100.00
Tamang	4.79	26.34	17.18	23.55	7.25	12.05	9.79	100.00
Rai	3.70	22.90	35.53	9.22	5.46	17.67	6.06	100.00
Gurung	4.90	25.77	23.58	22.16	0.00	0.00	10.17	100.00
Limbu	3.72	21.54	16.75	24.70	0.00	13.93	0.00	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	3.54	47.66	13.29	11.08	0.00	11.08	5.96	100.00

Kumal, Sunuwar, Majhi, Chepang etc.	2.20	32.30	16.75	12.09	0.00	0.00	0.00	16.40	22.47	100.00
Terai Indigenous Peoples	3.20	42.53	14.41	15.72	3.70	4.78	4.78	16.14	2.72	100.00
Tharu	2.59	49.56	19.72	20.23	3.65	1.84	1.84	2.50	2.50	100.00
Other Terai Indigenous Peoples	4.43	34.31	8.21	10.46	3.76	8.21	8.21	32.08	2.97	100.00
Other (Muslim etc.)	3.66	20.06	24.27	25.42	5.02	16.69	16.69	4.32	4.22	100.00
Total	3.56	29.23	22.29	23.45	2.38	8.57	8.57	6.83	7.25	100.00

Source: CBS 2011, NLSS III

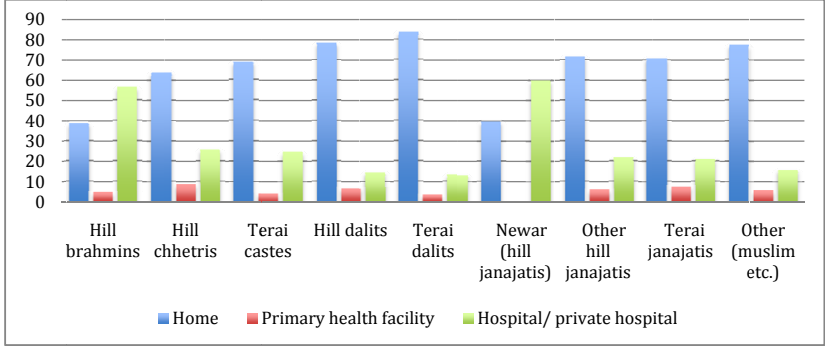
7.6. Maternal health

Maternal health services are not evenly distributed in the country and delivering a baby in an unsafe environment without assistance of health practitioners is a leading cause of injury and mortality of mothers. Utilization of health care institutions for delivery varies across different caste and ethnic groups. On average, 26 percent of women give birth in hospitals (either public or private) and six percent of women give birth in primary health care facilities (sub-health posts, health posts or primary health centres). About 61 percent of hill Brahmin women have delivered a baby in a health care facility and have received assistance from skilled or professional health practitioners, whereas only 27 percent of hill indigenous women have done so, with the exception of Newar (60 percent) and Gurung (42.5 percent) (see Annex Table 24). Around 28 percent of Terai indigenous women have used health care facilities for childbirth, and Terai caste women report similar numbers. A substantial proportion of hill Chhetri women (34 percent) have given birth in primary health facilities and hospitals. Hill Dalit women (21 percent) and Terai Dalit women (16 percent) have least access to such facilities for delivery. Newar and hill Brahmin women have the highest proportion of women, 60 percent and 57 percent respectively, who have given birth to their babies in public and private hospitals with assistance of health practitioners. This is about three times larger than the proportion of non-Newar indigenous women and four times larger than that of Dalit women who have given birth in hospitals with the assistance of health practitioners (see Chart 7.3).

About 75 percent of indigenous women other than Newars give birth to their babies in their homes assisted by family members and neighbors. Slightly less than half of Gurung women have delivered their babies in a hospital, and the rest gave birth in their homes. This indicates a huge gap in access to health care facilities within Gurung communities. The gap in access to health care facilities is also apparent from the figures showing that about seven percent of all women have received services from traditional birth attendants (TBAs), yet TBAs provided delivery care services to 13 to 15 percent of indigenous and Dalit women. Traditional birth attendants are voluntary delivery care providers who provide services for the well-being of the service recipients, not for

monetary gain. These days, modern medical practitioners also train TBAs. The most common type of delivery is still home delivery with assistance from family members and neighbours, although it is certainly not immune from health risks. Women from the richest quintile have seven times more birth deliveries in hospitals than the women from the poorest quintile (68.9 percent versus 9.8 percent).⁹ Thus, hospital birth delivery is indicative of affluence and conversely, home birth delivery of deprivation. News reports reveal that affluent families even charter helicopters to bring expectant mothers to the hospitals of Kathmandu for safe delivery.¹⁰ In sum, more than two-thirds of women, particularly those belonging to indigenous peoples, Dalits, Terai castes and Muslim groups, still do not use primary health facilities and hospitals or the care of health practitioners for childbirth (see Box 9).

Chart 7.3: Distribution of birth deliveries by place of delivery



9 CBS 2011, Volume One, Table 7.8.

10 'Helicopter charter for birth delivery' titled news published in Annapurna Post daily on July 29, 2013 is an example. Other Dailies have also reported. such news

Annex Table 24: Distribution of birth deliveries by place and assistance of delivery

Ethnic/Caste group	Place of delivery					Assistance at delivery				
	Home	Primary health facility	Hospital/private hospital	Other	Total	Family member/neighbor	Traditional birth attendant	Health practitioner	None and other	Total
Hill Brahmins	38.48	4.48	56.42	0.62	100.00	32.70	6.59	59.94	0.77	100.00
Hill Chhetris	63.99	8.44	25.73	1.84	100.00	58.03	4.29	35.52	2.16	100.00
Terai Castes	68.68	4.27	24.55	2.51	100.00	55.66	8.76	35.09	0.49	100.00
Hill Dalits	78.50	6.44	14.47	0.59	100.00	69.69	6.65	21.45	2.21	100.00
Kami	76.85	7.38	14.58	1.19	100.00	68.68	6.26	22.28	2.79	100.00
Other hill Dalits	80.12	5.52	14.35	0.00	100.00	70.68	7.02	20.64	1.66	100.00
Terai Dalits	83.66	3.16	13.18	0.00	100.00	65.86	14.88	17.53	1.73	100.00
Indigenous Peoples	68.19	5.46	25.59	0.75	100.00	59.95	7.36	30.29	2.40	100.00
Newar (hill Indigenous Peoples)	39.96	0.00	60.04	0.00	100.00	41.87	4.61	53.53	0.00	100.00
Other hill Indigenous Peoples	71.84	5.71	21.61	0.84	100.00	64.05	5.93	26.38	3.64	100.00
Magar	72.13	6.24	19.32	2.31	100.00	64.15	6.46	27.15	2.23	100.00
Tamang	69.62	2.40	27.98	0.00	100.00	66.99	2.10	27.23	3.67	100.00
Rai	78.54	6.66	14.80	0.00	100.00	67.03	9.84	19.72	3.40	100.00
Gurung	57.49	0.00	42.51	0.00	100.00	47.11	7.08	45.81	0.00	100.00
Limbu	86.43	0.00	13.57	0.00	100.00	81.19	7.73	11.08	0.00	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	71.54	11.75	16.71	0.00	100.00	51.26	13.21	35.53	0.00	100.00

Kumal, Sunuwar, Majhi, Chepang etc.	70.39	14.52	15.09	0.00	100.00	61.37	3.66	18.66	16.30	100.00
Terai Indigenous Peoples	70.86	7.26	21.03	0.86	100.00	56.66	12.65	30.69	0.00	100.00
Tharu	68.80	9.28	20.38	1.54	100.00	53.70	12.98	33.32	0.00	100.00
Other Terai Indigenous Peoples	73.45	4.71	21.84	0.00	100.00	60.39	12.24	27.37	0.00	100.00
Other (Muslim etc.)	77.21	5.67	15.94	1.18	100.00	70.57	6.69	21.17	1.56	100.00
Total	67.16	5.67	25.92	1.25	100.00	58.13	7.30	32.85	1.71	100.00

Source: CBS 2011, NLSS III

Box 9: Birth delivery in an open space in front of hospital maternity ward

Twenty-eight year old Kalawati Ram, a Dalit woman of Prakashpur village in Sunsari district, was brought to B.P. Medical Institute, Dharan, the nearest reputed hospital, on referral of local Rima Polyclinic to obtain better medical services for her upcoming delivery. She arrived at the medical institute at eleven o'clock at night on 27 July 2013, accompanied by her husband and relatives. Ratna Kumar Ram, the husband of the patient, repeatedly made a humble request to the on-duty doctors, nurses and other hospital staff for admission. He explained that he was poor and unable to bring his wife to another medical facility because of her impending childbirth. The hospital personnel simply refused them admission, saying that no bed was available, and made no efforts to assist the couple with alternate service arrangements, although the hospital is very well-equipped. When Ratna Kumar Ram made repeated request and insisted that the hospital admit his wife, the hospital staff scolded him and invited him to go to the police to complain. The patient, meanwhile, was crying in pain throughout the night, but the doctors and nurses did not show any sympathy towards her. Her husband kept her in the open lane in front the hospital maternity ward after being unable to obtain her admission. After ten hours of birth pangs, Kalawati gave birth to a baby girl, but the baby died soon after due to lack of immediate proper care and treatment. A few minutes after she gave birth, a nurse came and took the newborn to the maternity ward and kept her on a bed on the floor. She did not receive any treatment there for three hours. She and her husband decided to go home and left the hospital.

Journalists and columnists from a reputable daily newspaper were at the hospital by chance and spoke with Kalawati and her husband. Ram Kumar narrated the story of their bitter hospital experience to the journalists, explaining that they had come to the hospital believing that it was an abode of gods, but they learned instead that it was the house of Yamaraj (the god of death). Kalawati and Ratna Kumar shared their experience and explained that the doctors, nurses and staff of the big hospital did not appear to have any humanity, compassion or empathy towards patients who are suffering and in pain due to illnesses of various sorts. They explained that the knowledge and skills of the hospital personnel were not made available to poor and powerless people suffering from illnesses and deprivation. This case has received extensive news coverage and has drawn the attention of the masses, with reactions pouring in from various corners. Ram Kumar is a poor Dalit with one katha (3645 sq. ft) of land who sews shoes and plays musical instruments for a living.

He believes that his newborn baby could have been saved if medical care had been given to her in time and thinks that nature was kind enough to save his beloved wife. He feels that justice will be served for the harm suffered by him and his wife if actions are taken against hospital authorities for their irresponsible behaviour towards poor and powerless people like him.

Source: Annapurna Post, July 29 and 31, 2013 and other local dailies

Pre-natal and post-natal care has been introduced in the country in recent decades to reduce maternal mortality. However, services were limited to certain urban areas and its rapid expansion into rural areas is a recent phenomenon. Quality pre-natal care is crucial to detecting complications and identifying risk factors in relation to pregnancy and childbirth, and taking appropriate precautions including immunization to ensure a safe birth and healthy growth of the child. On average, 78 percent of all women giving live births during the six months preceding the date of the NLSS III survey had received some kind of pre-natal care.

There is considerable variation in the proportions of women across different caste and ethnic groups who consulted health facilities for pre-natal care (Chart 7.4). About 96 percent of Hill Brahmin women have received pre-natal care from health care facilities, in contrast to 61 percent of women belonging to the Kumal, Sunuwar, Majhi and Chepang cluster (Table 7.8). Hill indigenous women other than Newars have the least access to pre-natal care from health facilities and only about 71 percent of them received pre-natal care from governmental and private health facilities. Government health facilities are used at almost the same rate by women belonging to different identity groups. However, the highest proportions of women consulting government health facilities for pre-natal care come from the Rai (96.6 percent), the Sherpa, Bhujel, Bhote, Thakali cluster (93.6 percent), Terai indigenous peoples (93.3 percent), Limbu (93 percent), Magar and Tamang (91 percent each) and hill Dalit (92.1 percent) groups. These groups mostly consulted governmental sub-health posts, health posts and primary health centres. Meanwhile, the highest proportions of Newar women (29.9 percent), Terai caste women (26.5 percent), Tharu women (22.7 percent) and Gurung women (21.1 percent) have received pre-natal

care services from private health facilities. This shows that all factors – availability, accessibility and affordability of the services, behaviours and attitudes of the service providers, motivation of the service recipients and family members and perception of the community – contribute to determining whether a woman will use the pre-natal services of health facilities.

In the same vein, higher proportions of Newar and Brahmin women have received post-natal care in health institutions, mostly from government health facilities, with 50.73 percent and 26.61 percent respectively receiving such care (Chart 7.4). About 22 percent of hill Chhetri women and 18 percent of hill Dalit women have received post-natal care and 83 to 85 percent of these service recipients consulted with government health facilities. The proportions of Terai indigenous women and hill indigenous women other than Newars receiving pre-natal care are only 17 percent and 18 percent respectively. More than 81 percent of indigenous women who received post-natal care received such services from government health facilities.

Chart 7.4: Distribution of women consulting health facilities for pre & post-natal care

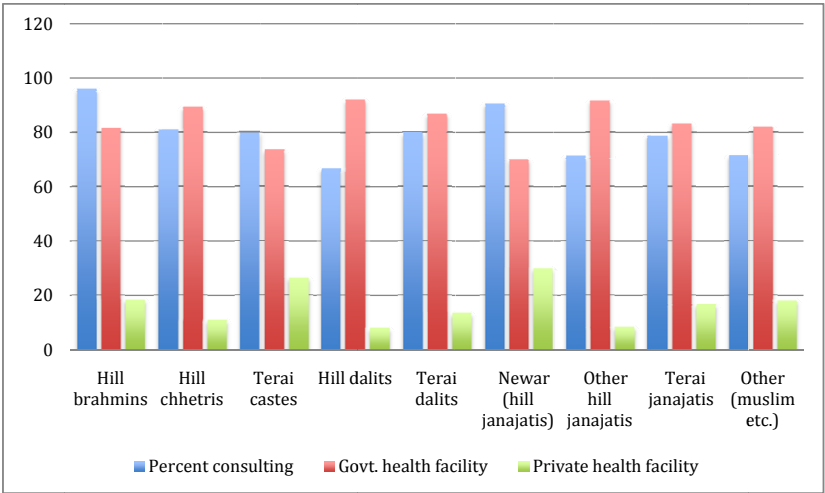


Table 7.8: Distribution of women consulting health facilities for pre and post-natal care by facility type and ethnicity

Ethnic/Caste group	Pre-Natal Care				Post-Natal Care			
	Percent consulting	Govt. health facility	Private health facility	Total	Percent consulting	Govt. health facility	Private health facility	Total
Hill Brahmins	95.92	81.56	18.44	100.00	26.61	74.62	25.38	100.00
Hill Chhetris	80.98	89.16	10.84	100.00	21.66	82.98	17.02	100.00
Terai Castes	79.77	73.53	26.47	100.00	15.94	64.79	35.21	100.00
Hill Dalits	66.73	92.13	7.87	100.00	18.26	84.95	15.05	100.00
Kami	63.68	92.71	7.29	100.00	14.48	86.58	13.42	100.00
Other hill Dalits	69.70	91.60	8.40	100.00	21.95	83.90	16.10	100.00
Terai Dalits	79.87	86.64	13.36	100.00	12.78	46.31	53.69	100.00
Indigenous Peoples	75.01	86.79	13.21	100.00	21.28	81.18	18.82	100.00
Newar (hill Indigenous Peoples)	90.57	70.12	29.88	100.00	50.73	79.12	20.88	100.00
Other hill Indigenous Peoples	71.13	91.62	8.38	100.00	17.91	87.60	12.40	100.00
Magar	74.08	91.01	8.99	100.00	15.21	88.38	11.62	100.00
Tamang	66.23	91.13	8.87	100.00	24.74	81.69	18.31	100.00
Rai	72.78	96.62	3.38	100.00	16.89	100.00	0.00	100.00
Gurung	61.41	78.93	21.07	100.00	21.10	82.40	17.60	100.00
Limbu	82.84	92.95	7.05	100.00	0.00	-	-	-
Sherpa, Bhujel, Bhote, Thakali etc.	88.55	93.59	6.41	100.00	23.67	90.11	9.89	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	60.63	92.78	7.22	100.00	11.09	100.00	0.00	100.00
Terai Indigenous Peoples	78.81	83.30	16.70	100.00	17.30	65.23	34.77	100.00
Tharu	88.27	77.26	22.74	100.00	19.01	65.83	34.17	100.00
Other Terai Indigenous Peoples	66.89	93.33	6.67	100.00	15.14	64.27	35.73	100.00
Other (Muslim etc.)	71.50	81.91	18.09	100.00	12.07	90.19	9.81	100.00
Total	78.24	84.15	15.85	100.00	19.45	77.48	22.52	100.00

Source: CBS 2011, NLSS III

7.7. Women's role in final decisions on obtaining health care

Women's involvement in household decisions on obtaining health care is important from the perspective of women empowerment, as health care involves substantial costs for the household (including treatment fees, payments for professional assistance, materials, transportation facilities, essential medicines, etc.) and male household heads usually have more responsibility over household expenses. The NLSS III measured data on household health care decisions by asking respondents to answer questions regarding decisions that were made in the preceding 12 months. At the national level, slightly more than one-fourth of the female spouses of household heads or female household heads (27.79 percent) make the final decision on obtaining health care. Hill Dalit women (39.24 percent) and indigenous women (30.81 percent) other than Newars are somewhat more likely to be involved in final health care decisions compared to the national average (Table 7.9). Women from economically, socially, educationally and politically advanced groups like hill Brahmin (27.44 percent) and Newar (26.95 percent) are less likely to make these decisions, with just 27.44 percent and 26.95 percent respectively making final health care decisions for their household. They are less likely to have power over this decision than most indigenous women, such as Magar (30.06 percent), Rai (33.86 percent), Gurung (36.60 percent), Limbu (56.54 percent), the Sherpa, Bhujel, Bhote and Thakali cluster (37.20 percent) and Terai indigenous women other than Tharu (34.46 percent), even though these groups are still struggling for emancipation from perpetual discrimination, deprivation, domination and exclusion. Hill Chhetri women have also been found influential in making health care decisions for their household and about 31.7 percent of them have the final say in health care decisions. Almost 50 percent of hill Chhetri households make final decisions on the health care through the joint efforts of both spouses. Terai Dalit spouses are exemplary in this regard, with 62 percent of households making the final decision on health care through decision-making. These figures indicate that women's roles in household affairs and their control over their health and body is increasing, challenging the traditional dominant Hindu norms.

Table 7.19: Women in making final decision in obtaining health care for self (responses of women)

Ethnic/Caste group	Wife	Husband	Both	Other	Total
Hill Brahmins	27.44	14.62	46.55	11.39	100.00
Hill Chhetris	31.66	11.08	48.55	8.70	100.00
Terai Castes	16.29	12.62	60.37	10.72	100.00
Hill Dalits	39.24	11.77	43.11	5.88	100.00
Kami	35.57	12.39	46.56	5.48	100.00
Other hill Dalits	42.46	11.22	40.08	6.23	100.00
Terai Dalits	23.68	8.48	61.73	6.11	100.00
Indigenous Peoples	29.15	11.57	51.40	7.88	100.00
Newar (hill Indigenous Peoples)	26.95	14.15	48.81	10.09	100.00
Other hill Indigenous Peoples	30.81	10.65	51.24	7.31	100.00
Magar	30.06	8.10	53.23	8.61	100.00
Tamang	23.88	12.41	55.60	8.12	100.00
Rai	33.86	9.41	54.29	2.43	100.00
Gurung	36.60	11.03	49.23	3.14	100.00
Limbu	56.54	10.54	28.06	4.86	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	37.20	15.95	38.81	8.03	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	22.07	13.80	51.47	12.65	100.00
Terai Indigenous Peoples	26.62	11.95	53.80	7.64	100.00
Tharu	22.05	13.04	58.11	6.80	100.00
Other Terai Indigenous Peoples	34.46	10.08	46.39	9.07	100.00
Other (Muslim etc.)	24.44	9.75	55.64	10.17	100.00
Total	27.79	11.87	51.51	8.83	100.00

Source: CBS 2011, NLSS II

At the national level, 20.5 percent of final household decisions regarding children's health care are made by women, whereas the male household head makes only 10.5 percent of such decisions alone and about 56 percent of such decisions are made jointly by both parents (Table 7.10). Among the different caste and ethnic groups, a large proportion of women are responsible for the final decisions on children's health care among the Gurung (37.69 percent), Limbu (33 percent), Kami (31.14 percent) and other hill Dalit (29.76 percent) groups. Table

7.14 demonstrates that both parents make final decisions regarding children's treatment and health care jointly in about 68 percent of Terai Dalit households, 64 percent of Tharu households, 61 percent of Terai caste households and 60 percent of Tamang households. This shows that both parents tend to take on children's health care as a primary responsibility, although the roles of the mother are increasing.

Table 7.10: Women's role in final decisions on obtaining health care for their children

Ethnic/Caste group	Wife	Husband	Both	Other	Total
Hill Brahmins	19.87	10.80	52.97	16.36	100.00
Hill Chhetris	24.80	10.22	53.52	11.46	100.00
Terai Castes	12.44	12.23	61.25	14.08	100.00
Hill Dalits	30.38	7.85	48.67	13.10	100.00
Kami	31.14	9.33	50.07	9.46	100.00
Other hill Dalits	29.76	6.63	47.50	16.11	100.00
Terai Dalits	10.82	6.31	67.86	15.00	100.00
Indigenous Peoples	21.56	10.48	55.29	12.67	100.00
Newar (hill Indigenous Peoples)	20.55	10.02	58.69	10.74	100.00
Other hill Indigenous Peoples	22.56	10.36	53.99	13.09	100.00
Magar	21.64	8.04	53.89	16.42	100.00
Tamang	16.49	13.31	60.32	9.88	100.00
Rai	24.21	7.13	63.04	5.62	100.00
Gurung	37.69	7.18	42.53	12.59	100.00
Limbu	33.00	13.13	53.87	0.00	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	24.64	19.70	35.12	20.54	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	21.39	11.51	45.25	21.85	100.00
Terai Indigenous Peoples	19.75	11.07	56.32	12.86	100.00
Tharu	17.28	8.79	63.70	10.23	100.00
Other Terai Indigenous Peoples	24.21	15.18	42.99	17.62	100.00
Other (Muslim etc.)	16.00	13.90	55.10	14.99	100.00
Total	20.48	10.49	55.61	13.42	100.00

Source: CBS 2011, NLSS III Data Set

ACCESS TO FACILITIES

8.1. Access to facilities

The Government has made efforts to develop physical infrastructure and expand facilities in order to improve the quality of life of the people. The NLSS III has gathered data on each household's access to facilities, analyzing a total of 24 types of facilities that are instrumental in enhancing or broadening life opportunities of the people. People have been struggling for centuries to obtain better access facilities, including schools for education; health posts or hospitals for health care; safe drinking water for good health; roads for fast transportation; post offices for posting letters and important documents and executing money transfers; telephone and internet connection for long-distance communication; and market centres, agricultural centres, cooperatives and banks for enabling economic enterprises and financial transactions. The NLSS has defined 'access' in terms of the time taken for one-way travel to reach a given facility. The shorter the time taken to reach a facility, the higher the degree of access.¹ It is a widely acclaimed proposition that all people should have "broadly equal access to social and material means necessary for living a flourishing life" and a socially just and fully democratic society should ensure that all people "have broadly equal access to the necessary means to participate meaningfully in decisions about things which affect their lives."² The NLSS data on access to facilities, which are "social and material means necessary for a flourishing life" and also means of enhancing participation in society, is important to achieving these goals in Nepal. Disaggregated data by caste/ethnicity and gender will facilitate a broader understanding of the equality and equity of access to such facilities.

1 Ibid, p. 51

2 Wright 2012:17.

8.2. Access to primary school

On an average, about 95 percent of households in Nepal have access to a primary school within 30 minutes of their home. The proportions of hill indigenous peoples households other than Newars (90.4 percent), hill Chhetris (91.8 percent) and hill Dalits (93.5 percent) with access to a primary school within 30 minutes are below the national average (Table 8.1). Indigenous households rank the lowest in terms of access to a primary school within 30 minutes. For 12 percent of Kumal, Sunuwar, Majhi and Chepang households, 10 percent of Rai households and 8 percent of Tamang households, it takes 30 minutes to one hour to reach the nearest primary school. A small percentage of indigenous households must travel between one and two hours in order to reach the nearest primary school. About 5 percent of Kumal, Sunuwar, Majhi and Chepang households, 4 percent of Rai households, 2 percent of Sherpa, Bhujel, Bhote and Thakali households and the same percentage of Magar and hill Dalit households must travel one to two hours to reach the nearest primary school. It takes more than 30 minutes to reach schools for 17 percent of Kumal, Sunuwar, Majhi and Chepang households and 15 percent of Rai households. Thus, hill indigenous peoples have the lowest rate of access to primary schools, but their access is still relatively good at this level of education with about 90 percent of hill indigenous households able to access a primary school within 30 minutes and the remaining households having to travel more than 30 minutes and up to 2 hours to reach the nearest primary schools.

Table 8.1 Distribution of households by time taken to reach the nearest primary school

Caste/Ethnic group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	97.76	2.24	0.00	0.00	0.00	100.00
Hill Chhetris	91.77	6.42	1.49	0.18	0.15	100.00
Terai Castes	97.57	2.19	0.24	0.00	0.00	100.00
Hill Dalits	93.54	4.67	1.79	0.00	0.00	100.00
Kami	92.81	5.52	1.67	0.00	0.00	100.00

Other hill Dalits	94.20	3.90	1.90	0.00	0.00	100.00
Terai Dalits	99.16	0.84	0.00	0.00	0.00	100.00
Indigenous Peoples	93.14	5.66	1.14	0.00	0.06	100.00
Newar (hill Indigenous Peoples)	97.99	2.01	0.00	0.00	0.00	100.00
Other hill Indigenous Peoples	90.36	7.70	1.84	0.00	0.10	100.00
Magar	90.54	7.53	1.61	0.00	0.32	100.00
Tamang	90.86	8.46	0.69	0.00	0.00	100.00
Rai	85.48	10.34	4.18	0.00	0.00	100.00
Gurung	96.82	2.16	1.01	0.00	0.00	100.00
Limbu	96.02	3.98	0.00	0.00	0.00	100.00
Sherpa, Bhu-jel, Bhote, Thakali etc.	91.92	6.36	1.72	0.00	0.00	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	82.92	12.01	5.07	0.00	0.00	100.00
Terai Indigenous Peoples	97.34	2.66	0.00	0.00	0.00	100.00
Tharu	97.14	2.86	0.00	0.00	0.00	100.00
Other Terai Indigenous Peoples	97.71	2.29	0.00	0.00	0.00	100.00
Other (Muslim etc.)	98.23	1.15	0.62	0.00	0.00	100.00
Total	94.65	4.36	0.91	0.03	0.05	100.00

Source: CBS 2011, NLSS III

8.3. Access to secondary school

Access to secondary schools in terms of time taken to reach the nearest school is a key factor for continued admission and retention in the higher grade levels. Terai groups have better access to secondary schools on average than hill groups. About 87 percent of Terai castes

have access to the nearest secondary school within 30 minutes of their home, followed by 86 percent of Newar households (Table 8.2). Terai Dalits also have comparatively good access with about 82 percent of households able to reach a secondary school within 30 minutes. Among the remaining groups, hill Brahmins have the best access to secondary schools with 80 percent of households able to access to the nearest secondary school within 30 minutes and 95 percent of households having access within 30 minutes to an hour. This shows that a greater proportion of secondary schools are established in Brahmins concentrated areas of the hills, which is likely because of their better connections with the concerned state authorities. Thus, hill Brahmins have been successful in monopolizing educational opportunities, in addition to Newars, mostly those living in urban centres, who also have good access to secondary schools. Hill Chhetris rank second among hill caste and ethnic groups in this regard, with 65 percent of households having access to secondary schools within 30 minutes and 84 percent of households having access within 30 minutes to one hour.

Hill indigenous peoples are the least advantaged in terms of access to secondary schools, with the lowest proportion of households (55.2 percent) having access to secondary schools within 30 minutes. Less than half of Limbu households and the Kumal, Sunuwar, Majhi and Chepang cluster have access to the nearest secondary school within 30 minutes. Instead, slightly more than 14 percent of Limbu households and 12 percent of Magar households have to spend two to three hours to reach the nearest secondary school. Another extreme case is that of Gurungs; 13 percent of Gurung households must travel more than three hours to reach the nearest secondary school. Similarly, five percent of Kumal, Sunuwar, Majhi and Chepang households must travel more than three hours to reach the nearest secondary school.

Table 8.2: Distribution of households by time taken to reach the nearest secondary school

Caste/Ethnic group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	80.06	15.08	3.95	0.91	0.00	100.00
Hill Chhetris	65.36	18.42	12.87	2.81	0.54	100.00

Terai Castes	86.51	11.26	1.84	0.24	0.14	100.00
Hill Dalits	64.05	19.37	13.84	1.14	1.61	100.00
Kami	55.05	24.65	16.10	1.21	2.99	100.00
Other hill Dalits	72.15	14.61	11.80	1.08	0.36	100.00
Terai Dalits	81.75	10.69	6.87	0.69	0.00	100.00
Indigenous Peoples	65.56	16.54	11.61	3.96	2.33	100.00
Newar (hill Indigenous Peoples)	86.42	8.63	4.06	0.89	0.00	100.00
Other hill Indigenous Peoples	55.15	19.39	15.56	6.13	3.77	100.00
Magar	50.32	17.96	16.34	12.48	2.90	100.00
Tamang	51.78	21.35	18.69	3.98	4.20	100.00
Rai	57.94	25.41	15.60	0.00	1.05	100.00
Gurung	77.03	7.08	3.34	0.00	12.55	100.00
Limbu	47.02	18.36	20.17	14.45	0.00	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	67.47	20.43	10.81	0.00	1.29	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	50.32	22.98	17.10	4.75	4.85	100.00
Terai Indigenous Peoples	78.79	14.98	6.24	0.00	0.00	100.00
Tharu	76.13	19.77	4.10	0.00	0.00	100.00
Other Terai Indigenous Peoples	83.81	5.94	10.25	0.00	0.00	100.00
Other (Muslim etc.)	77.11	19.66	2.87	0.37	0.00	100.00
Total	71.46	16.11	9.04	2.27	1.11	100.00

Source: CBS 2011, NLSS III

8.4. Access to higher secondary school

Newar, hill Brahmins and Terai indigenous peoples all have similar levels of access to higher secondary schools, as measured by the time taken to reach the nearest school. About 76 percent of Newar

households, 70 percent of hill Brahmin households and about the same proportion of Terai indigenous households have access to the nearest higher secondary school within 30 minutes (Table 8.3). Hill indigenous peoples are the most disadvantaged in this regard, as only 39 percent of households have access to higher secondary schools within 30 minutes. Among them, Magar, Limbu and Rai are the most disadvantaged with 29 percent, 34 percent and 35 percent of their households able to access a higher secondary school within 30 minutes, respectively. About 24 percent of hill indigenous peoples other than Newar have to spend more than two hours in transit just to reach the nearest higher secondary school, which makes higher secondary education practically inaccessible due to the great time, distance and associated costs required to attend. The gap in access between dominant caste groups on the one hand (with the exception of Chhetris) and indigenous peoples (other than Newars) on the other increases at higher levels of education.

Table 8.3: Distribution of households by the time taken to reach the nearest higher secondary school

Caste/Ethnic group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	69.93	17.59	9.49	2.66	0.33	100.00
Hill Chhetris	51.16	19.41	18.82	6.15	4.46	100.00
Terai Castes	64.11	26.42	8.03	0.44	0.99	100.00
Hill Dalits	41.98	21.28	20.24	10.56	5.94	100.00
Kami	33.79	21.81	24.89	14.39	5.11	100.00
Other hill Dalits	49.35	20.80	16.06	7.12	6.68	100.00
Terai Dalits	64.87	21.20	13.21	0.00	0.72	100.00
Indigenous Peoples	52.07	17.56	15.51	7.09	7.78	100.00
Newar (hill Indigenous Peoples)	75.76	12.71	10.10	1.14	0.29	100.00
Other hill Indigenous Peoples	39.41	17.72	19.45	11.12	12.30	100.00
Magar	29.28	16.01	22.70	19.79	12.22	100.00
Tamang	46.57	17.62	18.78	6.08	10.94	100.00
Rai	35.43	18.77	19.41	15.74	10.65	100.00

Gurung	56.06	13.19	7.62	0.92	22.21	100.00
Limbu	34.11	25.56	21.49	2.72	16.12	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	45.53	16.49	35.21	0.00	2.77	100.00
Kumal, Sunu- war, Majhi, Chepang etc	42.85	23.90	8.97	12.03	12.24	100.00
Terai Indigenous Peoples	69.70	21.57	8.18	0.00	0.55	100.00
Tharu	67.54	26.64	5.47	0.00	0.35	100.00
Other Terai Indigenous Peoples	73.77	12.03	13.27	0.00	0.93	100.00
Other (Muslim etc.)	65.78	25.02	8.83	0.37	0.00	100.00
Total	56.31	19.91	14.27	5.12	4.40	100.00

Source: CBS 2011, NLSS III

8.5. Access to health post

Good health is a concern for every individual, family, community and across all sectors of society. Health is associated with productivity, creativity, capability, innovation, familial and social cohesion and overall well-being. Health posts (including sub-health posts) are the primary health care institutions of the government, operating in almost all Village Development Committees within Nepal. Health posts usually offer the services of health assistants, nurses and health workers and maternity care is also typically provided, depending upon the physical facilities and skilled care providers. Essential drugs (forty types of drugs for the treatment of mostly acute illnesses, including various types of infectious/contagious diseases) are also freely distributed to the patients, but are not adequate as needed. Access to health posts is measured in terms of time needed (on foot or by vehicle) needed to reach the nearest health post and does not necessarily ensure availability or quality of services, though some minimum level of service can be presumed.

Terai castes have relatively good access to health posts, as do Newars, hill Brahmins and Terai indigenous peoples. About 85 percent of

Terai caste households have access to the nearest health post within 30 minutes from their homes (Table 8.4). Similarly, 78 percent of Terai indigenous households have access to health posts within 30 minutes. This shows that health posts are more accessible in the Terai and the better transportation facilities in that region may contribute to convenient accessibility. Among hill caste and ethnic groups, Newars (77 percent) are the most privileged as they are living mostly in urban areas. About 63 percent of hill Brahmin households have access to the nearest health post within 30 minutes and another 20 percent of households have access to a health post between 30 minutes and one hour from their homes.

Less than half of the total households of hill indigenous peoples other than Newars (48.2 percent) have access to health posts within 30 minutes. The most disadvantaged among all castes and ethnicities (nationalities/peoples) are the Kumal, Sunuwar, Majhi and Chepang cluster of indigenous peoples, with only about 41 percent of households having access to a health post within 30 minutes. About 59 percent of households in the Kumal, Sunuwar, Majhi and Chepang cluster and Magar households have to spend between 30 minutes and three hours to reach the nearest health post and 18 percent of Gurung households spend more than three hours to reach the nearest health post. Terai Dalits have better access to health posts compared to hill indigenous peoples, with 76.5 percent of Terai Dalits having access to a health post within 30 minutes and only 48.2 percent of hill indigenous peoples having the same level of access. Hill Brahmins also have relatively strong access to health posts, with 62.6 percent able to access such facility within 30 minutes. The access of hill Chhetris (51.5 percent) and hill Dalits (49.4 percent) is on par with that of hill indigenous peoples.

Table 8.4: Distribution of households by time taken to reach the nearest health post

Caste/ethnic group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	62.56	20.41	15.12	1.32	0.59	100.00
Hill Chhetris	51.53	24.95	18.14	3.66	1.72	100.00
Terai Castes	84.65	11.63	3.00	0.56	0.17	100.00

Hill Dalits	49.38	26.05	21.66	1.34	1.57	100.00
Kami	41.45	29.21	25.06	0.91	3.37	100.00
Other hill Dalits	56.26	23.32	18.71	1.72	0.00	100.00
Terai Dalits	76.52	14.97	6.86	0.82	0.82	100.00
Indigenous Peoples	58.25	21.99	12.81	3.84	3.12	100.00
Newar (hill Indigenous Peoples)	77.04	15.95	6.22	0.44	0.35	100.00
Other hill Indigenous Peoples	48.20	24.44	17.03	5.75	4.59	100.00
Magar	41.24	24.61	20.53	11.38	2.24	100.00
Tamang	51.22	22.01	17.56	3.59	5.62	100.00
Rai	59.20	26.41	11.01	0.56	2.81	100.00
Gurung	56.84	11.15	13.02	1.41	17.59	100.00
Limbu	42.15	33.73	16.10	6.78	1.23	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	48.53	31.22	18.27	0.00	1.99	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	40.87	29.68	16.60	7.70	5.15	100.00
Terai Indigenous Peoples	77.74	18.39	3.59	0.00	0.28	100.00
Tharu	76.79	19.73	3.05	0.00	0.43	100.00
Other Terai Indigenous Peoples	79.59	15.78	4.64	0.00	0.00	100.00
Other (Muslim etc.)	74.85	20.93	4.22	0.00	0.00	100.00
Total	61.83	20.96	12.98	2.49	1.74	100.00

Source: CBS 2011, NLSS III

8.6. Access to PHC/public hospitals

Newars, Terai Castes and hill Brahmins have better access to public hospitals and primary health centres (PHC) where expert medical services are available compared to all other groups. Medical doctors (usually MBBS level, rarely MD or MS level) are available in these institutions, and so more complicated cases directly admitted or

referred by health posts are generally treated here or referred to more sophisticated hospitals for specialized care and treatment. About 59 percent of Newar households and 40 percent of Terai caste households and hill Brahmin households each have access to public hospitals and PHCs within 30 minutes (Table 8.5). A wide variation exists among Chhetri households, with 30 percent of households having access to public hospitals and PHCs within 30 minutes and 26 percent of households having to travel more than three hours to reach such facilities. However, the access of hill Chhetris to such health care facilities is still considerably better than that of hill Dalits and hill indigenous peoples. Around 24 percent of hill indigenous households and 37 percent of Terai indigenous households have access to public hospitals or PHCs within 30 minutes, slightly better than hill Dalit households, among which only 21 percent have access to hospitals or PHCs within 30 minutes. Among all caste and ethnic groups, Magar and Limbu are the most disadvantaged with just 16 percent and 17 percent of households respectively having access to hospitals and PHC within 30 minutes. For 50 percent of Limbu households, 36 percent of Rai households and 34 percent each of Magar and Kumal, Sunuwar, Majhi and Chepang cluster households, it takes more than three hours to reach the nearest hospital or PHC. Accessibility in terms of time taken to reach hospitals or PHCs does not guarantee timely and quality care or treatment, and it is only one factor in determining a patient's chances of recovery as delayed treatment can lead to serious complications for some patients.

Table 8.5: Distribution of households by time taken to reach the nearest public hospital/PHC

Caste/Ethnic group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	39.84	19.93	21.75	7.00	11.48	100.00
Hill Chhetris	30.11	14.63	20.75	8.13	26.38	100.00
Terai Castes	40.32	34.93	18.89	4.39	1.48	100.00
Hill Dalits	20.66	16.82	21.36	15.73	25.44	100.00
Kami	18.48	13.36	25.27	20.36	22.54	100.00
Other hill Dalits	22.62	19.93	17.84	11.56	28.05	100.00
Terai Dalits	35.05	30.95	27.83	4.72	1.45	100.00

Indigenous Peoples	32.92	16.28	17.21	11.89	21.69	100.00
Newar (hill Indigenous Peoples)	59.27	14.32	11.40	12.22	2.79	100.00
Other hill Indigenous Peoples	23.89	14.33	15.83	14.08	31.86	100.00
Magar	15.61	12.92	19.70	17.90	33.86	100.00
Tamang	27.20	17.64	14.46	13.34	27.35	100.00
Rai	24.90	12.93	12.34	13.85	35.98	100.00
Gurung	37.99	16.45	16.18	5.32	24.05	100.00
Limbu	17.20	6.21	7.52	19.38	49.69	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	33.49	13.76	21.60	7.83	23.31	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	24.94	15.70	12.61	12.92	33.83	100.00
Terai Indigenous Peoples	36.71	24.22	26.94	4.74	7.40	100.00
Tharu	36.67	28.16	26.12	5.27	3.77	100.00
Other Terai Indigenous Peoples	36.77	16.78	28.47	3.73	14.25	100.00
Other (Muslim etc.)	36.96	28.18	28.41	5.18	1.27	100.00
Total	33.58	20.18	20.00	9.25	17.00	100.00

Source: CBS 2011, NLSS III

8.7. Access to clinic/private hospital

Newars and hill Brahmins have the highest level of access to clinics and/or private hospitals of all the caste and ethnic groups. About 78 percent of Newar households and 68 percent of hill Brahmin households have access to clinics or private hospitals within 30 minutes (Table 8.6). Terai indigenous peoples, Terai caste groups and Terai Dalits are on par in their levels of access, with around 60 percent of households in each group able to access a clinic or private hospital within 30 minutes. Increased transportation facilities in the Terai have likely contributed to greater access to these facilities. Private clinics, hospitals and nursing

homes are increasing in cities, town areas, urban centres, suburban areas and village clusters with high population concentration in the Terai. These facilities are being developed for both profit and service motives, and their construction has also contributed to making Terai people more advantaged compared to hill people. Hill Dalits and hill indigenous peoples are the most disadvantaged in terms of access to private hospitals. About 37 percent of hill Dalit households and 40 percent of hill indigenous peoples' households other than Newar are fortunate enough to have access to clinics and private hospitals within 30 minutes. Among all caste and ethnic groups, some indigenous peoples groups fall significantly below the national average in terms of access to clinics or private hospitals within 30 minutes, including the Kami (32.1 percent), Magar (32.6 percent) and Rai (37 percent) and the Kumal, Sunuwar, Majhi and Chepang cluster (39 percent). These low rates of access are around half of the rates of hill Brahmins and Newars who are able to access a clinic or private hospital within 30 minutes. It takes more than three hours to reach the nearest clinic or private hospital for needed health care services for 30 percent of Rai households, 29 percent of Limbu households, 28 percent of Magar households and 27 percent of Tamang households. About 23 percent of hill Chhetris and 22 percent of hill Dalits are able to access such facilities within 30 minutes.

Table 8.6: Distribution of households by time taken to reach the nearest clinic/private hospital

Caste/ethnic group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	68.22	9.83	11.09	3.33	7.54	100.00
Hill Chhetris	47.47	9.93	12.82	7.15	22.62	100.00
Terai Castes	60.33	24.48	11.39	2.96	0.85	100.00
Hill Dalits	36.77	12.11	16.29	12.76	22.07	100.00
Kami	32.09	9.59	19.55	16.08	22.68	100.00
Other hill Dalits	40.97	14.38	13.35	9.78	21.53	100.00
Terai Dalits	59.79	19.12	15.44	4.20	1.45	100.00
Indigenous Peoples	51.37	13.12	10.44	7.95	17.11	100.00

Newar (hill Indigenous Peoples)	77.71	6.72	8.35	5.88	1.35	100.00
Other hill Indigenous Peoples	40.35	12.94	11.05	10.60	25.07	100.00
Magar	32.56	15.19	11.16	13.23	27.86	100.00
Tamang	43.26	13.47	8.10	8.30	26.88	100.00
Rai	36.94	7.96	11.40	13.37	30.33	100.00
Gurung	59.12	9.53	8.40	1.48	21.47	100.00
Limbu	41.42	16.48	4.86	8.46	28.78	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	47.03	13.85	30.16	6.17	2.78	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	39.13	12.01	13.58	19.47	15.81	100.00
Terai Indigenous Peoples	61.44	19.66	10.49	1.58	6.83	100.00
Tharu	59.70	24.74	9.75	2.41	3.39	100.00
Other Terai Indigenous Peoples	64.70	10.08	11.90	0.00	13.32	100.00
Other (Muslim etc.)	51.96	24.12	16.73	4.98	2.21	100.00
Total	53.36	14.23	12.08	6.61	13.72	100.00

Source: CBS 2011, NLSS III

8.8. Access to cooperatives

A cooperative is a financial institution or business enterprise owned and managed by a group of people (the members), who all share in the profits. Cooperatives have a long history in Nepal of more than half a century, but the cooperative movement gained particular momentum in the mid-1990s. Cooperatives are of different types based on their purpose and functional nature: saving and credit, multipurpose, agriculture, dairy, consumers, electricity, vegetables and fruits, tea, coffee, medicinal herbs, beekeeping, communication, health, sugarcane, *junar* (sweet orange/*Citrus sinensis*) and others. About 27,900 cooperatives (Sajha/Sahakari) are functioning in the

country today and about 12,000 cooperatives are involved in financial transactions or savings and credit operations. More than 4.1 million individuals are members of these cooperatives.³ It is difficult to say who is benefitting from cooperatives as data on the members, their identities and other relevant information has not been made public so far. Some cooperatives have only women members and are managed by committees elected by those women members. The roles and functions of cooperatives are expanding spontaneously everyday and cooperatives are becoming a key component of Nepal's social economy, emerging as market cooperative economy.

Newar, Gurung and hill Brahmin groups have better access to cooperatives compared to all other groups (Table 8.7). Among indigenous peoples, about 86 percent of Newar households have access to cooperatives within 30 minutes. Among the remaining hill indigenous peoples, less than 49 percent of households, below than national average (54 percent), have access to cooperatives within 30 minutes. Out of all the indigenous groups, Magars have the lowest rate of access to cooperatives, with just 39.8 percent having access to cooperatives within 30 minutes. Out of all the caste and ethnic groups, Terai Dalit households have the lowest proportion of households having access to cooperatives within 30 minutes (39.2 percent), followed by Terai caste households (40.2 percent). The proportion of hill Chhetri households having such access is 53.2 percent, closer to the national average.

When we examine the rates of access to cooperatives of within one hour, the differences in levels of access between different caste and ethnic groups become more stark: hill Dalits (61.4 percent) and hill indigenous groups (64.8 percent), particularly Magar (54.8 percent), Limbu (59.7 percent), and Rai (60 percent), have the least access to cooperatives within one hour, whereas hill Brahmin (83.6 percent), hill Chhetri (68.6 percent) and Terai caste groups (71.5 percent) have a relatively high rate of access to cooperatives within one hour. These differences in rates of access to cooperatives reflect differential access of diverse groups to emerging economic activities. Dominant castes appear to have better access to newly expanding economic institutions

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like cooperatives for upward economic mobility compared to other groups, with the exception of Newar. Among indigenous groups, Gurungs and the Sherpa, Bhujel, Bhote and Thakali cluster have considerably improved their access to cooperatives, including financial institutions, enabling them to be more involved in gainful economic activities in recent years.

Nearest Sajha/Sahakari (cooperative)

Caste/Ethnic group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	71.35	12.29	8.62	2.92	4.82	100.00
Hill Chhetris	53.23	15.42	13.16	4.92	13.27	100.00
Terai Castes	40.24	31.50	20.80	5.76	1.70	100.00
Hill Dalits	42.53	18.88	17.15	11.62	9.83	100.00
Kami	33.96	20.22	20.10	14.77	10.95	100.00
Other hill Dalits	50.24	17.66	14.50	8.78	8.81	100.00
Terai Dalits	39.18	33.48	18.37	7.95	1.01	100.00
Indigenous peoples	57.18	15.87	11.41	6.70	8.84	100.00
Newar (hill Indigenous Peoples)	85.63	8.12	4.76	0.60	0.89	100.00
Other hill Indigenous Peoples	48.95	15.86	12.26	9.94	12.99	100.00
Magar	39.80	14.97	17.39	15.23	12.61	100.00
Tamang	52.40	16.66	9.35	7.25	14.34	100.00
Rai	47.92	12.03	11.46	10.29	18.30	100.00
Gurung	72.76	10.30	7.12	0.00	9.82	100.00
Limbu	48.08	21.75	6.01	6.01	18.15	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	49.00	25.12	17.40	7.19	1.29	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	47.37	19.33	9.82	14.78	8.71	100.00
Terai Indigenous Peoples	56.49	23.12	14.95	2.22	3.23	100.00
Tharu	57.54	28.78	10.29	3.40	0.00	100.00

Other Terai Indigenous Peoples	54.51	12.45	23.72	0.00	9.32	100.00
Other (Muslim etc.)	49.56	27.96	17.03	4.42	1.04	100.00
Total	53.90	18.83	13.61	6.09	7.57	100.00

Source: CBS 2011, NLSS III

8.9. Access to agricultural centres

Access to agricultural centres is crucial in modern times, as the thrust of agricultural development is in production and productivity, modernization and commercialization of the sector and diversification of crops. There is also a growing emphasis on agricultural production of comparatively high value crops, food security and sustainable use of natural resources. Agricultural centres provide technical support and inputs to farmers and these centres are of immense value for indigenous peoples who are mainly dependent on agriculture for their livelihoods (see Chapter 4 and Chapter 5 for detailed discussion).

Newars and hill Brahmins are the two most privileged groups from the perspective of access to agricultural centres, as 65 percent of Newar households and 54 percent of hill Brahmin households can reach the nearest agricultural centre in less than 30 minutes (Table 8.8). About 45 percent of Terai Dalit households and 43 percent of Terai caste households have access to the nearest agricultural centre within 30 minutes, followed by 47 percent of Terai indigenous households. Hill indigenous households have the lowest rates of access to agricultural centres, with 31.3 percent able to access a centre in 30 minutes. The remaining two-thirds of hill indigenous households do not have access to an agricultural centre within 30 minutes, despite their heavy reliance on agriculture for their subsistence. These households are thus unable to share in the benefits offered by scientific advancement and from government subsidized agricultural inputs. For 50 percent of hill indigenous households it takes more than one hour to reach the nearest agricultural centres, making the services of such centres more costly to them. Hill Dalits are in a similar situation, whereas less than 24 percent of hill Brahmin households, 42 percent of hill Chhetri

households and 21 percent of Terai caste households are facing a similar situation.

Table 8.8: Distribution of households by time taken to reach the nearest agricultural centre

Caste/Ethnic group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	53.95	22.40	12.86	6.38	4.42	100.00
Hill Chhetris	41.75	16.68	20.40	9.10	12.08	100.00
Terai Castes	43.47	35.49	15.57	4.72	0.75	100.00
Hill Dalits	31.33	19.29	24.16	13.65	11.57	100.00
Kami	29.00	17.59	24.26	17.06	12.09	100.00
Other hill Dalits	33.42	20.83	24.07	10.58	11.10	100.00
Terai Dalits	44.93	29.02	20.27	4.36	1.42	100.00
Indigenous Peoples	40.56	18.58	16.63	11.52	12.72	100.00
Newar (hill Indigenous Peoples)	64.74	13.96	10.35	5.94	5.00	100.00
Other hill Indigenous Peoples	31.26	18.53	17.67	15.39	17.15	100.00
Magar	26.85	18.81	17.81	22.72	13.81	100.00
Tamang	31.31	22.53	16.82	11.42	17.92	100.00
Rai	29.99	13.68	16.61	18.34	21.38	100.00
Gurung	52.53	12.48	13.52	0.92	20.55	100.00
Limbu	22.00	14.61	17.26	13.54	32.60	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	36.09	16.35	35.91	10.35	1.29	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	28.23	25.61	13.18	16.88	16.10	100.00

Teraï Indigenous Peoples	47.22	23.04	19.18	4.57	5.99	100.00
Tharu	51.74	28.35	15.33	3.96	0.61	100.00
Other Teraï Indigenous Peoples	38.70	13.03	26.43	5.73	16.11	100.00
Other (Muslim etc.)	47.98	34.84	15.67	0.75	0.76	100.00
Total	42.77	22.26	17.40	8.85	8.72	100.00

Source: CBS 2011, NLSS III

8.10. Access to banks

Hundreds of financial institutions are operating in the country and the size of the traditional informal economy is gradually decreasing as the formal sector has begun to penetrate more deeply into Nepali society. The number of banks of various types (development banks, rural banks, agriculture development banks, commercial banks, etc.) is increasing in recent years and their branches are spreading throughout most urban centres and sub-urban areas of the country. Increasing utilization of bank services reflects the public's increased participation in formal economic activities.

About 41 percent of all households in the country have access to banks within 30 minutes of their homes. Newars have the highest proportion of households, about 69 percent, with access to commercial banks within 30 minutes (Table 8.9). As in other areas, hill Brahmins also have a high rate of access with 53 percent of households spending less than 30 minutes to reach the nearest commercial bank. Hill Dalits are the most disadvantaged in access to banks as only 22 percent of their households have access to banks within 30 minutes. Among indigenous peoples, about 30 percent of hill indigenous households and 42 percent of Teraï indigenous households have access to banks within 30 minutes, a slightly better rate than that of Dalit households, but lagging far behind in access compared to hill Brahmin households.

It takes more than three hours to reach the nearest bank for 53 percent of Limbu households, 38 percent of Rai households, 34 percent of Magar

households and 27 percent of Tamang households. These groups are the most disadvantaged in terms of access to banks. About 29 percent of hill Chhetri households and 28 percent of hill Dalit households also must travel more than three hours to reach the nearest bank. These similar figures of hill Chhetris and hill Dalits are striking and beg further exploration.

Table 8.9: Distribution of households by time taken to reach the nearest bank and ethnicity

Ethnic/Caste group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	52.68	13.51	15.41	6.52	11.89	100.00
Hill Chhetris	40.37	10.72	14.34	6.01	28.56	100.00
Terai Castes	38.22	30.36	19.64	6.78	4.99	100.00
Hill Dalits	22.50	14.62	19.42	15.41	28.05	100.00
Kami	21.96	10.27	20.90	20.60	26.27	100.00
Other hill Dalits	22.98	18.53	18.09	10.73	29.66	100.00
Terai Dalits	37.28	24.78	27.66	7.73	2.55	100.00
Indigenous Peoples	39.45	13.91	15.27	10.39	20.98	100.00
Newar (hill Indigenous Peoples)	68.59	6.85	8.74	10.79	5.03	100.00
Other hill Indigenous Peoples	29.90	12.62	15.14	11.51	30.83	100.00
Magar	21.49	10.41	16.60	17.17	34.33	100.00
Tamang	32.51	18.69	14.51	7.64	26.65	100.00
Rai	27.23	10.24	13.28	11.24	38.01	100.00
Gurung	48.55	10.33	11.17	6.65	23.30	100.00
Limbu	21.65	19.08	0.91	4.97	53.40	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	38.09	3.63	32.96	15.07	10.25	100.00

Kumal, Sunuwar, Majhi, Chepang etc.	37.68	10.02	17.32	10.50	24.49	100.00
Terai Indigenous Peoples	42.28	24.55	21.74	6.49	4.94	100.00
Tharu	46.84	30.60	17.16	5.40	0.00	100.00
Other Terai Indigenous Peoples	33.70	13.15	30.38	8.52	14.25	100.00
Other (Muslim etc.)	41.50	24.32	23.07	4.78	6.33	100.00
Total	39.85	16.45	16.90	8.64	18.17	100.00

Source: CBS 2011, NLSS III

8.11. Access to market centre

Market centres have begun to play an important role in the supply of basic commodities and as exchanges for the buying and selling of goods. They are thus becoming a vital part of the modernizing economy. Agricultural households, cottage and small industries and even big industries rely on market centres for selling their products and individuals primarily go to their nearest market centre to buy essential commodities and sell their products. Access to markets reflects increased participation in productive activities, financial transactions and the market economy, and thus improved standards of life.

As demonstrated in Table 8.10, about 71 percent of Newar households have access to the nearest market centre within 30 minutes, followed by 54 percent of Terai caste households and 52 percent of Terai indigenous households. Hill Chhetris are also in a somewhat better position than hill indigenous peoples other than Newars and hill Dalits, with about 43 percent households having access to market centres within 30 minutes of their homes. Hill Dalits are the most disadvantaged in this regard, as less than 29 percent of their households have access to a market centre within 30 minutes. This may indicate that either market centres are less meaningful to them or the market has failed to penetrate Dalit communities because of the prevailing caste-based economy. Terai

Dalits have better access to market centres than hill Dalits, with 44.5 percent able to access a centre within 30 minutes. This is most likely due to the topographical advantage of transportation in the Terai.

Hill indigenous peoples other than Newar are in better position than hill Dalits but worse than Terai Dalits, with 33 percent of their households having access to market centres within 30 minutes. Among all groups, irrespective of caste or ethnicity, only small proportions of Limbu (23.37 percent) and Magar (23.44 percent) groups have market centres within 30 minutes. This may indicate that the market economy and arrangements are less impressive and effective for them and the reasons for this require further exploration. Large proportions, ranging from 22 to 30 percent, of Magar, Tamang, Rai, Gurung and Limbu households, constituting about one-fifth of the total population, have to devote more than three hours to reach the nearest market centres. These are lower rates of access than most other groups, with the exception of Dalits and hill Chhetris.

Table 8.10: Distribution of households by time taken to reach the nearest market centre

Ethnic/Caste group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	50.79	20.43	16.65	7.30	4.83	100.00
Hill Chhetris	42.58	12.54	19.69	8.76	16.43	100.00
Terai Castes	53.53	25.51	14.66	4.95	1.35	100.00
Hill Dalits	28.72	15.25	24.11	13.67	18.25	100.00
Kami	26.01	12.33	25.05	17.72	18.88	100.00
Other hill Dalits	31.17	17.88	23.25	10.02	17.68	100.00
Terai Dalits	44.52	25.87	21.73	6.47	1.42	100.00
Indigenous Peoples	44.08	15.16	15.47	10.52	14.77	100.00
Newar (hill Indigenous Peoples)	71.11	9.47	11.54	6.69	1.20	100.00
Other hill Indigenous Peoples	33.48	14.02	17.09	13.65	21.75	100.00

Magar	23.44	13.42	21.15	19.76	22.23	100.00
Tamang	40.21	17.03	12.79	8.32	21.64	100.00
Rai	31.95	10.30	11.42	18.66	27.67	100.00
Gurung	49.42	12.29	10.02	5.86	22.41	100.00
Limbu	23.37	21.07	12.20	13.48	29.88	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	41.36	6.58	44.44	4.84	2.78	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	36.60	15.67	17.40	14.13	16.20	100.00
Terai Indigenous Peoples	52.16	24.03	14.05	4.24	5.51	100.00
Tharu	53.21	29.83	10.09	6.50	0.38	100.00
Other Terai Indigenous Peoples	50.19	13.10	21.52	0.00	15.18	100.00
Other (Muslim etc.)	43.63	28.89	20.40	4.01	3.07	100.00
Total	44.70	17.86	17.53	8.81	11.10	100.00

Source: CBS 2011, NLSS III

8.12. Access to bus stops

Buses are the most common means for traveling long distances in Nepal. People through the decades have traveled by bus to shorten their travel time to distant places and overcome challenging terrain and difficult topographical features. Apart from Newars, Terai caste and ethnic groups have the highest rate of access to a bus stop within 30 minutes. About 87 percent of Newar households can reach the nearest bus stop within 30 minutes, followed by 78 percent each of Terai caste households and Terai Dalit households (Table 8.11). Among indigenous peoples, Terai groups have a higher rate of access to bus stops, with 76.6 percent of households able to access the nearest bus stop within 30 minutes. About 76 percent of hill Brahmin households can reach

the nearest bus stop within 30 minutes, which is the highest proportion of households among all hill caste and ethnic groups. Of the Chhetri households, 57 percent have access to a bus stop within 30 minutes.

Hill indigenous households other than Newars fare poorly in terms of access to the nearest bus stop. About 53 percent of hill indigenous households can access a bus stop within 30 minutes, which is below the national average of 66 percent of households. Among hill indigenous peoples, Limbu, Rai, Tamang and Magar have the least access to bus stops, with 37 percent, 44.8 percent, 50.3 percent and 52.9 percent of households respectively able to access a bus stop within 30 minutes of their homes. Hill Dalits are most disadvantaged from transportation facilities and have the lowest rate of access to bus stops, with just (50.8 percent) of households able to access a bus stop within 30 minutes.

Table 8.11: Distribution of households by time taken to reach the nearest bus stop

Ethnic/Caste group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	76.19	9.04	6.18	3.31	5.29	100.00
Hill Chhetris	56.68	9.56	11.11	5.97	16.68	100.00
Terai Castes	77.97	14.10	6.37	0.75	0.81	100.00
Hill Dalits	50.84	11.66	15.67	6.15	15.68	100.00
Kami	46.22	13.36	13.31	8.26	18.85	100.00
Other hill Dalits	55.00	10.13	17.79	4.25	12.83	100.00
Terai Dalits	78.20	11.05	8.04	1.27	1.45	100.00
Indigenous Peoples	63.77	11.88	7.66	5.52	11.18	100.00
Newar (hill Indigenous Peoples)	86.66	6.27	5.38	0.87	0.82	100.00
Other hill Indigenous Peoples	52.87	12.19	9.54	8.66	16.73	100.00
Magar	52.94	11.92	9.89	13.71	11.54	100.00
Tamang	50.33	19.91	8.51	5.71	15.54	100.00
Rai	44.79	5.46	11.48	3.98	34.29	100.00

Gurung	66.60	9.05	1.97	3.86	18.52	100.00
Limbu	37.07	8.57	13.24	13.54	27.58	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	68.09	11.27	14.89	1.48	4.28	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	60.33	6.82	10.53	14.89	7.44	100.00
Terai Indigenous Peoples	76.62	16.13	3.86	0.00	3.40	100.00
Tharu	77.18	18.18	4.40	0.00	0.25	100.00
Other Terai Indigenous Peoples	75.56	12.28	2.84	0.00	9.32	100.00
Other (Muslim etc.)	73.39	16.61	6.65	0.75	2.61	100.00
Total	66.02	11.50	8.59	4.32	9.58	100.00

Source: CBS 2011, NLSS III

8.13. Access to paved roads

Expansion of road networks is aimed at improving general transportation and accessibility in order to reduce poverty and mitigate the social exclusion of remote communities. Accessibility is measured by “population distribution, the extent and proximity of all-weather road network and the walk-time between road and residence.”⁴ The Department of Roads is directly involved in the expansion and maintenance of a network of strategic roads (highways, roads connecting district headquarters, regional roads, feeder roads, roads connecting international border towns/business centres, roads connecting industrial areas, etc.) and urban roads including ring roads. It provides technical support for district roads (roads funded by District Development Committees) and rural roads, including rural agricultural roads. It is claimed that the country had 21,093 kilometers

⁴ Department of Roads, MOPPW, 2007:2-5.

(km) of roads by mid-July 2010⁵ (during the NLSS III), of which 6,669 km were paved/blacktopped roads, 5,007 km were gravelled and 9,417 km were dirt roads. The roads were further extended to 23,209 km by mid-July 2011⁶ with 9,902 km of paved/blacktopped roads, 5,670 km of graveled roads and 7,637 km of dirt roads. Urban and rural connectivity increases considerably when motorable dirt roads are taken into consideration, but motorable dirt roads are usable only in good weather, and thus accessibility is reduced dramatically in the rainy reason.

The NLSS III reveals that for about half of the population (51 percent of households), the mean travel time to the nearest paved road is less than 30 minutes. When access to paved roads within two hours is taken into account, the proportion rises up to 75 percent of households (Table 8.12). Terai caste groups and Terai Dalits have better access to the nearest paved roads compared to all other groups. About 64 percent of Terai caste households and slightly less than 60 percent of Terai Dalit households can reach the nearest paved road within 30 minutes. Among Terai inhabitants, indigenous peoples are comparatively disadvantaged with 56 percent of households having access to such roads within 30 minutes. Among the hill caste and ethnic groups, 75 percent of Newar households and 61 percent of hill Brahmin households have access to paved roads within 30 minutes. As Newars typically live in urban centres, they naturally benefit from the greater road connectivity in urban areas, leading to their high level of access to paved roads. Hill Brahmins generally have better access to paved roads in comparison to hill indigenous peoples and hill Dalits, which may be due to their greater influence over decision makers in the country and the asymmetrical nature of development generating identity-based inequalities and inequities in benefit sharing. About 45 percent of hill Chhetri households have access to paved roads within 30 minutes. This is likely the result of neglect of large areas of the mid-western and far-western hills on the part of the government, which has resulted in limited networks of paved roads being built there.

5 MoF, July 2011. *Fiscal Survey: FY 2010-2011*, p 167.

6 MoF, July 2013. *Fiscal Survey: FY 2012-2013*, p. 166.

Less than 38 percent of hill indigenous households have access to paved roads within 30 minutes. Among them, Limbu, Rai and Magar are the most disadvantaged, with 27 percent, slightly less than 31 percent and 31 percent of their respective households having such access. Similarly, 38 percent of households of the Sherpa, Bhujel, Bhote and Thakali cluster have access to paved roads within 30 minutes, followed by 40 percent of households of the Kumal, Sunuwar, Majhi and Chepang cluster. Hill Dalits are the least advantaged among all groups in access to paved roads, with only 30 percent of their households having access to such roads within 30 minutes. On the other hand, access to paved roads within convenient travel time is a distant dream for many groups. It takes more than three hours to reach the nearest paved roads for 46 percent of Rai households, 34 percent of Magar households, 29 percent each of Limbu and Tamang households and 39 percent of Kami households are facing similar problems of accessibility.

Table 8.12: Distribution of households by time taken to reach the nearest paved road

Ethnic/Caste group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	61.29	9.56	11.04	6.81	11.29	100.00
Hill Chhetris	44.94	8.40	14.08	4.93	27.65	100.00
Terai Castes	64.10	19.42	10.46	3.08	2.93	100.00
Hill Dalits	29.86	11.66	17.57	7.67	33.24	100.00
Kami	28.08	8.88	17.38	6.87	38.79	100.00
Other hill Dalits	31.47	14.15	17.75	8.38	28.25	100.00
Terai Dalits	63.59	22.13	9.54	2.56	2.17	100.00
Indigenous Peoples	48.18	11.03	12.74	6.25	21.79	100.00
Newar (hill Indigenous Peoples)	74.81	5.73	8.78	2.30	8.38	100.00
Other hill Indigenous Peoples	37.80	10.66	13.04	7.98	30.51	100.00
Magar	31.29	12.77	9.91	11.86	34.17	100.00
Tamang	44.89	13.45	10.54	1.90	29.21	100.00

Rai	30.80	5.28	13.42	4.73	45.77	100.00
Gurung	56.47	5.95	13.04	1.69	22.85	100.00
Limbu	26.85	15.96	13.19	14.79	29.21	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	38.05	4.92	35.48	8.86	12.69	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	39.70	9.04	16.11	20.64	14.51	100.00
Terai Indigenous Peoples	55.80	17.29	15.56	4.51	6.85	100.00
Tharu	59.86	18.51	14.85	4.95	1.84	100.00
Other Terai Indigenous Peoples	48.45	15.07	16.86	3.73	15.89	100.00
Other (Muslim etc.)	59.01	19.41	7.29	6.34	7.94	100.00
Total	51.03	12.30	12.51	5.65	18.50	100.00

Source: CBS 2011, NLSS III

8.14. Access to dirt roads

The network of dirt roads, including rural roads, rural agricultural roads, rural access roads, feeder roads and district roads, is extending throughout the country. Annual grants provided by the government to Village Development Committees (at least Rs. 1.5 million for each VDC) are playing vital roles for the extension of motorable roads in rural areas. On average, 80 percent of households in Nepal have access to motorable dirt/earthen roads within 30 minutes and 11 percent of households have to spend more than two hours to reach the nearest dirt/earthen roads (Table 8.13). Terai castes and Terai Dalits are more privileged in terms of access to dirt/earthen roads, with 99.8 percent and 99.4 percent of households respectively able to access the closest such road within 30 minutes, followed by Terai indigenous peoples with 97.2 percent having such access. Topographical features of the Terai region have certainly contributed to better access to dirt roads in that area. About 80 percent households of hill Brahmins can reach

the nearest dirt/earthen roads within 30 minutes, which is the largest proportion of households among hill caste and ethnic groups. Similarly, 70 percent of hill Chhetri households can reach dirt roads within 30 minutes followed by 69 percent of hill Dalit households.

Hill indigenous peoples have the least access to dirt roads, with only 64.5 percent able to access a dirt road within 30 minutes of their homes. This persistent lack of access is the manifestation of persistent traditional caste and identity-based discrimination, even in the evolving modern sector. Only about 60 percent of Limbu households, slightly less than 62 percent of Rai households, 62 percent of Magar households and 64 percent each of Tamang and Gurung households, far below the national average, have access to the nearest dirt/earthen roads within 30 minutes. More than 30 percent of Rai households and 24 percent of Limbu and Gurung households each have to spend more than three hours to reach the nearest dirt road. These figures demonstrate that the areas and ancestral lands of these peoples are lagging behind in infrastructure development, including road extension, compared to the settlements of other groups.

Table 8.13: Distribution of households by time taken to reach the nearest motorable dirt road

Ethnic/Caste group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	79.89	4.02	8.24	4.53	3.32	100.00
Hill Chhetris	69.85	5.56	5.99	5.18	13.42	100.00
Terai castes	99.83	0.00	0.17	0.00	0.00	100.00
Hill Dalits	68.77	5.81	10.74	5.32	9.35	100.00
Kami	66.32	4.15	10.41	7.90	11.22	100.00
Other hill Dalits	70.94	7.28	11.04	3.03	7.70	100.00
Terai Dalits	99.38	0.00	0.62	0.00	0.00	100.00
Indigenous Peoples	75.50	4.70	6.36	3.90	9.54	100.00
Newar (hill Indigenous Peoples)	92.64	3.47	1.59	0.65	1.65	100.00

Other hill Indigenous Peoples	64.51	5.91	9.37	5.86	14.34	100.00
Magar	62.04	7.29	9.76	11.79	9.13	100.00
Tamang	64.01	7.04	12.18	4.35	12.41	100.00
Rai	61.79	4.14	2.93	0.71	30.43	100.00
Gurung	64.24	1.55	5.58	4.64	23.99	100.00
Limbu	60.07	5.73	4.16	5.54	24.50	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	76.56	8.16	13.62	0.00	1.66	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	79.21	2.05	17.04	1.70	0.00	100.00
Terai Indigenous Peoples	97.82	1.90	0.27	0.00	0.00	100.00
Tharu	96.68	2.90	0.42	0.00	0.00	100.00
Other Terai Indigenous Peoples	100.00	0.00	0.00	0.00	0.00	100.00
Other (Muslim etc.)	95.29	1.31	0.50	0.50	2.41	100.00
Total	79.72	3.86	5.59	3.49	7.34	100.00

Source: CBS 2011, NLSS III

8.15. Access to post offices

The postal service is one of the oldest means of communication in Nepal and is still widely used in the country. Its institutional network is extending with the expansion of post offices in the country. Terai castes have better access to post offices than any other group, with 82 percent of households having access to the nearest post office within 30 minutes. 84 percent Terai indigenous households are able to reach the nearest post office within 30 minutes followed by 81 percent of Newar households. Hill Brahmins have better access to post offices compared to all other hill caste and ethnic groups with 71 percent of

households having access to the nearest post office within 30 minutes (Table 8.14). This is higher than the national average of 65 percent of households. About 57 percent of hill Chhetri households can reach the nearest post office within 30 minutes. Limbus have the lowest proportion of households having access to the nearest post office within 30 minutes, at just 38.1 percent. This is lower even than the proportion of hill Dalits having such access. About 44 percent of Magar households and the Kumal, Sunuwar, Majhi and Chepang cluster each have access the nearest post office within 30 minutes. Hill Dalits are the most underprivileged in this regard, as only half of their households can reach the nearest post office within 30 minutes. Among hill Dalits, Kami households are the most marginalized with just 43.2 percent able to access a post office within 30 minutes. This is despite the expansion of 3,991 post offices in the country in almost every village apart from urban centres by July 2011.⁷

Table 8.14: Distribution of households by time taken to reach the nearest post office

Ethnic/ Caste group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	70.89	17.13	9.09	2.03	0.86	100.00
Hill Chhetris	56.72	17.95	18.10	5.73	1.50	100.00
Terai castes	82.29	12.44	3.10	0.71	1.46	100.00
Hill Dalits	50.48	22.95	19.35	4.62	2.61	100.00
Kami	43.16	25.70	23.43	3.92	3.78	100.00
Other hill Dalits	57.05	20.48	15.67	5.25	1.54	100.00
Terai Dalits	65.09	21.36	9.44	2.65	1.45	100.00
Indigenous Peoples	63.41	16.18	13.11	4.34	2.95	100.00
Newar (hill Indigenous Peoples)	80.88	11.33	6.54	0.59	0.65	100.00

7 MoF, July 2011 *Fiscal Survey: FY 2010-2011*, p. 175.

Other hill Indigenous Peoples	51.66	18.73	18.55	6.62	4.45	100.00
Magar	43.74	23.16	19.40	8.76	4.94	100.00
Tamang	56.92	16.19	19.66	4.82	2.41	100.00
Rai	55.19	21.45	21.81	1.03	0.53	100.00
Gurung	68.94	8.30	9.30	0.91	12.55	100.00
Limbu	38.10	14.58	20.85	22.75	3.71	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	57.02	20.42	19.79	1.48	1.29	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	43.95	19.19	13.65	13.30	9.92	100.00
Terai Indigenous Peoples	84.01	12.71	2.20	0.69	0.39	100.00
Tharu	83.55	14.32	1.07	1.06	0.00	100.00
Other Terai Indigenous Peoples	84.89	9.68	4.31	0.00	1.11	100.00
Other (Muslim etc.)	77.72	14.55	7.35	0.00	0.38	100.00
Total	65.37	16.86	12.25	3.54	1.98	100.00

Source: CBS 2011, NLSS III

8.16. Access to telephone booths

Telecommunication is a modern means of communication that has become widely used in Nepal in recent decades. Telecommunication service is increasing rapidly in the country with the increase in service providing agencies, the application of improved modern technologies and the surge in demand for telephone connectivity and its associated ease of communication. The government claims that telephone services have now been extended to all villages (3,915) and the number of clients of telephones and mobile phones reached 11.52 million by mid-March 2011 (the closing month of NLSS enumeration) with telephone

density of 40.3 percent.⁸ Telecentres have also been established in remote areas.

The NLSS III divulges that slightly more than 86 percent of households throughout the country have access to telephone booths within 30 minutes. Newar households are the most advantaged in telephone access, followed by Gurungs, with 96 percent and 95 percent of their households respectively able to reach the nearest telephone booth within 30 minutes. This has brought the proportion of indigenous peoples able to access telephone services closer to the national average (Table 8.15). Similarly, about 93 percent of Terai indigenous households and 92 percent of Terai castes also have access to the nearest telephone booth within 30 minutes. Among hill castes and ethnic groups, hill Brahmins have the highest rate of access to telephone booths. About 91 percent of hill Brahmin households have access to the nearest telephone booth within 30 minutes. Contrary to popular belief, about 81 percent of hill Dalit households have access to the nearest telephone booth within 30 minutes. Hill indigenous peoples are the most deprived in terms of access to telephone booths within 30 minutes, with 78 percent of their households having such access, slightly below the proportion of hill Dalits (80.7 percent). Lowest proportions of households of Rai (70.4 percent), Magar (72.8 percent), the Sherpa, Bhujel, Bhote and Thakali cluster (76.1 percent) and the Kumal, Sunuwar, Majhi and Chepang cluster (76.9 percent) have access to the nearest telephone booth within 30 minutes.

Table 8.15: Distribution of households by time taken to reach the nearest telephone booth

Ethnic/Caste group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	91.13	5.54	2.59	0.59	0.16	100.00
Hill Chhetris	85.51	7.66	4.97	1.03	0.82	100.00
Terai Castes	92.22	5.92	0.98	0.00	0.87	100.00
Hill Dalits	80.73	9.46	5.85	2.62	1.34	100.00
Kami	78.03	11.54	8.63	1.40	0.39	100.00

8 Ibid, pp. 175-176.

Other hill Dalits	83.16	7.60	3.34	3.71	2.19	100.00
Terai Dalits	83.26	11.74	3.55	0.00	1.45	100.00
Indigenous Peoples	84.43	7.27	4.29	2.48	1.54	100.00
Newar (hill Indigenous Peoples)	95.58	2.81	1.44	0.00	0.18	100.00
Other hill Indigenous Peoples	78.42	9.21	6.16	4.00	2.21	100.00
Magar	72.78	9.68	7.48	9.27	0.80	100.00
Tamang	82.02	8.56	2.55	2.98	3.89	100.00
Rai	70.37	13.87	11.57	0.61	3.57	100.00
Gurung	94.84	0.50	1.92	0.92	1.82	100.00
Limbu	89.37	5.72	3.71	1.20	0.00	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	76.14	6.36	16.02	1.48	0.00	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	76.90	17.09	2.32	0.00	3.69	100.00
Terai Indigenous Peoples	92.88	5.35	1.06	0.00	0.71	100.00
Tharu	93.67	5.20	1.13	0.00	0.00	100.00
Other Terai Indigenous Peoples	91.39	5.64	0.93	0.00	2.05	100.00
Other (Muslim etc.)	84.76	7.20	7.27	0.00	0.76	100.00
National average	86.30	7.27	3.95	1.41	1.06	100.00

Source: CBS 2011, NLSS III

8.17. Access to Internet facilities

Although internet service has been introduced in Nepal relatively recently, the expansion of internet facilities has been very rapid because of the increasing number of service providers. The number of internet

users exceeded 65 thousand by mid-March 2011. Newars have the highest proportion of households (72 percent) with access to the nearest internet facilities within 30 minutes, followed by 58 percent of Tharu households (Table 8.16). Among hill groups, hill Brahmins the highest rate of access to internet facilities, with 56 percent households having access to internet facilities within 30 minutes. About 33 percent of hill indigenous households have access to the nearest internet facilities within 30 minutes, substantially below the national average of 43 percent. Some hill indigenous peoples are quite disadvantaged in terms of access of internet facilities and thus are unaware of the benefits of information the internet can bring. Only about 23 percent each of Magar and Limbu households, 33 percent of Rai households and 35 percent of Tamang households have access to internet facilities within 30 minutes. Terai caste and Hill Chhetri households have better access than indigenous peoples and Dalits, with 44 percent and 41 percent of households respectively able to access the nearest internet facilities within 30 minutes. Hill Dalits are the most disadvantaged in this regard and only 22 percent of Kami households have access to such facilities within 30 minutes. It takes more than three hours to reach the nearest internet facility for 39 percent of Limbu households, 38 percent of Rai households and 31 percent of Magar households. The wide disparity in internet access as seen in the time taken to reach the closest facilities reveals the widening gap between different groups in access to digital information and knowledge, creating a new digital divide in the society.

Table 8.16: Distribution of households by time taken to reach the nearest Internet facility

Ethnic/Caste group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	55.55	15.84	11.99	5.86	10.76	100.00
Hill Chhetris	40.73	10.76	15.95	5.54	27.02	100.00
Terai Castes	44.49	28.36	17.52	6.45	3.18	100.00
Hill Dalits	25.67	14.08	19.19	13.08	27.98	100.00
Kami	22.39	13.69	18.49	19.26	26.18	100.00
Other hill Dalits	28.63	14.43	19.82	7.52	29.61	100.00
Terai Dalits	40.57	25.55	24.23	8.20	1.45	100.00

Indigenous Peoples	43.40	12.55	14.79	10.18	19.08	100.00
Newar (hill Indigenous Peoples)	71.78	5.28	9.34	10.46	3.14	100.00
Other hill Indigenous Peoples	32.88	11.92	15.40	11.87	27.93	100.00
Magar	23.21	9.70	17.90	17.71	31.47	100.00
Tamang	35.13	16.67	13.74	9.85	24.62	100.00
Rai	32.72	10.71	10.41	8.14	38.01	100.00
Gurung	51.13	7.92	11.61	6.80	22.53	100.00
Limbu	23.37	16.76	7.51	13.54	38.82	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	42.37	5.64	39.83	7.88	4.28	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	42.94	13.25	11.98	9.87	21.95	100.00
Terai Indigenous Peoples	49.97	21.31	17.96	4.58	6.17	100.00
Tharu	57.80	22.80	12.48	5.03	1.89	100.00
Other Terai Indigenous Peoples	35.24	18.50	28.29	3.73	14.25	100.00
Other (Muslim etc.)	44.66	24.76	17.82	6.43	6.33	100.00
Total	43.18	16.02	15.86	8.21	16.73	100.00

Source: CBS 2011, NLSS III

8.18. Access to police stations

Personal safety and security are emerging as a new challenge in Nepal. Human security in a broader sense is the condition of freedom from extreme poverty and hunger, freedom from fear of physical harm, freedom from fear of harm to the community (i.e. protection of traditional cultures and vulnerable groups), freedom to live in dignity, health security, environmental security and political security or freedom from

repression. Human security is therefore the guarantee of civil, political and human rights.⁹ It involves the protection of “vital core of human lives in ways that enhance human freedom and human fulfillment” which means “protecting people from critical (severe) and pervasive (widespread) threats and situations” and “creating political, social, environmental, economic, military and cultural systems that together give people the building blocks of survival, livelihood, and dignity.”¹⁰ Several factors endanger human security in Nepal, including increasing incidences of natural calamities and food shortages; climate change-induced disasters; unmet basic survival needs; frequent transgressions of laws, rules and norms; increased bribery and corrupt practices; and frequent violations of human rights. The political context of Nepal also exacerbates the environment for human safety in the country. Relevant socio-political factors include the legacy of armed revolution and mass movements for democracy and regime change, a decade-long armed conflict (1996-2006), frequent people’s uprisings (1990, 2006 and on various other occasions), frequent activities of radical social mobilization, the increasing number of armed groups and violent activities, the actions of demobilized or improperly rehabilitated armed insurgents and disqualified insurgents, activism by internally displaced persons, weak post-conflict management, non-resolution of conflict era issues and the lack of a reconciliation mechanism to address these issues and victims and provide justice to victims. Political instability, lack of political consensus on transitional arrangements/mechanisms and poor governance and economic performance are also contributing to the worsening situation.

Newspapers carry the stories of abduction, rape, extortion, looting, theft, robbery, beating, murder, gang fights, riots, violent activities, threats using lethal weapons and other illegal actions almost every day. Criminal activity is increasing and the nature of the crimes committed is also becoming more sophisticated. Despite this, the government is failing to ensure the physical safety of its citizens, the minimum requirement of human security. Nepal’s police organization is the primary agency responsible for the physical safety of the people,

9 UNDP 1994. *Human Development Report 1994: New Dimensions of Human Security* (Oxford University Press) cited in Large and Sisk 2006:13- 47.

10 United Nations, Commission on Human Security 2003:4 cited in Large and Sisk, op.cit.

protection of their property, maintaining social order and harmony and promoting human security. Because of this, access to police stations is closely related to human security, particularly physical safety, crime control and wealth protection, even though police personnel are not unquestionably protectors of the people.

Regional disparity in access to police stations is conspicuous, especially between the people of the hills and the Terai, with Terai groups generally reporting better access to police stations. Slightly more than 78 percent of Terai caste groups have access to police stations within 30 minutes, followed by 75 percent of Newar households (Table 8.17). About 68 percent of Terai Dalit households also have access to a police station within 30 minutes. Terai indigenous households have a slightly lower proportion of access compared to Terai castes and Terai Dalit households, with 66.9 percent of Terai indigenous households able to access a police station within 30 minutes. Less than 9 percent of the households of these groups have to spend more than one hour to reach the nearest police station. The larger number of police stations and transportation facilities in the Terai may have contributed to such better access of those groups in comparison to that of hill groups. However, this does not necessarily mean that the security situation is better in the Terai than in the hills. There may be several reasons for this, which would require extensive study.

Among the hill groups, hill Brahmin households have better access to police stations and thus better access to security. About 65 percent of their households can reach police stations within 30 minutes and about 82 percent have access to a police station within 1 hour. Chhetris have somewhat lower rates of access than hill Brahmins, with 48 percent able to access a police station within 30 minutes. Hill Dalits have limited access to police security within reasonable time-span, as only about 40 percent of hill Dalit households can reach the nearest police post within 30 minutes. Indigenous peoples are in a very different position with widely differential access to police posts. Slightly more than 75 percent of Newar households have access to the nearest police post within 30 minutes, whereas only 37 percent of hill indigenous households other than Newars have such access, even lower than the proportion of hill Dalits with such access.

Table 8.17: Distribution of households by time taken to reach the nearest police station

Ethnic/Caste group	Up to 30 minutes	30 minutes to 1 hour	1-2 hours	2-3 Hours	3 hours and more	Total
Hill Brahmins	65.09	17.29	11.95	4.25	1.42	100.00
Hill Chhetris	48.35	17.50	18.34	9.64	6.17	100.00
Terai Castes	78.19	17.06	4.37	0.12	0.26	100.00
Hill Dalits	39.63	22.69	22.14	9.45	6.09	100.00
Kami	33.32	23.51	29.02	7.95	6.19	100.00
Other hill Dalits	45.31	21.94	15.95	10.80	5.99	100.00
Terai Dalits	68.17	18.65	12.46	0.00	0.72	100.00
Indigenous Peoples	50.01	17.57	15.75	10.71	5.95	100.00
Newar (hill Indigenous Peoples)	75.29	9.25	11.07	3.63	0.75	100.00
Other hill Indigenous Peoples	37.11	17.92	19.69	16.01	9.27	100.00
Magar	28.75	15.76	23.15	24.80	7.55	100.00
Tamang	40.49	23.74	17.29	8.97	9.51	100.00
Rai	35.15	12.99	19.93	16.19	15.73	100.00
Gurung	54.78	11.48	10.58	12.24	10.92	100.00
Limbu	28.66	28.24	19.58	17.30	6.22	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	44.81	14.77	34.44	3.20	2.78	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	42.42	18.70	12.90	17.28	8.71	100.00
Terai Indigenous Peoples	66.94	24.22	7.77	0.69	0.39	100.00
Tharu	64.92	29.05	4.96	1.06	0.00	100.00

Other Terai Indigenous Peoples	70.73	15.11	13.04	0.00	1.11	100.00
Other (Muslim etc.)	73.95	16.55	9.50	0.00	0.00	100.00
Total	56.54	17.90	14.29	7.15	4.12	100.00

Source: CBS 2011, NLSS III

8.19: Poverty and access to facilities

Poverty rates are also associated with access to facilities. It is generally assumed that better access to facilities will have a positive impact on poverty reduction, but to what extent and to whose benefit cannot be inferred easily. In this section, we analyze and discuss the poverty headcount rates of households with different levels of access to facilities, including paved roads, motorable dirt roads and market centres.

8.19.1. The poverty headcount rates of hill Dalits and Terai Dalits are 43.6 percent and 38.2 percent respectively. Within these groups, the households that have access to paved roads within 30 minutes have poverty headcount rates of 31 percent and 38 percent respectively (Table 8.18). As Terai groups have comparatively better access to roads, the impact of access to transportation facilities on poverty reduction seems dubious. However, the topic requires further exploration – the small sample size for all groups except the Tharus may also be affecting the validity of these numbers. Hill Brahmins who can reach paved roads within 30 minutes have a very small poverty headcount rate (3.43 percent), while those who require more than 30 minutes to reach the nearest paved road have a poverty headcount rate that is six times higher (20.76 percent). For hill Chhetris, the poverty incidence is three times lower among those with access to paved roads within 30 minutes (10.5 percent) than among those without such access (32.60 percent). The same trend also applies to indigenous peoples. Indigenous peoples who have access to paved roads within 30 minutes have poverty headcount rate of 13.1 percent, while those without such access have a poverty headcount rate of 34.3 percent. Hill indigenous peoples other than Newars with access

to paved roads within 30 minutes are three times more likely to avoid abject poverty compared to those without such access (11.79 percent versus 36.78 percent). For the Sherpa cluster and the Kumal cluster of indigenous peoples, the poverty incidence of households with access to a paved road within 30 minutes is one-fifth the poverty incidence of those without such access. Data provided support for the idea that Terai indigenous peoples also have a more than 50 percent probability of being lifted from abject poverty if their access to paved roads were to improve considerably.

Table 8.18: Poverty headcount rate by access to paved road (within 30 minutes and more than 30 minutes)

Ethnic/Caste group	>30 min	<30 min	Total
Hill Brahmins	20.76	3.43	10.34
Hill Chhetris	32.60	10.50	23.40
Terai Castes	26.91	29.20	28.35
Hill Dalits	48.51	31.12	43.63
Kami	43.04	23.98	37.87
Other hill Dalits	53.64	37.21	48.88
Terai Dalits	37.90	38.32	38.16
Indigenous Peoples	34.27	13.13	24.61
Newar (hill Indigenous Peoples)	16.54	8.08	10.26
Other hill Indigenous Peoples	36.78	11.79	28.05
Magar	39.69	12.07	31.69
Tamang	38.36	13.97	28.34
Rai	24.82	14.91	22.01
Gurung	49.38	0.48	21.74
Limbu	21.88	38.86	25.27
Sherpa, Bhujel, Bhote, Thakali etc.	22.42	4.21	16.15
Kumal, Sunuwar, Majhi, Chepang etc.	60.66	11.27	40.40
Terai Indigenous Peoples	32.41	21.47	26.64
Tharu	32.71	16.04	23.57

Other Terai Indigenous Peoples	31.87	33.97	32.89
Other (Muslim etc.)	20.16	17.80	18.78
Total	33.00	17.11	25.16

Source: CBS 2011, NLSS III

8.19.2. Poverty headcount rates of different caste and ethnic groups drop drastically with the improvement in access to motorable dirt roads. Only 8 percent of hill Brahmins who have access to dirt roads within 30 minutes are living below the poverty line, compared to 13 percent of those without such access. Among hill Dalits, the poverty headcount rate of those who have access to dirt roads within 30 minutes is 38 percent and the poverty rate of those without such access is 51.4 percent. This shows that better access to dirt roads is strongly correlated to a reduction in poverty rates. Better access to dirt roads, expressed in terms of reach within 30 minutes, can make a significant impact on the lives of indigenous peoples as seen in Table 8.19. The figures indicate that the probability of escaping poverty is very high for those who have access to dirt roads within 30 minutes. Improved access to road facilities will be feasible in the country if road extension programmes are implemented fairly.

Table 8.19: Poverty headcount rate by access to dirt road (30 minutes and more than 30 minutes)

Ethnic/Caste group	>30 min	<30 min	Total
Hill Brahmins	13.35	8.06	10.34
Hill Chhetris	27.54	19.85	23.40
Terai Castes	16.63	30.27	28.35
Hill Dalits	51.39	38.21	43.63
Kami	47.35	30.70	37.87
Other hill Dalits	55.44	44.63	48.88
Terai Dalits	23.03	39.78	38.16
Indigenous Peoples	26.77	23.07	24.61
Newar (hill Indigenous Peoples)	9.68	10.95	10.26
Other hill Indigenous Peoples	32.01	24.27	28.05
Magar	34.36	28.91	31.69

Tamang	27.38	29.13	28.34
Rai	26.75	17.97	22.01
Gurung	27.98	13.00	21.74
Limbu	26.57	23.84	25.27
Sherpa, Bhujel, Bhote, Thakali etc.	21.39	12.10	16.15
Kumal, Sunuwar, Majhi, Chepang etc.	63.66	20.13	40.40
Terai Indigenous Peoples	30.41	26.18	26.64
Tharu	28.17	23.00	23.57
Other Terai Indigenous Peoples	35.33	32.61	32.89
Other (Muslim etc.)	21.35	17.99	18.78
Total	26.50	24.41	25.16

Source: CBS 2011, NLSS III

8.19.3. Access to market centres has a meaningful relationship to the poverty headcount rate. With better access to market centres, poverty incidences decrease across all castes and ethnicities. However, the reduction in poverty incidences is not even across all groups. The poverty headcount rates of hill Dalits and Terai Dalits with access to market centres within 30 minutes are 33.9 percent and 34.2 percent respectively, while the poverty rates of those without such access are 47.2 percent and 41.6 percent respectively (Table 8.20). The decline in poverty rates of hill and Terai Dalits is not so wide as compared to hill Brahmins, hill Chhetris and indigenous peoples. This may be an indication that the markets are still influenced by a caste economy that segregates and marginalizes Dalits in the areas of production, distribution and exchange, thus providing them with fewer benefits even if they can access a market centre within 30 minutes.

Among hill Brahmins, only a very small percentage of those with access to a market centre within 30 minutes is below the poverty line (3.5 percent). For hill Chhetris, the probability of escaping abject poverty is three times greater with the improvement in access to market centres within 30 minutes. About 10 percent of hill indigenous peoples other than Newars with access to market centres within 30 minutes are below the poverty line, while 36 percent of those without such access are below the poverty line. This shows that the probability

of escaping absolute poverty is three and half times more where access to the nearest market centre has been brought down to ‘within 30 minutes’. Limbus are an exception in this regard, which requires further study. Terai indigenous peoples with better access to market centres have a poverty headcount rate significantly lower than those without such access, but the change in ratio is not as large as it is for hill indigenous peoples.

Table 8.20: Poverty headcount rate by access to market centre within 30 minutes and more than 30 minutes

Ethnic/Caste group	>30 min	<30 min	Total
Hill Brahmins	17.13	3.48	10.34
Hill Chhetris	31.70	11.18	23.40
Terai Castes	29.31	27.53	28.35
Hill Dalits	47.23	33.90	43.63
Kami	40.04	31.33	37.87
Other hill Dalits	54.15	35.92	48.88
Terai Dalits	41.56	34.15	38.16
Indigenous Peoples	33.52	12.31	24.61
Newar (hill Indigenous Peoples)	13.83	8.78	10.26
Other hill Indigenous Peoples	36.22	9.66	28.05
Magar	38.57	3.93	31.69
Tamang	36.82	15.32	28.34
Rai	25.63	13.25	22.01
Gurung	41.17	0.57	21.74
Limbu	24.95	26.81	25.27
Sherpa, Bhujel, Bhote, Thakali etc.	23.96	3.75	16.15
Kumal, Sunuwar, Majhi, Chepang etc.	59.81	8.81	40.40
Terai Indigenous Peoples	32.34	20.99	26.64
Tharu	29.58	17.91	23.57
Other Terai Indigenous Peoples	37.55	27.77	32.89
Other (Muslim etc.)	20.79	16.16	18.78
Total	32.01	16.29	25.16

Source: CBS 2011, NLSS III

KEY FINDINGS AND RECOMMENDATIONS

9.1. Key Findings

The NLSS III (2010-11) has provided the latest estimates of poverty in Nepal. It has also generated a wealth of information related to the levels and determinants of living standards. The data generated by the NLSS is helpful to assess the impacts of the government's development plans and monitor the progress made in meeting millennium development goals (MDGs), though the processes involved and outcomes yielded are not less debatable. However, the survey has its own limitations. It has not been made sensitive to traditional social structures, which is a persistent determinant of living standards, and it therefore cannot provide disaggregated data at the level of specific identity groups to see the patterns of change in poverty and other indicators across time. There are more than 18 groups whose population is more than one percent of the total population in Nepal. However, the sample size of the NLSS survey does not allow us to disaggregate data for each of these groups individually (see Chapter 2, Methodology for full discussion). Of course, the NLSS survey has not been designed to capture the diversity of our social universe, which ranges from the nomadic Rautes to indigenous shifting cultivators to advanced enterprising groups, nor does it provide a complete understanding of their living standards. It does, however, contain a large amount of useful information in relation to broader social/identity groups and categories and thus can measure some of the domains of multidimensional social exclusion deeply entrenched in Nepal's caste/social system. The greatest possible level of disaggregation has been presented in this report to furnish further information and provide insights into the real conditions of Nepal's various caste and ethnic groups. It is expected that this disaggregated data by caste and ethnicity (including by gender and geographical regions) will provide a better understanding of the levels, intensity and extent of social exclusion and inclusion in Nepal. In sum, as in the past

iterations of the NLSS, this third NLSS divulges that recent economic growth and development interventions are still not having even and equitable impacts across different caste and ethnic groups (including indigenous groups and religious and linguistic minorities). Rather, the benefits of these programs are heavily skewed in favor of traditionally dominant caste groups (hill Brahmins followed by hill Chhetris), leaving traditionally powerless and poor people the most deprived. Some of the key findings are presented in the following paragraphs.

9.1.1. The poverty headcount rates differ from group to group. Among caste groups, hill Brahmins have the poverty headcount rate of 10.34 percent. Newar, one of the indigenous peoples of Nepal, has the lowest poverty headcount rate of 10.25 percent. The high status of Newars in all poverty indicators tends to elevate the figures for the indigenous peoples category as a whole in several areas of socio-economic development. The highest poverty head count rates are found among the hill Dalits, followed by Terai Dalits, Terai indigenous peoples and hill indigenous peoples other than Newar. The poverty rates of hill and Terai Dalits are 43.6 and 38.1 percent of their population respectively. Hill indigenous peoples occupy 27.4 percent of the total population in the country. Among them nearly one-fourth (24.6 percent) are living below the poverty line. Within indigenous peoples, too, poverty is not distributed evenly. Nearly two-fifths of the Kumal, Sunuwar, Majhi and Chepang cluster are deprived of basic needs and are suffering from chronic poverty. Thus, the percentage of Dalits, indigenous peoples other than Newars, and some numerically small, marginalized indigenous groups who are living in abject poverty appears to be about three to five times higher than those of the hill Brahman and Newar groups.

9.1.2. The incidence of poverty in Nepal is gradually decreasing at a slow pace, but the reduction of poverty is not even across all castes and ethnicities. Among hill indigenous peoples, 25.9 percent are Magar and out of them 31.7 percent are still living in poverty, even though the poverty rate declined sharply by nearly 30 percentage points during the 15 year period from 1995/96 to 2010/11 (from 61.3 percent in 1995/96 to 34.4 percent in 2003/04 and 31.7 percent in 2010/11). The poverty reduction scenario does not seem encouraging during the first decade of the 21st century as compared to the last decade of the 20th century.

However, the progress in poverty reduction is encouraging for some ethnic groups, such as the Tamang indigenous group whose poverty rate declined sharply by 32 points from 61.2 percent in 2003/04 to 28.34 percent in 2010/11. Among other indigenous peoples, Limbu, Rai and Gurung have the poverty rates of 25.3 percent, 22.0 percent and 21.7 percent respectively. Here, it is noteworthy that Newars are the most privileged group among not only indigenous peoples but also among all other castes. Among the broad ethnic and caste groups, indigenous peoples have the highest poverty incidence second only to Dalits. There is, however, wide variation within the indigenous peoples group. It is worth noting that the aggregate poverty rate of indigenous peoples is somewhat reduced due to the comparatively lower poverty rates of the Newar, Gurung, and the Sherpa, Bhujel, Bhote and Thakali cluster.

9.1.3. The nominal household income and per capita income of all Nepalese people are NRs. 202,374 and 41,659 respectively. There is a high degree of variation in the income distribution among different ethnic groups and castes in the country. Hill Brahmins have the highest nominal household income (NRs. 270,442) yet the smallest family size (4.3), resulting the highest per capita nominal income of NRs. 63,234. On the other hand, Dalits have the lowest nominal household income and a larger family size which results in the lowest per capita nominal income of any group. The nominal household incomes of Chhetris, hill indigenous peoples and Terai castes are NRs 216466, 202735 and 183673 respectively. Similarly, the per capita nominal incomes of these groups are NRs. 46079, 43561 and 32473. The improved status of indigenous peoples is largely due to the status of the Newar and Gurung groups, who have per capita incomes of NRs. 73,170 and 62,852 – higher than even the Brahmins and Chhetris. The status of indigenous peoples in total shows a still worsening scenario. Within the hill indigenous peoples group, Limbus have the lowest per capita income of NRs. 29,489.

9.1.4. Borrowing loans is still the major way of coping with household scarcity and budget deficits. About 65 percent of households have taken out loans and nearly 63 percent of households have currently outstanding loans. Most households have taken out more than one loan. On average, the number of loans taken out per household is about 1.6.

Most indigenous groups have loans greater than the national average (65%), most of the loans are taken from local money-lenders and a major proportion of loan money is directed towards consumption purposes. Nearly four-fifths of hill indigenous households (except Newar), Terai Dalit households, and hill Dalit households have been financing their expenditures by taking out loans and more than 50 percent of loans are directed towards unproductive consumption.

9.1.5. Housing features, especially materials used in the construction of the house, tend to reflect the economic status of the household. Observing the structure of houses across ethnicities, it is clear that most indigenous peoples (80%) have been living in unsafe or low quality houses (63 percent in mud-bonded stone or bricks houses and 17 percent in wood and other types of houses). Hill Dalits also live in mostly unsafe houses, with only 8 percent of households in cement-bonded stone or brick houses and concrete houses, 76 percent in mud-bonded houses and the remaining households living in houses made of wood. Within the indigenous peoples group, 71 percent of Magars have mud-bonded stone or brick houses. The indigenous group with the highest percentage of cement-bonded stone or brick and concrete houses is Newar (44.5 percent), closely followed by Gurung (39.4 percent). Similarly, most of the Terai Dalits (84 percent) have been living in unsafe houses: 67 percent have mud-bonded stone or brick houses, 15 percent are made of wood and only 15 percent have cement-bonded stone or brick and concrete houses.

9.1.6. Hill Brahmins and Newars rank at the top in access to various facilities like electricity, telephones, sanitary systems, garbage disposals and toilets. The access of Gurungs and Sherpas to such facilities is improving. Large proportions of the rest of the indigenous peoples have limited access to such facilities and telephone connectivity is very rare. Dalits, in both the hills and Terai, stand at the lowest end of the hierarchy of access to modern facilities, which reveals their extreme level of powerlessness and deprivation.

9.1.7. Access to cooking fuel is also considered one of the contributing factors for improvement of quality of life. More than half of Newar households and about one-third of Gurung and Brahmin households use

LPG for cooking. More than four-fifths of all indigenous households still depend on firewood for cooking, which shows that they are lagging far behind in access to subsidized modern cooking facilities.

9.1.8. Nearly 76 percent of all households in Nepal are agricultural households and nearly one-fourth of these are female-headed households, which is attributed mainly to the absence of male heads of household who are working in distant locations including foreign countries. Within the Terai and hill indigenous peoples groups, except Newars, about 30 percent of agricultural households are female-headed households. The largest percentage of indigenous households is operating agricultural land, which also applies to hill Chhetris. Indigenous peoples own the largest share of the country's agricultural land, but 50 percent of their agricultural lands are not irrigated. Among hill indigenous peoples excluding Newars, only 40 percent of their agricultural land is irrigated. This is the lowest percentage compared to the other castes and ethnicities, followed closely by hill Dalits. The percentage is much higher in the case of Terai indigenous peoples, who have about three-fourths of their land area irrigated. Evidence indicates that the poorest households are those whose household heads are employed in agriculture (including self-employed and those employed as wage labourers) and the incidence of poverty declines with an increased rate of employment in non-agricultural sectors.

9.1.9. Nearly 82 percent of the indigenous peoples' population is economically active, of which only about 1.91 percent is unemployed. This implies that the remaining 18.27 percent is economically inactive. There is not much variation between hill and Terai indigenous peoples in these indicators. As compared to the non-indigenous population, especially hill Brahmins and Chhetris, indigenous peoples report similar rates of employment. Most indigenous peoples work on farms tilling their own land, and the same is true of most people of other ethnicities. Only about 13 percent of indigenous peoples are engaged in their own non-farm activities such as trading, manufacturing and businesses, which are relatively highly paid sectors of employment. Newars are in a better position in this case than the other indigenous peoples, both in the hills and in the Terai. About 28 percent of the employed Newar population is engaged in non-farm activities, which

is the highest rate of non-farm activity among all indigenous and non-indigenous groups.

9.1.10. About 66 percent of all indigenous wage earners receive their wages from non-agricultural activity. There is a somewhat higher percentage of non-agricultural wage earners within the hill Brahmin and Chhetri groups than there is within the indigenous population, with the exception of Newars. Only about 14 percent of Newar wage earners receive their wages from the agricultural sector and the remaining 86 percent receive their wages from non-agricultural sectors. This is the highest rate of non-agricultural wage earners among all castes and ethnicities, even exceeding the hill Brahmins and Chhetris. Within the indigenous population, Magars and Gurungs are in a relatively good position as most of them (more than 70 percent) earn their wages from the industrial and service sectors. Wage payments in the non-agricultural sector (average Rs. 263) are higher than in the agricultural sector (average Rs. 170). Among hill indigenous peoples, more than 50 percent of Limbu and Kumal, Sunuwar, Majhi and Chepang cluster wage earners still receive their wage from agricultural activity. So far as Terai indigenous peoples are concerned, more than 50 percent of wage earners receive their wage from non-agricultural sectors.

9.1.11. Thirty-five percent of households in Nepal are employed in non-farm enterprises such as in manufacturing (35 percent), trade (36 percent), services (17 percent) and other industrial sectors (12 percent). The majority of non-farm enterprises in urban areas are in the trade sector, while the manufacturing sector is dominant in rural areas. The majority of indigenous households are self-employed either in manufacturing or in the trade sector. About 75 percent of all indigenous households involved in non-farm activities are employed in the trade and manufacturing sectors, whereas only about 25 percent of them are employed in the services and other sectors. The same is true for Newars and other hill indigenous peoples, but in the case of Terai indigenous peoples about 35 percent of them are employed in the services and other sectors. This implies that the indigenous households in the hills have not been able to enter the services and other emerging sectors as rapidly as those in the Terai. The Terai is the region that today contributes about 50 percent of the GDP of the country.

9.1.12. Child labour is not a matter of choice, but a cruel situation towards which poverty compels parents. A little more than 50 percent of indigenous children (51 percent) only go to school whereas about 41 percent of children must manage both school and work. The proportion of school-going children is highest among Newars, compared to any other indigenous or non-indigenous group. Similarly, Gurung children are also in a relatively good position with about 63 percent of their children going to school only. However, less than 45 percent of children from other hill indigenous groups, including Rai and the Kumal, Sunuwar, Majhi and Chepang cluster, have been able to go to school without resorting to work. Around 37 percent of Tamang, Gurung and the Kumal, Sunuwar, Majhi and Chepang cluster children are managing both school and work. If we consider the children who only work, we find that the rate of child labour highest among Tamang (5.3 percent) and the Kumal, Sunuwar, Majhi and Chepang cluster (8.4 percent) at more than 5 percent. This rate is equally high among Terai indigenous peoples, except for Tharu, with about 8 percent engaged as child labourers.

9.1.13. The literacy rate of hill Brahmins (79 percent) is the highest of any group, and the female literacy rate (70.6 percent) is also the highest. This indicates that hill Brahmins are retaining their traditional domination in education despite an extensive literacy campaign designed with social inclusion in mind. Terai Dalits have the lowest literacy rate, as only 31 percent of Terai Dalits six years and older are literate. In the same vein, only about 44 percent of all Terai caste groups are literate. This lag is mainly attributed to language barriers, caste and gender discrimination, a high rate of female illiteracy and utter economic deprivation. Within indigenous peoples, despite remarkable gains in literacy in the past decade, the gains are not evenly distributed across different groups. Newars have the highest proportion of literates at 75 percent and Terai indigenous peoples other than Tharu have the lowest proportion of literates figuring at 50 percent. The literacy rate of the Kumal, Sunuwar, Majhi, and Chepang cluster is only about 52 percent and literacy rates of Tamang, Tharu, Limbu, Rai, Gurung, Magar and the Sherpa Bhujel, Bhote and Thakali cluster hover around 56 to 68 percent. The low female literacy rate has contributed to low achievement in literacy for these indigenous groups as well. There

are also wide group variations in adult literacy, with the highest adult literacy rate of 75.6 percent among hill Brahmins and lowest rate of 28.7 percent among Terai Dalits. The proportion of adult literates among indigenous peoples figures from 43 percent to 60 percent when Newars (72 percent) are not counted. This shows that increased participation of children in schools significantly contributes to the improvement in literacy among traditionally educationally disadvantaged groups.

9.1.14. Though educational opportunities are expanding and emphasis is on universalization, distribution of educational opportunities is not even. Terai Dalits have the highest proportion of individuals who have never attended school (53 percent), followed by Tamang and Terai indigenous peoples (other than Tharu) at 40.6 percent and 44.4 percent respectively. About 35 percent of hill indigenous peoples have never attended schools, a proportion closer to hill Dalits (37.2 percent). Muslims also have a large proportion of their population who has never attended schools (42 percent). The main reason for the lower rates of schooling in these groups is the disproportionate rates of schooling in the female population. About two-thirds of Terai Dalit women and almost half of hill Dalit women, indigenous women and Muslim women are not fortunate enough to be able to attend school. The proportion of hill Brahmins who have never attended school is smallest (22.7 percent) and for males it is less than 14 percent. The share of female Brahmins in the non-school going population is far less (30.3 percent) than of the percentage of women who do not attend school among other groups. This reveals that gender discrimination in education is no less severe among Dalits, indigenous peoples and Muslims than so-called high castes. The figures also demonstrate that the more marginalized the group is, the larger the proportion of the female population who has never attended school.

9.1.15. The gross enrollment ratio (GER) of hill Dalits in primary school is highest at 147.8 percent, followed by hill indigenous peoples other than Newar at 138 percent. These statistics indicate that these groups have shown interest in sending their children to school in recent years and a substantial proportion of their children did not have the opportunity to enroll in school at the appropriate age specified for the level of primary education (6-10 years). Terai indigenous peoples have

the lowest GER (87.5 percent) followed by Terai Dalits (92.7 percent). At the lower secondary level, the GER of Terai Dalits sharply slips down by 32 percentage points to about 58 percent. This drop can be seen in other groups as well, including the hill Dalits, Terai castes, hill indigenous peoples and Terai Dalits, with 74.3 percent, 62 percent, 85.5 percent and 58 percent school enrollment at the lower secondary level, respectively. Among all groups, the Kumal, Sunuwar, Majhi and Chepang cluster of indigenous peoples have the lowest GER of 50 percent. The GERs of Terai Dalits, Muslims, Terai castes, hill Dalits and hill indigenous peoples except Newar are 58 percent, 57 percent, 62 percent, 74.3 percent and 85.5 percent respectively, below the national average of 87.3 percent. On the other hand, the GER of hill Brahmins increases from 109.5 percent in primary school to 113.6 percent in lower secondary school and the GER of Newars remains almost constant between primary and secondary school. At the secondary level, the GERs of Terai Dalits, the Kumal cluster of hill indigenous peoples and Muslims markedly decline to 30 percent, 33 percent and 35 percent respectively. The GERs of hill Brahmins and hill Chhetris in secondary school remain almost constant with only slight changes in the negative direction. The GERs of hill Dalits, hill indigenous peoples and Terai indigenous peoples diminish by 17 to 22 percentage points from the lower secondary level to the secondary level. The GER of hill Brahmins in higher secondary schools soars to 145 percent and this trend is also followed by Newars with a 134.6 percent GER at that level. The improvement in GERs at this level is encouraging for hill Chhetris (110 percent) and for the Sherpa cluster of hill indigenous peoples (118.8 percent). Terai Dalits and the Kumal cluster of hill indigenous peoples have the lowest GER in higher secondary schools, at 19 percent and 26 percent respectively. The Muslim (32.3 percent), Limbu (33.3 percent), and Magar (43 percent) groups among hill indigenous peoples, as well as the Terai castes (37.3 percent) and hill Dalits (38.2 percent), are among the groups with the lowest GERs at this level, far below the national average of 75.7 percent. The GER of Terai indigenous peoples (57.9 percent) in higher secondary school is also far from satisfactory. Gender disparity has contributed to the decrease in GER at higher levels of education. Thus, the issues of participation equality and equity in education, access to education and social justice through education are strikingly evident in higher levels

of education, though the roots of these problems appear to begin at the primary education level.

9.1.16. The net enrollment ratios (NERs) of hill Brahmins, hill Chhetris, hill Dalits and hill indigenous peoples other than Newar in primary schools are 84.8 percent, 83.3 percent, 85.9 percent and 82 percent respectively. There is not much difference in the net enrollment rates in primary schools across different caste and ethnic groups, with the exception of Terai indigenous peoples other than Tharu, Terai Dalits and the Kumal cluster of hill indigenous peoples. These groups have noticeably lower net enrollment rates of 62.2 percent, 64.4 percent and 66.5 percent respectively. The net enrollment rates of Terai groups in primary schools are lower than those of hill groups, with 67.8 percent net enrollment for Terai castes, 64.4 percent for Terai Dalits and 73.3 percent for Terai indigenous peoples, despite improved access to primary schools in the Terai. The net enrollment rates decrease sharply at higher levels of education. While net enrollment rates decline at the lower secondary school level for all groups, the NER of hill Brahmins (68.4 percent) is much better compared to that of other groups. The NER is much lower for Muslims, Terai Dalits and the Kumal, Sunuwar, Majhi and Chepang cluster of hill indigenous peoples, recorded at 16.9 percent, 18.8 percent and 20.1 percent respectively. Gender disparities have greatly contributed to such sharp declines. The NER of hill indigenous peoples other than Newar drops from 84.4 percent in primary school to 39 percent in lower secondary school, 23.6 percent in secondary school, 9.5 percent in the higher secondary school and 4.5 percent at the tertiary level. These numbers show that less than 10 percent of primary schools enrollees move on to higher secondary school and less than five percent move on to the level of tertiary education. Net enrollment rates of hill Brahmin and Newar are far better than those of other groups as the level of education increases and at the higher secondary level the rates of these two groups are several times higher than the other groups. At the tertiary level, the NER of hill Brahmins is about seven times higher than the NERs of Dalits, indigenous peoples, Muslims and Terai caste groups. Gender disparities are more pronounced in the groups whose net enrollment rates are comparatively low, such as the Kumal, Sunuwar, Majhi and Chepang cluster in primary to secondary schools and the Terai Dalits

in lower secondary to higher secondary schools. Gender disparities in NERs in secondary and higher secondary schools are also found among Terai indigenous peoples as well as hill Chhetris.

9.1.17. The distribution of mean years of schooling by caste and ethnicity demonstrates that Brahmins have the highest mean years of schooling, estimated at 9.9 years, which is just above the 9.3 mean years of schooling of Newars. The mean years of schooling of Newar and Thakali groups was 9.1 in 2003-04 (NLSS II), higher than the 8.2 mean years of schooling of Brahmins. Among hill indigenous peoples, Gurungs have improved the most in terms of mean years of schooling to 8 years. The Kumal, Sunuwar, Majhi and Chepang cluster has the lowest mean years of schooling (6.1 mean years) among all caste and ethnic groups, including all Dalit groups (6.2 - 6.3 mean years) and indigenous peoples (6.6-7.9 mean years).

9.1.18. The highest level of education of the head of household correlates with the poverty rate of the household. The highest poverty rates (14.10 to 51.70 percent) are found consistently among the households whose heads are illiterate, across and within all castes and ethnicities. The highest poverty headcount rate among all caste and ethnic groups is found in hill Dalit households with an illiterate head of household (51.70 percent). This rate drops down to 18 percent among households whose heads are educated to grades six to eight. However, the poverty rate appears to increase in hill Dalit households whose head of household has completed higher secondary education – a statistic that requires further exploration. This may be a skewed figure caused by the very small sample size, or it may suggest that educational attainment does not have similar effects for all castes and ethnicities. However, the general trend shows that higher educational attainment levels of household heads considerably decrease the likelihood that the household will be poor. The poverty rate is generally lowest among households whose head of household attended higher secondary education, with the exception of hill Dalits and Terai Dalits. Among indigenous peoples, 34 percent of hill indigenous households other than Newar with illiterate heads were below the poverty line, whereas only 8.6 percent of households with household heads who completed grades 6-8 were under such abject poverty. Similarly, 33 percent of Terai indigenous peoples with illiterate

household heads were living below the poverty line, and this proportion went down significantly to 17 percent among households whose heads had completed between grades six and eight.

9.1.19. Hill Brahmin, Newar and Gurung are the groups with the largest reported rates of chronic illness, with 15.5 percent, 14.1 percent and 13.5 percent of the groups reportedly suffering from them. The high prevalence of chronic illness among these comparatively well-off and better-educated groups may be due to the tendency for health conscious, affluent persons to have more health interactions/consultations with medical professionals and paraprofessionals, and to overstate their illnesses. The proportion of people reportedly suffering from chronic illnesses among the richest quintiles (16.3 percent) is almost double that of the poorest quintile (7.9 percent), a trend which has remained continuous since the first NLSS (1995-96). These facts lead to the inference that the reported figures do not actually demonstrate the prevalence of chronic illnesses across different groups, but indirectly reveal the frequency of interaction/consultation with health care delivery institutions and health care providers in each group. Tharu, Limbu, Rai and Tamang have lowest rates of reported chronic illness, ranging from 8.3 percent to 9.7 percent. These figures may understate the actual prevalence of disease symptoms because of limited medical or paramedical consultations due to resource and opportunity constraints. Several Dalit and indigenous groups have reported suffering from chronic illnesses in almost the same proportion. A high proportion of female Brahmins reported suffering from chronic diseases compared to female members of other groups, which might be again due to privileged opportunities to have consultations and interactions with health care providers. On average, the proportion of female members suffering from chronic disease is higher than male members across all groups by about 26 percentage points, with the exception of Newar, Gurung and Kumal groups. The reported rates of chronic illness among these groups reveal a stark gender disparity that may be the result of gender discrimination in health care. Slightly more than 54 percent of the total population who have reported that they were suffering from cancer belonged to indigenous peoples and the disease was concentrated more among hill indigenous peoples (34 percent). The second largest proportion of the population suffering from cancer was Dalit (20.5 percent) and the

remaining groups each had less than 10 percent suffering from cancer. About 30 to 39 percent of the total population suffering from specific diseases like heart related disease, respiratory problems, asthma, epilepsy, cancer, diabetes, kidney/liver problems, rheumatism, high/low blood pressure and gastrointestinal diseases belonged to indigenous peoples, and blood pressure (39 percent), kidney and liver diseases (37.3 percent) and respiratory problems (37.1 percent) were the major diseases after cancer that they were suffering from. The burden of diseases like cancer, kidney and liver disease, respiratory problems and other chronic illnesses appear heavy for indigenous peoples, seriously affecting their economic advancement which in turn affects their health conditions. Of the total population suffering from occupational illness, only three percent were indigenous peoples, and particularly the Sherpa cluster, which shows that indigenous peoples have limited access to employment opportunities in sectors like manufacturing, construction, services and other non-farm enterprises which are the most likely to lead to occupational illnesses. Hill Chhetris form the second largest group among the population segments suffering from different kinds of chronic illnesses and the largest proportions of hill Chhetri have been found to be suffering from heart diseases and respiratory problems (about 26 percent and 27 percent respectively of the total reported cases). Gynecological problems are mostly concentrated among Terai women, with 41 percent of Terai women having experiences of such suffering. Terai caste groups and Terai Dalits have substantial proportions of their populations suffering from occupational illnesses, which indicates the concentration of work opportunities in the Terai region.

9.1.20. About 27 percent of Terai Dalits reported that they had suffered from acute illnesses, including diarrhea, dysentery, respiratory problems, malaria, cold/fever/flu, measles, jaundice, skin disease, tuberculosis, and injury. The incidence of acute illness is above the national average (20.2 percent) among Terai castes, hill Dalits and Terai indigenous peoples other than Tharu. Women have a higher rate of acute illness among indigenous peoples, and the rate of acute illness is higher among female members of the Kumal, Sunuwar, Majhi and Chepang cluster than male members of the cluster by about 26 percentage points. On the other hand, male members of the Terai castes have a higher rate of acute illness by 17 percentage points compared to

their female members. Among indigenous peoples, Magar and Tamang follow the same trend but with only marginal differences between the male and female members (5 to 6 percentage points).

9.1.21. About 61 percent of hill Brahmin women use health care facilities to deliver their babies and are assisted by skilled or professional health practitioners, whereas 25 percent hill indigenous women use such facilities, with the exception of Newar (60 percent) and Gurung (42.5 percent). 28 percent of Terai indigenous women use such facilities for giving birth to a baby. A substantial proportion of hill Chhetri women - 34 percent - deliver their babies in primary health facilities and hospitals. Women belonging to Terai castes are at par with indigenous women in their rate of delivering babies in health care facilities. Hill Dalit women and Terai Dalit women have lower rates of access to such facilities, with only 21 percent and 16 percent respectively delivering their babies in health care facilities and hospitals. Newar and hill Brahmin groups have the highest proportion of women who have given birth to their babies in public and private hospitals with the assistance of health practitioners, at 60 percent 57 percent respectively. These rates are about three times higher than the proportion of indigenous non-Newar women and four times that of Dalit women. About 75 percent indigenous women other than Newar women give birth to their babies in their homes assisted by family members and neighbours. Slightly less than half of Gurung women go to the hospital to deliver their babies and the rest give birth to their babies in their homes. This shows the huge gap in access to health care facilities within Gurung communities. Similarly, about seven percent of all women use the services of traditional birth attendants (TBAs) and TBAs provided delivery care services to 13 to 15 percent of indigenous women and Dalit women of the Terai and mountainous regions. Birth delivery at home and assistance from family members, relatives and neighbours is still the major mode of health care during delivery, which certainly carries health risks. Women from the richest quintile have seven times more birth deliveries in hospitals than the women from poorest quintile (68.9 percent versus 9.8 percent). Thus, hospital birth delivery is indicative of affluence and, conversely, home birth delivery is indicative of deprivation. In sum, more than two-thirds of the female population, and particularly indigenous, Dalit,

Terai caste and Muslim women, are still not fortunate enough to give birth to their babies in primary health facilities and hospitals under the care of health practitioners.

9.1.22. Regarding the proportions of pregnant women who have consulted health facilities for pre-natal care, about 96 percent of hill Brahmin women have received such care from health care facilities. But, only 61 percent of women belonging to the Kumal, Sunuwar, Majhi, and Chepang cluster have received pre-natal care from such health institutions. Hill indigenous women other than Newar women were least likely to have access to pre-natal care from health facilities and only about 71 percent of them have approached governmental and private health facilities for pre-natal care. Government health facilities are widely used by women belonging to many different identity groups. However, Rai women (96.6 percent), women of the Sherpa cluster (93.6 percent), Terai indigenous women (93.3 percent), Limbu women (93 percent), Magar and Tamang women (91 percent each) and hill Dalit women (92.1 percent) have the highest rates of consulting government health facilities, mostly sub-health posts, health posts and primary health centres. Significant proportions of Newar women (29.9 percent), Terai caste women (26.5 percent), Tharu women (22.7 percent) and Gurung women (21.1 percent) have received pre-natal care services from private health facilities. This suggests that all factors, including availability, accessibility and affordability of the services, behaviours and attitudes of the service providers, motivation of the service recipients and family members and perception of community, contribute to women's utilization of health facilities. In the same vein, Newar women (50.73 percent) and Brahmin women (26.61 percent) receive post-natal care in health institutions at higher rates, mostly from government health facilities. About 22 percent of hill Chhetri women and 18 percent of hill Dalit women have received post-natal care, mainly from government health facilities (83-85 percent of service recipients). The proportions of hill indigenous women other than Newars and Terai indigenous women who received post-natal care are 18 percent and 17 percent respectively. More than 81 percent of indigenous women who receive post-natal care receive services from government health facilities (sub-health posts, health posts, health centres and hospitals).

9.1.23. Access to primary school, in terms of reach within 30 minutes, has improved considerably in recent years and primary schools are becoming more accessible to the children of all caste and ethnicities without much variation. But the differences in access become wide across different caste and ethnic groups with the increase in the levels of schooling. The proportions of hill indigenous households other than Newar, hill Chhetri households and hill Dalit households who had access to a primary school within 30 minutes were 90.4 percent, 91.8 percent and 93.5 percent respectively, below the national average of 94.7 percent. Indigenous households are most disadvantaged in terms of having access to the nearest primary school within 30 minutes. It takes 30 minutes to one hour to reach primary school for 12 percent of Kumal, Sunuwar, Majhi and Chepang households, 10 percent of Rai households and eight percent of Tamang households. Regarding access to secondary school, about 87 percent of Terai castes have access to a school within 30 minutes, followed by 86 percent of Newar households. Terai Dalits also have comparatively good access, with about 82 percent of households able to reach secondary schools within 30 minutes. Among the rest of the groups, hill Brahmins have better access to secondary schools with 80 percent of households having access to a school within 30 minutes and 95 percent households having access in 30 minutes to an hour from their homes. This shows that secondary schools are mostly established in Brahmin-concentrated areas of the hills because of their better linkages with the concerned state authorities. Brahmins have therefore been successful in monopolizing educational opportunities among the caste and ethnic groups, with the exception of the Newars living in urban centres. Hill Chhetris rank second among hill caste and ethnic groups in terms of access to secondary schools, with 65 percent of households having access to a secondary school within 30 minutes of their home and 84 percent of households having access in between 30 minutes and one hour. Hill indigenous peoples have the lowest proportion of households (55.2 percent), with access to secondary schools within 30 minutes. On the other hand, slightly more than 14 percent of Limbu households and 12 percent of Magar households must travel for two to three hours to reach the nearest secondary school. Gurungs are a typical case, with 13 percent of households having to spend more than three hours just to reach the nearest secondary school. Similarly, five percent of households

in the Kumal, Sunuwar, Majhi and Chepang cluster also must devote more than three hours to reach the nearest secondary school. About 76 percent of Newar households, 70 percent of hill Brahmin households and about the same proportion of Terai indigenous households are able to access the nearest higher secondary school within 30 minutes. Hill indigenous peoples are most disadvantaged in this regard, as only 39 percent of hill indigenous households are able to reach a higher secondary school within 30 minutes. Within hill indigenous peoples, the Magar, Limbu and Rai groups are most disadvantaged, with 29 percent, 34 percent and 35 percent of households respectively having access to a higher secondary school within 30 minutes. About 24 percent of hill indigenous households other than Newar have to expend more than two hours just to reach a higher secondary school, making higher secondary education inaccessible to them from a practical standpoint given the distance and costs required to reach the school.

9.1.24. Newar, Terai Castes and hill Brahmins have better access than other groups to public hospitals and primary health centres (PHC), where expert medical services are available. About 59 percent of Newar households and 40 percent of Terai caste and hill Brahmin households each have access to the nearest public hospital or PHC within 30 minutes of their homes. A wide variation exists within the Chhetri group, with 30 percent of households able to access a public hospital or PHC within 30 minutes and 26 percent of households requiring more than three hours of travel to reach such facilities. However, the access of Chhetris to such health care facilities is considerably better than that of hill Dalits and hill indigenous peoples. Twenty-four percent of hill indigenous households and 37 percent of Terai indigenous households can access public hospitals and PHCs within 30 minutes, which is slightly better than hill Dalit households, only 21 percent of which have access to such facilities within 30 minutes. Among all caste and ethnic groups, the Magar and Limbu groups are the most disadvantaged with 16 percent and 17 percent of households respectively having access to hospitals and PHCs within 30 minutes. It takes more than three hours to reach to the nearest hospital or PHC for 50 percent of Limbu households, 36 percent of Rai households and 34 percent each of Magar and the Kumal, Sunuwar, Majhi and Chepang cluster households. Accessibility in terms of time taken to reach hospitals and PHCs does not guarantee

timely and quality care and treatment for patients; it is only one factor contributing to a patient's chances of recovery, as delayed treatment can lead to several complications.

9.1.25. Newar, Gurung and hill Brahmin groups have better access to cooperatives (Sajha/Sahakari) compared to all other groups (Table 8.7). Among indigenous peoples, about 86 percent of the Newar households have within 30 minutes of access to cooperatives, which is the highest proportion, outstripping hill Brahmins (71.4 percent) in levels of access. The second largest proportion is that of Gurungs, with about 73 percent of households having access to a cooperative within 30 minutes. Among the hill indigenous peoples' households other than Newar, 49 percent have access to a cooperative within 30 minutes, which is below the national average of 54 percent. Among all indigenous groups, Magars have the lowest rate of access to cooperatives, with 39.8 percent of households able to access a cooperative within 30 minutes. Across all castes and ethnicities, Terai Dalit households have the lowest proportion of access to a cooperative within 30 minutes (39.2 percent) followed by Terai caste households (40.2%). The proportion of hill Chhetri households (53.2 percent) able to access a cooperative within 30 minutes is closer to the national average. When we look to access to a cooperative within one hour, the differences in rates of access between different caste and ethnic groups become more glaring: the groups with the least access to a cooperative within one hour are hill Dalits (61.4 percent) and hill indigenous groups (64.8 percent), particularly Magar (54.8 percent), Limbu (59.7 percent), and Rai (60 percent). At the other end of the spectrum, the groups with the greatest access to cooperatives within one hour are hill Brahmin (83.6 percent), hill Chhetri (68.6 percent) and Terai castes (71.5 percent). These rates reflect differential access of diverse groups to emerging economic activities, with the simple conclusion that dominant castes have better access to newly expanding economic institutions, as exemplified by their better access to cooperatives.

9.1.26. About 41 percent of all households of the country have access to a bank within 30 minutes from their home. Newars have the highest proportion of households with such access, at about 69 percent. As in other areas, hill Brahmins have the next greatest access to banks after the Newar group, with 53 percent of hill Brahmin households spending

less than 30 minutes to reach the nearest commercial banks. Hill Dalits are the most disadvantaged in access to banks as only 22 percent of their households can access a bank within 30 minutes. Among indigenous peoples, about 30 percent of hill indigenous households and 42 percent of Terai indigenous households have access to a bank within 30 minutes, slightly better access than that of Dalit households, but lagging far behind hill Brahman households. It takes more than three hours to reach the nearest bank for 53 percent of Limbu households, 38 percent of Rai households, 34 percent of Magar households and 27 percent of Tamang households, making these groups the most disadvantaged in terms of access to banks. About 29 percent of hill Chhetri households and 28 percent of hill Dalit households also have to spend more than three hours to reach the nearest bank, which also leaves them in a disadvantaged state from the perspective of time taken to reach the banks. However, the relatively equal rates of time taken to reach the nearest bank most likely does not equate to truly equal access to banks between hill Chhetri and hill Dalit households.

9.1.27. About 71 percent of Newar households have access to a market centre within 30 minutes, followed by 54 percent of Terai caste households and 52 percent of Terai indigenous households. Hill Chhetris are in somewhat better position than hill Dalits and hill indigenous peoples other than Newar, with about 43 percent of households having access to the nearest market centre within 30 minutes. Hill Dalits are the most disadvantaged in this regard, with less than 29 percent of households having access to a market centre within 30 minutes, which shows that market centres are either least meaningful to them or the market has failed to penetrate Dalit communities because of the prevailing caste economy. Terai Dalits have better rates of access (44.5 percent) to market centres within 30 minutes than hill Dalits. This is most likely due to the topographical advantage of living in the Terai and the better transportation facilities available there. Hill indigenous peoples other than Newars rank in between the two Dalit groups, with 33 percent of households having access to market centres within 30 minutes. Only small proportions of the Limbu (23.37 percent) and Magar (23.44 percent) have market centres within 30 minutes, which may indicate that the market economy and arrangements are least impressive and effective to them. The reasons for this need further

exploration. Large proportions of Magar, Tamang, Rai, Gurung and Limbu households, between 22 and 30 percent, must travel more than 3 hours to reach the nearest market centre, constituting about one-fifth of the total population of these groups. This high proportion is unusual among the other groups, with only the Dalits and hill Chhetris showing similar rates of their population having to travel more than 3 hours to reach the nearest market centre.

9.1.28. The mean travel time to the nearest paved road is less than 30 minutes for almost half of the total population (51 percent of households) and 75 percent of households have access to paved roads within two hours. Terai caste groups and Terai Dalits have better access to the nearest paved road than all other groups. About 64 percent of Terai caste households and slightly less than 60 percent of Terai Dalit households are within 30 minutes from the nearest paved road. Among Terai inhabitants, Terai indigenous peoples are comparatively disadvantaged with only 56 percent of households able to access a paved road in less than 30 minutes. Among the hill caste and ethnic groups, 75 percent of Newar households and 61 percent of hill Brahmin households are within 30 minutes from the nearest paved roads. As Newars live in urban centres and road connectivity is better in urban areas, Newars naturally benefit from such connectivity, which the figure substantiates. Hill Brahmins have better access to paved roads in comparison to hill indigenous peoples and hill Dalits, which may reflect their influence on the country's decision makers as well as the asymmetrical nature of development in Nepal, generating identity-based inequalities and inequities in benefits sharing. Only about 45 percent of hill Chhetri households are within 30 minutes of access to paved roads, which is likely the result of the neglect of the large areas of Nepal's mid-western and far-western hills on the part of the government. Less than 38 percent of hill indigenous households are within 30 minutes from the nearest paved roads and Limbu, Rai and Magar are the most disadvantaged among them in this regard, with 27 percent, slightly less than 31 percent and 31 percent of households respectively having such access. Similarly, 38 percent of households of the Sherpa, Bhujel, Bhote and Thakali cluster have access to the nearest paved road within 30 minutes, followed by 40 percent of households of the Kumal, Sunuwar, Majhi and Chepang cluster. Hill Dalits are the

least advantaged among all groups in access to paved roads within 30 minutes, with only 30 percent of households having such access. On the other hand, access to paved roads within a convenient travel time is a distant dream for many groups. It takes more than three hours to reach the nearest paved roads for 46 percent of Rai households, 34 percent of Magar households, 29 percent each of Limbu and Tamang households and 39 percent of Kami households. Terai castes and Terai Dalits have better access to dirt/earthen roads, with 99.8 percent and 99.4 percent able to access such roads within 30 minutes. These groups are followed by Terai indigenous peoples (97.2 percent). About 80 percent of hill Brahmin households are within 30 minutes from the nearest dirt/earthen roads, the largest proportion of households among all hill caste and ethnic groups. Similarly, 70 percent of hill Chhetri households are within 30 minutes from the nearest dirt roads, followed by 69 percent of hill Dalit households. Hill indigenous peoples are most disadvantaged in this regard, with 64.5 percent having access to a dirt road within 30 minutes. Such life situation is the manifestation of persistent traditional caste/identity-based discrimination, even in the evolving modern sector. Only about 60 percent of Limbu households, slightly less 62 percent of Rai households, 62 percent of Magar households and 64 percent each of Tamang and Gurung households are within 30 minutes of the nearest dirt road, far below the national average. More than 30 percent of Rai households and 24 percent of Limbu and Gurung households each have to spend more than three hours to reach nearest dirt roads. These figures demonstrate that the areas and ancestral lands of these peoples are lagging behind in infrastructure development, including roads extension, compared to settlements mainly concentrated by other groups.

9.1.29. Slightly more than 86 percent of all households in Nepal are within 30 minutes from the nearest telephone booth. Newar and Gurung households are the most advantaged in telephone access with 96 percent and 95 percent of households respectively located within 30 minutes of the nearest telephone booth. These relatively high rates of access bring the proportions for the broader indigenous peoples group closer to the national average. About 93 percent of Terai indigenous households are within 30 minutes of the nearest telephone booth. Similarly, 92 percent of Terai caste households also have access to a telephone booth within

30 minutes. Among hill caste and ethnic groups, hill Brahmins have the greatest access to telephone booths, with about 91 percent of hill Brahmin households located within 30 minutes to the nearest telephone booth. Contrary to popular belief, about 81 percent of hill Dalit households have access to telephone booths within 30 minutes. Hill indigenous peoples have the lowest rate of access in this respect, with 78 percent of households having access to a telephone booth within 30 minutes, slightly below the proportion of hill Dalits (80.7 percent). Within this group, the lowest proportions of access lie with Rai households (70.4 percent), Magar households (72.8 percent), the Sherpa, Bhujel, Bhote and Thakali cluster (76.1 percent) and the Kumal, Sunuwar, Majhi and Chepang cluster (76.9 percent). Newars have the highest proportion of households, 72 percent, with access to the nearest internet facilities within 30 minutes. This is followed by 58 percent of Tharu households, the second largest proportion compared to other groups. Among hill groups, hill Brahmins have better access to internet facilities than all groups other than Newars, with 56 percent of households having access to such facilities within 30 minutes. About 33 percent of hill indigenous households are within 30 minutes from the nearest internet facilities, substantially below the national average of 43 percent. Some hill indigenous groups are quite disadvantaged in access to internet facilities, leaving them unaware of the benefits of the information age. Only about 23 percent each of Magar and Limbu households, 33 percent of Rai households and 35 percent of Tamang households have access to internet facilities within 30 minutes. Terai castes and Hill Chhetris also have better access than indigenous peoples and Dalits, with 44 percent and 41 percent of households respectively able to reach internet facilities within 30 minutes. Hill Dalits are most disadvantaged in this regard and only 22 percent of Kami households have access to internet facilities within 30 minutes. It takes more than three hours to reach the nearest internet facility for 39 percent of Limbu households, 38 percent of Rai households and 31 percent of Magar households. The wide disparity in internet access as seen in the time taken to reach the nearest facility reveals a widening gap in the access of digital information and knowledge across different groups, creating a new society of digital divide.

9.1.30. Apart from educational attainment and type of occupation, access to facilities is also correlated to poverty head headcount rates. Hill Brahmins

have greater access to various facilities like paved roads, dirt roads and markets (within 30 minutes) than all other groups and their poverty headcount rate is the lowest among all castes and ethnicities. Conversely, poverty headcount rates are higher among those groups whose access to various facilities is poor. In this analysis, access is measured in terms of time taken to reach the facilities, although it is important to note that this measurement does not guarantee quality of service.

9.1.31. In conclusion, statistics relating to living standards, health services, human development and other development outcomes, economic growth, patterns of distribution of resources, opportunities, goods and services, development plans, policies and programmes or projects over time give the impression that it is a most challenging task to break the traditionally entrenched cycle of resource concentration and increase the share of deprived, excluded and powerless people in the state resources.

9.2. Recommendations

Based on the findings of this study, recommendations have been presented in the following paragraphs.

9.2.1. The NLSS should depart from its past practices and refine its methodology to generate robust data to meet the new challenges of poverty reduction through social inclusion and social justice perspectives. The NLSS should also generate more robust disaggregated data by caste and ethnicity, gender and region to provide insights into the nature of distribution of benefits and burden and capture different dimensions (social, economic, political and cultural) and levels/degrees of exclusion/inclusion that may guide policy and decision makers and civil society actors. The NLSS' legacy of failing to provide information that is specific to caste/ethnicity or social group enables policy-makers and other relevant actors to ignore the sustained discrimination, domination and exclusion experienced by many indigenous groups, Dalits and Terai castes in Nepal. These practices should end as soon as possible for the benefit of the entire country and its people. The Government of Nepal should take a bold step to break the existing patterns and processes of data generation, dissemination, management and utilization and strengthen its information

systems and statistical institutions. Governmental statistical institution(s), particularly CBS, should be made autonomous, resourceful, efficient and free of political and bureaucratic interventions. Data manipulations to serve the interests of the government and people in power should be stopped at any costs for the benefit of the country and the people.

9.2.2. Assistance from multilateral and bilateral donor agencies, international agencies and international NGOs is also required to assist in generating comprehensive data, to be used in policy and development interventions including: effectively managing poverty eradication and reducing poverty disparity, eliminating the structural domination by some social groups and social exclusion of other groups, ensuring distributive/redistributive justice and equitable sharing of development benefits among different social groups, and amicably addressing identity-based grievances and perceived deprivations. These international players should join hands with civil society actors and indigenous peoples' activists and agencies and organizations of other excluded groups to accomplish these goals.

9.2.3. The pace and extent of poverty reduction across different groups have remained uneven between 2003/04 and 2010/11, as in the preceding period (1995/96 – 2003/04). This reveals a trend of dramatic poverty reduction among dominant caste groups (reduced by about 45 percentage points), while poverty reduction among indigenous peoples and Dalits has been discouragingly slow. These variations are the result of uneven, unjust and culturally insensitive development programmes, as well as a misdistribution of resources. It is time to revise and correct development practices and policies. Development programmes should be beneficiary-oriented in the practical sense, instead of power-oriented, and they must be corruption free. Scarce resources available for the development of the country and the good of its deprived people should not be channeled to serve the vested interests of political parties and professional politicians. Planning entities of the government should be aware of the development principles laid down in ILO Convention 169 and UNDRIP. Development policies and other state policies should specifically ensure that indigenous peoples have the opportunity to decide their own development priorities, formulate and implement development programmes for their regions and provide

their free, prior, informed consent prior to any decisions being made about their development.

9.2.4. Special measures should be adopted to reduce the poverty and deprivation of indigenous peoples, Dalits and marginalized Terai/Madhese castes, other than higher castes. taking into account the cumulative effects of historical injustices. Indigenous peoples are diverse groups. They range from the nomadic Raute band, which does not maintain a private property regime, to the Newar group, a socio-economically advanced group even surpassing the hill Brahmins in business and educational advancement. The status of Thakali, Gurung and Sherpa groups has been improving in recent years, overcoming several structural barriers to their advancement. Newars are currently striving to achieve linguistic recognition for their native language and political autonomy, but poverty reduction interventions are not as relevant to them. On the other hand, the Thakali, Gurung and Sherpa groups have begun to benefit greatly from development endeavours, apart from recent economic measures. Other indigenous groups, Dalits, Terai castes and Muslims can still benefit from a wide variety of affirmative action policies and development programmes. Development plans, policies and practices should be thoroughly revisited with the effective and meaningful participation of concerned stakeholders and rights holders. They should be changed accordingly so that development actions would not result in the destruction and devastation of indigenous peoples and other local people, as they have in the past. The nature and intensity of development interventions should differ depending upon the characteristics of the target groups (culture, development status, power relations, etc.). Development initiatives should be sensitive and responsive to the particular needs of each indigenous group and their rights should be fully protected and respected in any development programme. The Nepal Planning Commission should take immediate actions in this regard. A new Constitution to be formulated in the near future should affirmatively guarantee these rights along with other provisions of human rights and fundamental freedoms.

9.2.5. Poverty and inequality are primarily the results of historical relationships between the state and the concerned peoples. One way to

address these issues is structure state institutions to provide the greatest benefits to the least advantaged and most historically discriminated identity groups and adopt a rights-based approach to development. 'Development with identity' is crucial for maintaining the integrity of indigenous cultural heritage, which is vital to ensuring the well-being of indigenous peoples. The Government and constitution/, as well as policy makers and other responsible authorities and agencies, should respect the identity of indigenous peoples and recognize their rights to self-determination; to territories, lands and natural resources; to full, informed and effective participation in decision-making; and to culturally appropriate education and access to health and other facilities and basic services. Without ensuring these basic rights, achieving freedom from poverty, hunger and other threats to survival for indigenous peoples will be almost impossible. The Government and policy makers should pay particular attention to the rights of women, Dalits, marginalized Terai caste groups and any other groups living under chronic deprivation.

9.2.6. The severe and persistent social problems faced by indigenous peoples, Dalits and Teria castes, including poverty, powerlessness, lack of capability, devoid of essential services, unemployment and under-employment, restricted access to natural resources, non-access to facilities and exclusion from decision making processes and institutions, result from longstanding, deliberate actions of the state against these groups . Persistent, deep institutionalized social exclusion has crippled the efforts of indigenous peoples, with some exceptions, and Dalits and major Terai caste groups to combat these plights. Centralization of powers has further aggravated the situation by obstructing the ways and means of local initiatives to address the problems and their causes. Increasing disparities in assets possession, grabbing opportunities for productive resources and sharing development benefits and increased levels of deprivation, even despite the escalating affluence of other groups in Nepal, will likely to lead to hostile competition for state resources between privileged, powerful groups and subordinated powerless peoples. State policies and policy makers should take these realities into account and develop inclusive, transformative measures and affirmative action policies and programmes in order to prevent identity- based class conflicts.

9.2.7. The implementation of ILO Convention 169 and UNDRIP should be expedited so that indigenous peoples' problems of poverty and hunger; persistent low educational attainment; poor health and lack of capability of accessing modern quality health care; land alienation and land injustices; restricted access to the natural resources of their ancestral territories; unemployment and underemployment or coerced employment; deprivation from development benefits and negative impacts of unjust development; violations of basic human rights; lack of effective and meaningful participation in decisions that affect them; and dire consequences from state actions of inter-generational repercussions taken without their free, prior and informed consent could be addressed. Recognizing rights, extending services and opportunities, expanding life chances and improving life conditions of those who have been discriminated against, deprived and subordinated for centuries should not be misconstrued as an effort to deprive or limit the rights, privileges, rewards and opportunities of traditionally dominant caste elites and their families. International communities, at least UN agencies, should come forward to actively facilitate implementation activities, as Nepal is already a party to this Convention and Declaration.

9.2.8. The sectoral approach to development is highly deficient to address deprivation across areas of social life and to account for the deeply ingrained exclusion of certain groups based on traditional identities (caste/ethnicity, religious affiliation, gender and geographical region). Structural reforms should be initiated for multisectoral and coordinated interventions on the part of the government for the speedy actions.. Poverty reduction programmes should specially focus on indigenous peoples. Newar, Thakali and Gurung may not need extensive coverage for such interventions. This approach may equally be applicable for secondary and higher education. Multi-lingual education (also alternatively called multi-cultural education) should cover all primary schools and mother language teachers should be brought in to expedite the learning process and improve the academic performance of indigenous children and other children whose native language is other than Nepali. The Government should take initiative to respect and recognize the first right of indigenous peoples to land, while redistributing lands to landless people and home to homeless people, as they are the victims of land dispossession and alienation.

9.2.9. Non-participation or lack of meaningful, culturally appropriate (legitimated) participation in decision making processes and institutions is the root cause of the disadvantaged social status of indigenous peoples and other excluded groups in the last two and a half centuries (a phenomenon which is popularly delineated as 'consequences of oppression'). It is time, during this crucial period of constitution-building, for politicians and senior party leaders, people's representatives (Constituent Assembly/Parliament members) and state authorities to come to terms with the claims of indigenous peoples and other excluded groups without depending on their 'domesticated clients' (co-opted nurtured cadres) or 'patronage seekers'. It is time that these political leaders shed their traditional culturally harboured prejudices to find long-term solutions to the problems that the country is facing.

9.2.10. Although the NLSS is the government's standard instrument for data collection on the living standards of the people of Nepal, it does not capture several core issues and themes relevant to the well-being of indigenous peoples. The facts and figures of the NLSS findings, though informative, do not tell us the deeper reasons why the same trends appear repeatedly and why structural constraints to development have not been removed. Hence, the government needs to improve the NLSS to generate reliable and trustworthy data, including data on the status of all peoples. In addition to this research studies should be commissioned to learn more about the structural impediments that continue to hinder indigenous peoples from realizing their rights and obtaining full recognition of their identity.

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ANNEX I

Table A: Changes in the caste/ethnic population between the census 2011 and census 2001

Caste/Ethnic Group	Male	Female	2011	Female %	Column %	2001	Column %	Change	Change %
Hill Brahmin, Chhetri, Thakuri & Dasnami/Sanyasi									
Chhetree	2,098,534	2,299,519	4,398,053	52	16.60	3,593,496	15.80	804,557.00	22.38925548
Brahmin – Hill	1,546,082	1,680,821	3,226,903	52	12.18	2,896,477	12.74	330,426.00	11.40785858
Thakuri	204,043	221,580	425,623	52	1.61	334,120	1.47	91,503.00	27.38626841
Sanyasi/Dasnami	107,976	119,846	227,822	53	0.86	199,127	0.88	28,695.00	14.4104014
Sub-Total	3,956,635	4,321,766	8,278,401	52	31.25	7,023,220	30.89	255,181.00	17.87187359
Tarai Brahmin, Chhetri and Rajput									
Brahmin – Tarai	69,468	64,638	134,106	48	0.51	134,496	0.59	(390.00)	-0.289971449
Rajput	22,349	19,623	41,972	47	0.16	48,454	0.21	(6,482.00)	-13.37763652
Kayastha	22,830	21,474	44,304	48	0.17	46,071	0.20	(1,767.00)	-3.835384515
Marwadi	27,040	24,403	51,443	47	0.19	43,971	0.19	7,472.00	16.99301813
Jaine						1,015	0.00	(1,015.00)	-100
Dev	1,145	1,002	2,147	47	0.01		-	2,147.00	

Sub-Total	142,832	131,140	273,972	48	1.03	274,007	1.21		0
Tarai Middle Caste									
Yadav	544,370	510,088	1,054,458	48	3.98	895,423	3.94	159,035.00	17.76087949
Teli	191,633	178,055	369,688	48	1.40	304,536	1.34	65,152.00	21.3938582
Koiri/Kushawaha	157,846	148,547	306,393	48	1.16	251,274	1.11	55,119.00	21.93581509
Kurmi	119,710	111,419	231,129	48	0.87	212,842	0.94	18,287.00	8.591819284
Sonar	32,938	31,397	64,335	49	0.24	145,088	0.64	(80,753.00)	-55.65794552
Kewat	76,353	77,419	153,772	50	0.58	136,953	0.60	16,819.00	12.28085548
Kathabaniyan	72,508	66,129	138,637	48	0.52	126,971	0.56	11,666.00	9.187924802
Mallaha	88,058	85,203	173,261	49	0.65	115,986	0.51	57,275.00	49.38095977
Kalwar	67,545	60,687	128,232	47	0.48	115,606	0.51	12,626.00	10.92157846
Kanu	65,696	59,488	125,184	48	0.47	95,826	0.42	29,358.00	30.63677916
Sudhi	47,655	45,460	93,115	49	0.35	89,846	0.40	3,269.00	3.638448011
Nuniya	36,447	34,093	70,540	48	0.27	66,873	0.29	3,667.00	5.483528479
Kumhar	31,983	30,416	62,399	49	0.24	54,413	0.24	7,986.00	14.67663977
Halwai	43,106	40,763	83,869	49	0.32	50,583	0.22	33,286.00	65.804717
Badhaee	14,962	13,970	28,932	48	0.11	45,975	0.20	(17,043.00)	-37.07014682
Baraee	41,012	39,585	80,597	49	0.30	35,434	0.16	45,163.00	127.45668
Kahar	27,146	26,013	53,159	49	0.20	34,531	0.15	18,628.00	53.94572992
Lodh	16,639	16,198	32,837	49	0.12	24,738	0.11	8,099.00	32.73910583

Rajbhar	4,884	4,658	9,542	49	0.04	24,263	0.11	(14,721.00)	-60.67262911
Bin	37,720	37,475	75,195	50	0.28	18,720	0.08	56,475.00	301.6826923
Gaderi/Bhedihar	13,375	13,000	26,375	49	0.10	17,729	0.08	8,646.00	48.76755598
Nurang	110	168	278	60	0.00	17,522	0.08	(17,244.00)	-98.41342313
Mali	7,628	7,367	14,995	49	0.06	11,390	0.05	3,605.00	31.65057068
Kamar	899	888	1,787	50	0.01	8,761	0.04	(6,974.00)	-79.60278507
Dhunia	7,315	7,531	14,846	51	0.06	1,221	0.01	13,625.00	1115.888616
Kalar	522	555	1,077	52	0.00		-	1,077.00	
Dhandi	1,013	969	1,982	49	0.01		-	1,982.00	
Dhankar/Dharikar	1,353	1,328	2,681	50	0.01		-	2,681.00	
Sarbaria	2,465	2,441	4,906	50	0.02		-	4,906.00	
Amat	1,929	1,901	3,830	50	0.01		-	3,830.00	
Tearai Others	53,882	49,929	103,811	48	0.39		-	103,811.00	
Sub-Total	1,808,702	1,703,140	3,511,842	48	13.25	2,902,504	12.77	609,338.00	20.99352835
Hill Dalit									
Kami	585,008	673,546	1,258,554	54	4.75	895,954	3.94	362,600.00	40.47082774
Damai/Dholi	219,297	253,565	472,862	54	1.78	390,305	1.72	82,557.00	21.15191965
Sarki	172,438	202,378	374,816	54	1.41	318,989	1.40	55,827.00	17.50123045
Gaine	3,250	3,541	6,791	52	0.03	5,887	0.03	904.00	15.35586886
Badi	18,298	20,305	38,603	53	0.15	4,442	0.02	34,161.00	769.045475

Sub-Total	998,291	1,153,335	2,151,626	54	8.12	1,615,577	7.11	536,049.00	33.18003413
Tarai Dalit									
Chamar/Harijan/ Ram	169,206	166,687	335,893	50	1.27	269,661	1.19	66,232.00	24.56120833
Musahar	118,080	116,410	234,490	50	0.89	172,434	0.76	62,056.00	35.98826218
Dusadh/Paswan/ Pasi	105,910	103,000	208,910	49	0.79	158,525	0.70	50,385.00	31.78363034
Lohar	51,218	50,203	101,421	49	0.38	82,637	0.36	18,784.00	22.73073805
Tatma/Tatwa	52,408	52,457	104,865	50	0.40	76,512	0.34	28,353.00	37.05693225
Khatwe	49,449	51,472	100,921	51	0.38	74,972	0.33	25,949.00	34.61158833
Dhobi	55,724	53,355	109,079	49	0.41	73,413	0.32	35,666.00	48.58267609
Bantari/Sardar	27,087	28,017	55,104	51	0.21	35,839	0.16	19,265.00	53.75429002
Chidimar	651	603	1,254	48	0.00	12,296	0.05	(11,042.00)	-89.80156148
Dom	6,668	6,600	13,268	50	0.05	8,931	0.04	4,337.00	48.56119136
Rajdhob	6,794	6,628	13,422	49	0.05		-	13,422.00	
Kori	6,399	5,877	12,276	48	0.05		-	12,276.00	
Hajam/Thakur	60,702	57,056	117,758	48	0.44	98,169	0.43	19,589.00	19.95436441
Natuwa	1,562	1,500	3,062	49	0.01		-	3,062.00	
Halkhor	2,058	1,945	4,003	49	0.02	3,681	0.02	322.00	8.747622929
Dalits Others	74,312	81,042	155,354	52	0.59	173,401	0.76	(18,047.00)	-10.40766778
Sub-Total	788,228	782,852	1,571,080	50	5.93	1,240,471	5.46	330,609.00	26.65189271

Sub-Total (Dalits)	1,786,519	1,936,187	3,722,706	52	14.05	2,856,048	12.56	866,658.00	30.34465807
Hill and Mountain Indigenous Peoples									
Magar	874,416	1,013,317	1,887,733	54	7.12	1,622,421	7.14	265,312.00	16.35284553
Tamang	744,868	794,962	1,539,830	52	5.81	1,282,304	5.64	257,526.00	20.08306923
Newar	642,352	679,581	1,321,933	51	4.99	1,245,232	5.48	76,701.00	6.159575083
Rai	293,907	326,097	620,004	53	2.34	635,151	2.79	(15,147.00)	-2.38478724
Gurung	238,861	283,780	522,641	54	1.97	543,571	2.39	(20,930.00)	-3.850462957
Limbu	180,504	206,796	387,300	53	1.46	359,379	1.58	27,921.00	7.769235264
Sherpa	54,424	58,522	112,946	52	0.43	154,622	0.68	(41,676.00)	-26.95347363
Gharti/Bhujel	56,164	62,486	118,650	53	0.45	117,568	0.52	1,082.00	0.920318454
Kumal	57,525	63,671	121,196	53	0.46	99,389	0.44	21,807.00	21.94105988
Sunuwar	26,758	28,954	55,712	52	0.21	95,254	0.42	(39,542.00)	-41.51216747
Danuwar	39,986	44,129	84,115	52	0.32	53,229	0.23	30,886.00	58.02476094
Chepang/Praja	34,620	33,779	68,399	49	0.26	52,237	0.23	16,162.00	30.93975535
Thami	13,913	14,758	28,671	51	0.11	22,999	0.10	5,672.00	24.66194182
Bhote	6,350	7,047	13,397	53	0.05	19,261	0.08	(5,864.00)	-30.44494055
Yakkha	11,440	12,896	24,336	53	0.09	17,003	0.07	7,333.00	43.12768335
Darai	7,836	8,953	16,789	53	0.06	14,859	0.07	1,930.00	12.98876102
Thakali	6,157	7,058	13,215	53	0.05	12,973	0.06	242.00	1.86541278

Pahari	6,670	6,945	13,615	51	0.05	11,505	0.05	2,110.00	18.33985224
Chhantyal/Chhantel	5,245	6,565	11,810	56	0.04	9,814	0.04	1,996.00	20.33829224
Brahmu/Baramo	3,681	4,459	8,140	55	0.03	7,383	0.03	757.00	10.25328457
Jirel	2,770	3,004	5,774	52	0.02	5,316	0.02	458.00	8.615500376
Dura	2,410	2,984	5,394	55	0.02	5,169	0.02	225.00	4.352872896
Lepcha	1,749	1,696	3,445	49	0.01	3,660	0.02	(215.00)	-5.87431694
Byansi/Sauka	1,904	1,991	3,895	51	0.01	2,103	0.01	1,792.00	85.21160247
Hayu	1,401	1,524	2,925	52	0.01	1,821	0.01	1,104.00	60.62602965
Walung	641	608	1,249	49	0.00	1,148	0.01	101.00	8.797909408
Raute	320	298	618	48	0.00	658	0.00	(40.00)	-6.079027356
Hyoimo	5,115	5,637	10,752	52	0.04	579	0.00	10,173.00	1756.994819
Kusunda	123	150	273	55	0.00	164	0.00	109.00	66.46341463
Lhomi	726	888	1,614	55	0.01		-	1,614.00	
Kulung*	13,887	14,726	28,613	51	0.11		-	28,613.00	
Ghale*	10,525	12,356	22,881	54	0.09		-	22,881.00	
Nachhiring*	3,524	3,630	7,154	51	0.03		-	7,154.00	
Yamphu*	3,328	3,605	6,933	52	0.03		-	6,933.00	
Chamling*	3,078	3,590	6,668	54	0.03		-	6,668.00	
Aathpariya*	2,687	3,290	5,977	55	0.02		-	5,977.00	
Bantawa*	2,163	2,441	4,604	53	0.02		-	4,604.00	

Dolpo	1,968	2,139	4,107	52	0.02	-	4,107.00	
Thulung*	1,748	1,787	3,535	51	0.01	-	3,535.00	
Mewahang*	1,474	1,626	3,100	52	0.01	-	3,100.00	
Bahing*	1,444	1,652	3,096	53	0.01	-	3,096.00	
Lhopa	1,286	1,338	2,624	51	0.01	-	2,624.00	
Sampang*	780	901	1,681	54	0.01	-	1,681.00	
Khaling*	720	851	1,571	54	0.01	-	1,571.00	
Topkegola	727	796	1,523	52	0.01	-	1,523.00	
Loharung*	566	587	1,153	51	0.00	-	1,153.00	
Janajati Others	598	630	1,228	51	0.00	0.02	(4,031.00)	-76,649,55315
Hill&Mountain IPs Total	3,373,339	3,739,480	7,112,819	53	26.85	6,402,031	710,788.00	11.10253918
Tarai Indigenous Peoples							-	
Dhanuk	110,371	109,437	219,808	50	0.83	188,150	31,658.00	16.82593675
Majhi	40,722	43,005	83,727	51	0.32	72,614	11,113.00	15.30421131
Rajbansi	56,411	58,831	115,242	51	0.43	95,812	19,430.00	20.27929696
Satar/Santhali	25,540	26,195	51,735	51	0.20	42,698	9,037.00	21.16492576
Jhangad/Dhagar	18,123	19,301	37,424	52	0.14	41,764	(4,340.00)	-10.39172493
Gangai	18,385	18,603	36,988	50	0.14	31,318	5,670.00	18.10460438
Dhimai	12,114	14,184	26,298	54	0.10	19,537	6,761.00	34.60613195

Tajpuriya	9,292	9,921	19,213	52	0.07	13,250	0.06	5,963.00	45.00377358
Bote	5,019	5,378	10,397	52	0.04	7,969	0.04	2,428.00	30.46806375
Mechhe	2,265	2,602	4,867	53	0.02	3,763	0.02	1,104.00	29.33829391
Kisan	831	908	1,739	52	0.01	2,876	0.01	(1,137.00)	-39.5340751
Raji	2,044	2,191	4,235	52	0.02	2,399	0.01	1,836.00	76.53188829
Koche*	823	812	1,635	50	0.01	1,429	0.01	206.00	14.4156753
Munda*	1,064	1,286	2,350	55	0.01	660	0.00	1,690.00	256.0606061
Patharkatta/ Kushwadiya	1,587	1,595	3,182	50	0.01	552	0.00	2,630.00	476.4492754
Khawas*	8,827	9,686	18,513	52	0.07			18,513.00	
Tharu	852,969	884,501	1,737,470	51	6.56	1,533,879	6.75	203,591.00	13.27295047
Terai Indigenous Peoples Total	1,166,387	1,208,436	2,374,823	51	8.96	2,058,670	9.05	316,153.00	15.35714806
Total Indigenous Peoples	4,539,726	4,947,916	9,487,642	52	35.81	8,460,701	37.21	026,941.00	12.13777676
Religious/ linguistic minorities and others								-	
Musalman (Muslims)	584,754	579,501	1,164,255	50	4.39	975,949	4.29	188,306.00	19.29465577
Bangali	14,914	11,668	26,582	44	0.10	9,860	0.04	16,722.00	169.5943205

Punjabi/Sikh	3,722	3,454	7,176	48	0.03	3,054	0.01	4,122.00	134.9705305
Unidentified Others	7,526	7,751	15,277	51	0.06	231,641	1.02	(216,364.00)	-93.40488083
Foreigner	3,711	2,940	6,651	44	0.03	-	-	6,651.00	
Sub-Total	614,627	605,314	1,219,941	50	4.60	1,220,504	5.37	(563.00)	-0.046128485
			6,494,504		100.00	2,736,984	100.00		

*New groups appeared in the census 2011 who claim recognition as indigenous peoples/ indigenous nationalities.

Table 1: Changes in the caste/ethnic population between the census 2011 and census 2001

Caste/Ethnic Group	2011	%	2001	%	Change	%
Hill Bahun, Chhetri, Thakuri & Dasnami/Sanyasi	8,278,401	31.25	7,023,220	30.89	1255181	17.87
Brahman – Hill	3,226,903	12.18	2,896,477	12.74	330426	11.41
Chhetree and Thakuri	4,823,676	18.21	3,927,616	17.27	896060	
Sanyasi/Dasnami	227,822	0.86	199,127	0.88	28695	14.41
Terai Brahman, Rajput, Kayastha and others	273972	1.03	274007	1.21	-35	14.41
Terai Middle Caste	3,629,600	13.70	3,000,673	13.20	628927	20.96
Yadav	1,054,458	3.98	895,423	3.94	159035	17.76

Teli and others (30 caste groups)	2,575,142	9.72	2,105,250	9.26	469892	22.32
Hill Dalit	2,151,626	8.12	1,615,577	7.11	536049	33.18
Kami	1,258,554	4.75	895,954	3.94	362600	40.47
Damai/Dholi	472,862	1.78	390,305	1.72	82557	21.15
Sarki, Gaine & Badi	420,210	1.59	329,318	1.45	90892	27.60
Terai Dalit	1,453,322	5.49	1,142,302	5.02	311020	27.23
Chamar/Harijan/Ram	335,893	1.27	269,661	1.19	66232	24.56
Musahar	234,490	0.89	172,434	0.76	62056	35.99
Dusadh/Paswan, Dhobi & others	882939	3.33	700207	3.08	182732	26.10
Hill and Mountain Adivasi Janajati	7,211,178	27.22	6,485,013	28.52	726165	11.20
Magar	1,887,733	7.12	1,622,421	7.14	265312	16.35
Tamang	1,539,830	5.81	1,282,304	5.64	257526	20.08
Newar	1,321,933	4.99	1,245,232	5.48	76701	6.16
Rai	620,004	2.34	635,151	2.79	-15147	-2.38
Gurung	522,641	1.97	543,571	2.39	-20930	-3.85
Limbu	387,300	1.46	359,379	1.58	27921	7.77
Kumal	121,196	0.46	99,389	0.44	21807	21.94
Gharti/Bhujel	118,650	0.45	117,568	0.52	1082	0.92
Sherpa	112,946	0.43	154,622	0.68	-41676	-26.95
Danuwar & 41 groups	578,945	2.19	425376	1.87	153569	36.10

Terai Indigenous Peoples	2,276,464	8.59	1,975,688	8.69	300776	15.22
Tharu	1,737,470	6.56	1,533,879	6.75	203591	13.27
Dhanuk	219,808	0.83	188,150	0.83	31658	16.83
Rajbansi	115,242	0.43	95,812	0.42	19430	20.28
Satar/Santhal & 10 groups	203,944	0.77	157847	0.69	46097	29.20
Religious/linguistic minorities and others	1219941	4.60	1220504	5.37	-563	-0.05

Table 2: Seasonal variation in poverty

Ethnic/Caste group	Season 1			Season 2			Season 3		
	Head count rate	Poverty gap	Poverty gap squared	Head count rate	Poverty gap	Poverty gap squared	Head count rate	Poverty gap	Poverty gap squared
Hill Brahmins	10.46	1.77	0.43	12.54	2.33	0.75	8.30	1.15	0.28
Hill Chhetris	27.37	6.95	2.45	23.25	5.28	1.68	19.41	4.35	1.42
Terai Castes	34.56	6.55	1.87	24.62	4.90	1.33	25.97	4.33	1.12
Hill Dalits	42.73	9.48	3.40	51.24	14.67	5.98	37.61	8.75	3.34
Kami	39.98	10.38	4.08	45.89	13.28	5.77	30.24	9.07	4.01
Other hill Dalits	45.51	8.57	2.71	55.07	15.66	6.13	45.25	8.42	2.65
Terai Dalits	43.02	9.89	2.78	30.84	5.92	1.64	38.79	7.89	2.13
Indigenous Peoples	24.26	5.51	2.02	26.46	5.20	1.58	22.85	5.49	2.22

Newar (hill Indigenous Peoples)	7.96	1.27	0.51	11.60	2.42	0.71	10.88	2.48	0.90
Other hill Indigenous Peoples	29.08	7.68	3.05	29.64	5.69	1.73	25.46	6.44	2.66
Magar	34.65	7.99	2.79	35.35	6.72	1.98	26.65	4.55	1.33
Tamang	28.95	9.44	4.10	23.49	4.98	1.76	34.61	7.79	2.40
Rai	20.43	3.16	0.84	32.82	5.49	1.24	13.13	2.03	0.46
Gurung	21.27	3.36	0.65	33.65	10.01	3.70	7.95	0.56	0.06
Limbu	30.31	6.95	2.27	32.44	4.05	0.91	0.00	0.00	0.00
Sherpa, Bhujel, Bhote, Thakali etc.	25.17	10.29	5.11	27.39	3.10	0.45	0.00	0.00	0.00
Kumal, Sunuwar, Majhi, Chepang etc.	45.25	20.25	10.85	21.13	3.89	1.14	52.61	27.10	16.02
Terai Indigenous Peoples	24.42	3.71	0.85	31.77	6.54	2.01	23.73	4.62	1.75
Tharu	24.04	3.79	0.91	29.61	6.18	1.99	14.58	2.77	0.90
Other Terai Indigenous Peoples	25.16	3.54	0.72	36.65	7.35	2.04	41.41	8.19	3.38
Other (Muslim etc.)	13.59	2.30	0.48	21.88	5.21	1.69	21.79	2.96	0.62
Total	26.62	5.85	1.94	25.97	5.65	1.84	22.87	4.80	1.65

Source: CBS 2011, NLSS III

Table 3: Poverty by age-gender characteristics of the household head

Ethnic/Caste group	Household head characteristics				
	Male ≤25	Male [26, 45]	Male 46+	Female	Total
HillChhetris	28.17	25.56	23.07	20.63	23.40
Terai Castes	18.05	26.75	27.74	35.69	28.35
Hill Dalits	40.63	47.39	40.58	43.76	43.63
Kami	44.15	41.97	35.22	37.27	37.87
Other hill Dalits	39.20	51.72	47.87	48.27	48.88
Terai Dalits	0.00	48.02	28.19	45.00	38.16
Indigenous Peoples	24.09	27.79	25.54	18.13	24.61
Newar (hill Janajati)	31.07	11.27	9.05	10.82	10.25
Other hill Indigenous Peoples	29.41	33.01	29.58	18.00	28.05
Magar	14.76	35.52	35.55	20.09	31.69
Tamang	59.76	28.50	28.50	23.60	28.34
Rai	0.00	25.69	26.19	11.82	22.01
Gurung	0.00	19.92	21.61	23.86	21.74
Limbu	37.01	35.11	21.69	13.21	25.27
Sherpa, Bhujel, Bhote, Thakali etc.	0.00	39.00	13.20	0.00	16.15
Kumal, Sunuwar, Majhi, Chepang etc.	100.00	50.47	43.79	11.61	40.40
Terai Indigenous Peoples	12.12	26.26	30.05	24.24	26.64
Tharu	0.00	28.49	23.45	17.21	23.57
Other Terai Indigenous Peoples	46.25	21.24	42.37	37.17	32.89
Other (Muslim etc.)	56.14	16.23	15.36	29.68	18.78
Total	24.49	27.30	24.29	23.69	25.16

Source: CBS 2011, NLSS III

Table 3: Poverty by age-gender characteristics of the household head

Ethnic group	Household head characteristics				
	Male ≤25	Male [26, 45]	Male 46+	Female	Total
Hill brahmins	9.75	9.62	11.27	9.50	10.34
Hill chhetris	28.17	25.56	23.07	20.63	23.40
Terai castes	18.05	26.75	27.74	35.69	28.35
Hill dalits	40.63	47.39	40.58	43.76	43.63
Kami	44.15	41.97	35.22	37.27	37.87
Other hill dalits	39.20	51.72	47.87	48.27	48.88
Terai dalits	0.00	48.02	28.19	45.00	38.16
Janajatis	24.09	27.79	25.54	18.13	24.61
Newar (hill janajatis)	31.07	11.27	9.05	10.82	10.25
Other hill janajatis	29.41	33.01	29.58	18.00	28.05
Magar	14.76	35.52	35.55	20.09	31.69
Tamang	59.76	28.50	28.50	23.60	28.34
Rai	0.00	25.69	26.19	11.82	22.01
Gurung	0.00	19.92	21.61	23.86	21.74
Limbu	37.01	35.11	21.69	13.21	25.27
Sherpa, bhujel, bhote, thakali etc.	0.00	39.00	13.20	0.00	16.15
Kumal, sunuwar, majhi, chepang etc.	100.00	50.47	43.79	11.61	40.40
Terai janajatis	12.12	26.26	30.05	24.24	26.64
Tharu	0.00	28.49	23.45	17.21	23.57
Other terai janajatis	46.25	21.24	42.37	37.17	32.89
Other (muslim etc.)	56.14	16.23	15.36	29.68	18.78
Total	24.49	27.30	24.29	23.69	25.16

Table 4: Poverty and household demographics

Ethnic/Caste group	Household size							Number of children 0-6				
	1	2	3	4	5	6	7+	0	1	2	3+	Total
Hill Brahmins	0.00	3.25	0.67	6.01	10.49	18.84	16.43	6.13	11.54	19.89	27.25	10.34
Hill Chhetris	2.64	5.58	5.39	11.04	16.43	28.49	41.95	9.62	21.81	39.36	61.92	23.40
Terai Castes	0.00	12.65	14.35	15.48	23.10	31.92	35.03	14.38	26.33	37.28	42.96	28.35
Hill Dalits	6.22	20.28	21.98	24.60	38.40	49.44	62.93	26.15	39.09	64.87	65.64	43.63
Kami	11.02	17.79	22.82	26.81	32.90	41.18	51.42	26.98	35.79	46.00	63.91	37.87
Other hill Dalits	0.00	22.08	21.35	22.25	42.38	59.06	73.00	25.39	42.46	81.55	66.81	48.88
Terai Dalits	20.49	5.25	8.54	16.46	31.88	45.53	45.83	20.30	36.04	58.10	37.81	38.16
Indigenous Peoples	4.49	5.84	6.69	12.70	22.11	33.20	39.24	12.50	26.96	43.44	52.55	24.61
Newar (hill Indigenous Peoples)	5.61	4.16	3.53	7.77	8.80	18.77	13.92	5.65	14.28	25.25	28.00	10.25
Other hill Indigenous Peoples	4.63	6.73	7.06	12.04	25.78	38.43	45.91	15.53	28.92	44.09	63.04	28.05
Magar	11.14	8.63	7.01	10.61	33.92	42.83	45.07	22.59	29.97	47.09	43.65	31.69

Tamang	0.00	6.84	3.56	16.21	34.03	29.73	49.74	13.16	25.99	54.08	78.82	28.34
Rai	0.00	0.00	7.57	5.70	12.74	22.88	49.59	5.19	34.14	35.46	49.83	22.01
Gurung	14.34	19.90	6.87	15.15	7.76	62.96	25.07	11.72	29.06	38.71	63.94	21.74
Limbu	0.00	0.00	14.16	14.24	34.06	27.03	37.87	9.49	28.74	42.35	100.00	25.27
Sherpa, Bhujel, Bhote, Thakali etc.	0.00	0.00	0.00	4.18	8.98	16.09	41.44	7.83	21.06	20.92	67.64	16.15
Kumal, Sunuwar, Majhi, Chepang etc.	0.00	0.00	24.65	16.11	24.51	75.81	55.94	32.22	29.72	36.80	73.29	40.40
Terai Indigenous Peoples	0.00	4.42	9.35	20.53	24.56	29.48	36.44	11.44	31.07	47.32	37.36	26.64
Tharu	0.00	3.64	7.65	15.41	22.19	26.99	31.72	9.24	31.75	51.08	7.97	23.57
Other Terai Indigenous Peoples	0.00	5.37	12.10	30.87	28.84	34.41	48.26	17.60	29.77	40.53	64.06	32.89
Other (Muslim etc.)	0.00	11.66	7.21	17.17	14.56	23.45	19.93	12.02	20.99	21.86	23.46	18.78
Total	3.28	7.40	7.48	12.76	21.10	32.39	37.59	12.31	25.21	41.48	46.64	25.16

Source: CBS 2011, NLSS III

Table 5: Distribution of Population by Nominal per capita income quintile and ethnic group

Ethnic/Caste group	Poorest (First)	Second	Third	Fourth	Richest (Fifth)	Total
Hill Brahmins	9.6	13.9	15.8	22.4	38.3	100.0
Hill Chhetris	20.8	17.3	16.9	22.1	22.9	100.0
Terai Castes	22.0	21.7	25.1	20.2	11.0	100.0
Hill Dalits	31.0	23.4	21.1	14.8	9.7	100.0
Kami	25.9	25.3	21.6	17.0	10.2	100.0
Other hill Dalits	35.5	21.7	20.6	12.9	9.3	100.0
Terai Dalits	25.9	29.6	25.3	16.9	2.4	100.0
Indigenous Peoples	18.5	19.8	19.4	20.2	22.1	100.0
Newar (hill Indigenous Peoples)	7.9	10.2	11.6	25.1	45.2	100.0
Other hill Indigenous Peoples	21.5	21.7	19.6	18.8	18.3	100.0
Magar	23.1	25.8	19.5	16.8	14.7	100.0
Tamang	19.5	18.3	21.4	22.5	18.4	100.0
Rai	18.6	24.1	17.7	19.9	19.7	100.0
Gurung	17.0	12.6	14.6	23.8	32.0	100.0
Limbu	27.0	27.1	23.9	12.3	9.7	100.0
Sherpa, Bhujel, Bhote, Thakali etc.	17.3	16.4	22.1	16.6	27.6	100.0
Kumal, Sunuwar, Majhi, Chepang etc.	30.9	20.4	18.2	13.8	16.7	100.0
Terai Indigenous Peoples	18.5	22.2	24.9	20.3	14.1	100.0
Tharu	15.7	23.5	26.0	19.0	15.8	100.0
Other Terai Indigenous Peoples	24.4	19.6	22.6	23.0	10.5	100.0
Other (Muslim etc.)	22.9	25.0	22.4	17.0	12.7	100.0
Total	20.0	20.0	20.0	20.0	20.0	100.0

Source: CBS 2011, NLSS III

Table 6: Per capita income with own account production income included

Ethnic group	Nominal NRs	
	Mean	Median
Hill brahmins	64409	43169
Hill chhetris	47373	28706
Terai castes	33248	23149
Hill dalits	28641	19526
Kami	30761	21068
Other hill dalits	26732	18299
Terai dalits	24995	19902
Janajatis	44985	28070
Newar (hill janajatis)	74139	49517
Other hill janajatis	40331	25010
Magar	35103	23542
Tamang	41087	26573
Rai	40394	27262
Gurung	64417	41780
Limbu	31454	19968
Sherpa,bhujel,bhote,thakali etc.	52748	28669
Kumal,sunuwar,majhi,chepong etc.	32091	21472
Terai janajatis	34504	25684
Tharu	36622	26131
Other terai janajatis	30063	23397
Other (muslim etc.)	30839	22322
Total	42857	26470

Table 6: Number and size of remittances received

Ethnic group	No. of HHs receiving remittances	Percentage of HHs receiving remittances	No. of remittances receiving by HHs	Average no. of remittance among recipient HHs	Average amount of remittance among recipient HHs (Rs.)	Average per capita remittance received (Rs.)
Hill brahmins	536	61.35	918	1.77	93883	13490
Hill chhetris	621	55.17	1017	1.68	73926	8659
Terai castes	390	59.24	620	1.62	61784	6473
Hill dalits	290	57.00	474	1.62	58869	7024
Kami	140	57.72	241	1.72	56190	6739
Other hill dalits	150	56.35	233	1.53	61338	7285
Terai dalits	113	65.46	182	1.64	32204	3667
Janajatis	1101	50.83	1736	1.61	100569	11000
Newar (hill janajatis)	183	38.38	288	1.68	142074	12243
Other hill janajatis	703	52.35	1111	1.60	107209	12267
Magar	227	57.74	381	1.69	76318	9075
Tamang	140	41.69	210	1.54	149229	13850
Rai	114	53.27	155	1.36	85033	10081

Gurung	96	67.41	162	1.69	143327	24063
Limbu	41	50.89	64	1.56	62675	7049
Sherpa, bhujel, bhote, thakali etc.	44	52.50	71	1.66	213835	25740
Kumal, sunuwar, majhi, chepang etc.	41	46.64	68	1.73	61040	5955
Terai janajatis	215	57.65	337	1.60	55938	6382
Tharu	161	63.85	244	1.55	51086	6290
Other terai janajatis	54	45.98	93	1.71	68633	6569
Other (muslim etc.)	127	59.21	204	1.62	62827	6261
Total	3178	55.76	5151	1.65	80436	9245

Table 6: Distribution of households by construction material of foundation

Ethnic/Caste group	Concrete pillar	Cement bonded brick/ stone	Mud bonded brick/ stone	Wooden pillar	Other	Total
Hill Brahmins	21.10	16.95	49.20	11.68	1.08	100.00
Hill Chhetris	11.24	13.20	61.17	13.60	0.79	100.00
Terai Castes	13.58	18.97	22.07	39.16	6.22	100.00
Hill Dalits	3.55	6.25	75.31	13.28	1.61	100.00
Kami	4.51	6.99	72.92	13.51	2.08	100.00
Other hill Dalits	2.68	5.59	77.47	13.07	1.19	100.00

Terai Dalits	2.73	10.84	22.87	42.77	20.78	100.00
Newar (hill Indigenous Peoples)	27.11	19.73	46.34	5.41	1.41	100.00
Other hill Indigenous Peoples	11.41	9.51	59.91	17.22	1.94	100.00
Magar	8.15	8.81	69.25	12.87	0.93	100.00
Tamang	9.95	11.00	59.27	18.96	0.83	100.00
Rai	13.32	11.20	47.36	24.67	3.45	100.00
Gurung	27.63	11.83	45.21	11.37	3.96	100.00
Limbu	7.99	5.32	52.37	32.16	2.16	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	16.35	6.81	66.07	9.02	1.75	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	4.37	6.37	67.45	17.11	4.71	100.00
Terai Indigenous Peoples	11.02	9.54	26.42	47.36	5.67	100.00
Tharu	12.40	8.07	27.53	47.19	4.81	100.00
Other Terai Indigenous Peoples	8.41	12.30	24.33	47.69	7.28	100.00
Other (Muslim etc.)	9.92	26.18	27.63	27.95	8.32	100.00
Total	13.00	13.72	48.66	21.23	3.39	100.00

Source: CBS 2011, NLSS III

Table 7: Distribution of households by construction material of outer walls

Ethnic/Caste group	Cement Bonded bricks/ stones and concrete	Mud bundled bricks/ stones	Wood/ Branches	Others	Total
Hill Brahmins	38.84	48.31	11.54	1.31	100
Hill Chhetris	23.80	62.68	11.84	1.68	100
Terai castes	31.96	17.54	48.48	2.02	100
Hill Dalits	8.39	75.20	14.49	1.93	100
Kami	8.76	76.14	13.90	1.21	100
Other hill Dalits	8.06	74.35	15.01	2.58	100
Terai Dalits	13.77	15.12	66.51	4.60	100
Newar (hill Indigenous Peoples)	44.54	48.98	5.66	0.82	100
Other hill Indigenous Peoples	20.04	62.65	15.25	2.06	100
Magar	16.32	71.15	10.92	1.61	100
Tamang	20.46	60.66	17.69	1.19	100
Rai	20.23	57.03	20.42	2.33	100
Gurung	39.35	46.85	10.60	3.20	100
Limbu	13.68	59.38	23.49	3.44	100
Sherpa, Bhujel, Bhote, Thakali etc.	24.54	66.88	8.58	0.00	100
Kumal, Sunuwar, Majhi, Chepang etc.	10.24	64.29	19.74	5.74	100

Terai indigenous Peoples	20.93		20.69	54.16	4.22	100
Tharu	21.12		23.82	50.20	4.86	100
Other Terai Indigenous Peoples	20.57		14.79	61.62	3.02	100
Other (Muslim etc.)	34.60		24.62	37.82	2.96	100
Total	26.13		48.13	23.67	2.08	100

Source: CBS 2011, NLSS III

Table 8: Distribution of households by construction material of roof

Ethnic/Caste group	Straw/ Thatched	Galvanized sheet	Concrete	Tile/ Slate	Others	Total
Hill Brahmins	7.71	40.92	31.44	19.73	0.20	100.00
Hill Chhetris	15.31	26.73	18.85	34.09	5.02	100.00
Terai Castes	15.07	6.67	27.32	49.24	1.71	100.00
Hill Dalits	29.59	28.63	4.46	30.91	6.42	100.00
Kami	29.34	25.57	5.83	28.06	11.20	100.00
Other hill Dalits	29.81	31.38	3.22	33.48	2.11	100.00
Terai Dalits	34.56	14.59	9.24	40.89	0.72	100.00

Newar (hill Indigenous Peoples)	3.75	40.59	39.26	14.92	1.48	100.00
Other hill Indigenous Peoples	25.51	35.65	13.59	19.84	5.41	100.00
Magar	29.35	32.35	9.83	25.94	2.53	100.00
Tamang	16.73	34.68	14.10	24.63	9.86	100.00
Rai	38.78	43.43	11.53	0.84	5.42	100.00
Gurung	5.35	34.50	32.47	20.31	7.36	100.00
Limbu	40.05	48.17	6.68	0.00	5.09	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	27.24	31.80	18.64	17.51	4.81	100.00
Kumal, Sumuwar, Majhi, Chepang etc.	27.31	32.30	8.74	31.65	0.00	100.00
Terai Indigenous Peoples	19.08	29.09	13.89	36.49	1.46	100.00
Tharu	14.07	27.91	15.39	40.83	1.79	100.00
Other Terai Indigenous Peoples	28.51	31.31	11.05	28.31	0.82	100.00
Other (Muslim etc.)	16.92	17.14	26.20	38.44	1.30	100.00
Total	18.06	28.44	20.32	29.92	3.26	100.00

Source: CBS 2011, NLSS III

Table 9: Unemployment rates by age groups (during last 7 days)

Ethnic/Caste group	10 - 14 years	15 - 24 years	25 - 44 years	45 year and above	Total
Hill Brahmins	1.62	4.41	2.68	0.74	2.33
Hill Chhetris	0.20	2.80	2.12	1.09	1.69
Terai Castes	0.70	3.93	2.84	1.15	2.26
Hill Dalits	0.94	2.20	1.18	0.48	1.21
Kami	0.00	2.98	0.95	0.62	1.21
Other hill Dalits	1.77	1.48	1.37	0.33	1.22
Terai Dalits	0.67	1.34	3.20	1.55	1.94
Indigenous peoples	0.63	3.77	2.74	1.49	2.33
Newar (hill Indigenous Peoples)	2.40	3.49	3.96	2.79	3.37
Other hill Indigenous Peoples	0.56	3.53	2.90	1.37	2.25
Magar	1.11	3.09	2.68	0.62	1.94
Tamang	0.00	2.87	2.99	2.23	2.37
Rai	1.02	0.76	3.40	0.90	1.62
Gurung	0.00	11.15	5.39	1.75	4.73
Limbu	0.00	4.99	2.97	2.50	2.76
Sherpa, Bhujel, Bhote, Thakali etc.	0.00	5.43	3.62	2.42	3.17
Kumal, Sunuwar, Majhi, Chepang etc.	0.00	2.96	0.00	0.00	0.63
Terai Indigenous Peoples	0.00	4.59	1.33	0.56	1.77
Tharu	0.00	4.72	0.99	0.33	1.64
Other Terai Indigenous Peoples	0.00	4.26	2.08	0.98	2.07
Other (Muslim etc.)	10.03	7.60	5.00	3.28	5.85
Total population	1.14	3.61	2.64	1.26	2.25

Source: CBS 2011, NLSS III

**Table 10: Distribution of employed population
by working hours**

Ethnic/Caste group	1-19 hours	20 - 39 hours	40 hour and above	Total
Hill Brahmins	31.52	23.56	44.93	100.00
Hill Chhetris	31.89	22.06	46.05	100.00
Terai Castes	31.28	21.78	46.94	100.00
Hill Dalits	34.69	22.09	43.21	100.00
Kami	35.31	23.08	41.61	100.00
Other hill Dalits	34.12	21.16	44.73	100.00
Terai Dalits	32.78	20.30	46.92	100.00
Indigenous Peoples	30.52	21.89	47.59	100.00
Newar (hill Indigenous Peoples)	23.91	20.27	55.82	100.00
Other hill Indigenous Peoples	30.66	21.42	47.92	100.00
Magar	32.82	23.22	43.96	100.00
Tamang	29.02	21.38	49.60	100.00
Rai	26.35	16.85	56.79	100.00
Gurung	43.05	15.67	41.27	100.00
Limbu	27.67	25.00	47.33	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	24.43	24.36	51.21	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	29.51	23.05	47.44	100.00
Terai Indigenous Peoples	35.13	24.41	40.46	100.00
Tharu	35.26	23.58	41.16	100.00
Other Terai Indigenous Peoples	34.85	26.28	38.88	100.00
Other (Muslim etc.)	35.49	23.32	41.19	100.00
Total	31.69	22.13	46.18	100.00

Source: CBS 2011, NLSS III

**Table 11: Distribution of employed individuals by main sector of employment
(during last 7 days)**

Ethnic/Caste group	Wage-agri	Wage-nonagri	Self-agri	Self-nonagri	Extended economy	Total
Hill Brahmins	0.41	15.53	60.47	14.56	9.03	100.00
Hill Chhetris	0.86	10.33	67.85	9.76	11.19	100.00
Terai Castes	3.70	11.15	58.54	14.93	11.68	100.00
Hill Dalits	4.92	10.56	60.82	8.89	14.81	100.00
Kami	3.79	8.56	63.79	7.57	16.29	100.00
Other hill Dalits	5.99	12.43	58.03	10.13	13.42	100.00
Terai Dalits	14.19	17.93	48.99	7.49	11.40	100.00
Indigenous Peoples	2.34	13.06	62.22	13.32	9.06	100.00
Newar (hill Indigenous Peoples)	0.54	23.57	39.87	28.49	7.53	100.00
Other hill Indigenous Peoples	2.15	10.16	67.55	10.41	9.73	100.00
Magar	1.41	8.72	71.78	7.05	11.05	100.00
Tamang	1.79	11.19	64.88	14.51	7.64	100.00
Rai	1.61	9.23	69.83	12.21	7.12	100.00
Gurung	0.21	16.15	61.20	7.87	14.56	100.00
Limbu	6.12	6.68	68.26	9.60	9.35	100.00
Sherpa, Bhujel, Bhote, Thakali etc.	3.80	9.91	63.79	15.26	7.24	100.00

Kumal, Sunuwar, Majhi, Chepang etc.	5.24	11.70	62.35	7.23	13.47	100.00
Terai Indigenous Peoples	4.25	13.24	64.18	9.98	8.35	100.00
Tharu	3.87	12.67	64.46	10.61	8.39	100.00
Other Terai Indigenous Peoples	5.10	14.52	63.55	8.56	8.27	100.00
Other (Muslim etc.)	2.64	12.41	51.44	19.08	14.42	100.00
Total	2.77	12.56	61.33	12.67	10.67	100.00

Source: CBS 2011, NLSS III

**Table 12: Distribution of child workers by number of hours worked
(during last 7 days)**

Ethnic/Caste group	1 - 19 hours	20 - 39 hours	40 hour and above	Total
Hill Brahmins	78.06	17.31	4.63	100.00
Hill Chhetris	75.84	16.73	7.43	100.00
Terai Castes	71.36	20.32	8.32	100.00
Hill Dalits	78.10	15.54	6.36	100.00
Kami	80.52	14.27	5.21	100.00
Other hill Dalits	75.78	16.75	7.47	100.00
Terai Dalits	69.79	16.50	13.71	100.00

Indigenous Peoples		67.68	24.04	8.28	100.00
Newar (hill Indigenous Peoples)		61.96	27.39	10.66	100.00
Other hill Indigenous Peoples		68.44	23.41	8.15	100.00
Magar		74.40	21.39	4.21	100.00
Tamang		66.28	28.31	5.40	100.00
Rai		63.86	22.61	13.53	100.00
Gurung		81.63	10.91	7.46	100.00
Limbu		59.72	17.51	22.77	100.00
Sherpa, Bhujel, Bhote, Thakali etc.		61.98	33.13	4.89	100.00
Kumal, Sunuwar, Majhi, Chepang etc.		60.82	28.60	10.59	100.00
Terai Indigenous Peoples		67.89	24.48	7.63	100.00
Tharu		70.18	23.31	6.51	100.00
Other Terai Indigenous Peoples		61.15	27.90	10.94	100.00
Other (Muslim etc.)		73.46	18.85	7.69	100.00
Total		72.46	19.78	7.75	100.00

Source: CBS 2011, NLSS-III

**Table 13: Distribution of child workers by main sector of child employment
(during last 7 days)**

Ethnic/Caste group	Wage-agri	Wage-nonagri	Self-agri	Self-nonagri	Extended economy	Total
Hill Brahmins	0.00	0.00	71.90	5.14	22.96	100.00
Hill Chhetris	0.33	0.15	73.62	2.86	23.04	100.00
Terai Castes	1.58	1.06	76.03	5.98	15.35	100.00
Hill Dalits	4.24	1.71	72.38	3.27	18.40	100.00
Kami	1.05	0.53	64.78	0.23	33.42	100.00
Other hill Dalits	1.31	3.33	65.38	1.93	28.05	100.00
Terai Dalits	4.24	1.71	72.38	3.27	18.40	100.00
Indigenous Peoples	0.41	1.22	78.21	3.75	16.41	100.00
Newar (hill Indigenous Peoples)	0.00	0.43	80.31	7.30	11.96	100.00
Other hill Indigenous Peoples	0.39	1.44	83.76	4.90	9.51	100.00
Magar	0.35	1.07	74.02	2.29	22.27	100.00
Tamang	0.00	2.28	79.88	1.44	16.39	100.00
Rai	0.00	0.89	76.82	1.10	21.19	100.00
Gurung	0.00	0.00	67.36	0.00	32.64	100.00
Limbu	2.51	1.75	79.53	11.30	4.91	100.00

Sherpa, Bhujel, Bhote, Thakali etc.	0.00	1.72	80.19	6.98	11.11	100.00
Kumal, Sunuwar, Majhi, Chepang etc.	2.20	0.00	71.76	4.29	21.75	100.00
Terai Indigenous Peoples	0.00	2.70	66.67	9.26	21.37	100.00
Tharu	0.52	1.39	85.55	4.42	8.12	100.00
Other Terai Indigenous Peoples	0.00	1.62	78.50	6.31	13.57	100.00
Other (Muslim etc.)	0.00	2.70	66.67	9.26	21.37	100.00
Total	0.75	1.04	73.97	3.85	20.40	100.00

ANNEX II

List of Persons met/worked with during the Mission

Lawyers' Association for Human Rights of Nepalese Indigenous Peoples [LAHURNIP]

Ms. Shanti Rai	Chairperson
Mr. Dinesh Ghale	Vice Chairperson
Mr. Shankar Limbu	Secretary
Mr. Bhim Rai	Treasurer
Mr. Prabindra Shakya	Programmes Coordinator
Mr. Bagaman Kulung	Finance Officer

Consultants

Dr. Chaitanya Subba, Sociologist, Team Co-ordinator

Prof. Dr. Bishwanbher Pyakuryal, Senior Economist

Mr. Tung Siromani Bastola, Senior Statistician

Mr. Mohan Khajum Chongbang, Statistician and Data Analyst

Mr. Baburam Karki, Economist

Mr. Nirmal Kumar Raut, Economist

