

### III. Patterns among Senders and Recipients and Estimating Flows

After profiling some general demographic characteristics of migrants in the host countries, this chapter intends to look more specifically at the remittance sending behaviors of these groups. Different sending behaviors (both in amount and frequency), how migrants foresee remittances being spent by recipients, and the correlation between remittances and contact between family members, as well as the level of engagement migrants have with their home country, are discussed here. This section also estimates the flow of remittances sent to the countries under analysis.

#### A. Defining Remittances

Worker remittances have generally been understood as a portion of earnings migrants send from a country other than their own to a relative in their country of origin for the purpose of meeting certain economic and financial obligations. The point of departure for remittances is the migration of people who respond to the complex reality of the foreign labor marketplace, political circumstances, and/or emergencies that influence one's decision to move in order to meet their responsibilities at home.

The International Monetary Fund (IMF), the United Nations (UN), and the World Bank among other international institutions, have used concrete definitions that seek to capture funds transferred as migrant earnings, depending on basic considerations. The most commonly cited definition of remittances is that provided by the IMF in the fifth edition of its *Balance of Payments Manual* (BOPM5) and the accompanying *Balance of Payments Textbook* and *Balance of Payments Compilation Guide* (IMF 2005). The three balance-of-payments components often analyzed in relation to remittances are *workers' remittances* (current transfers), *compensation to employees* (income), and *migrants' transfers* (capital transfers). The first two are part of the current account, while the latter is part of the capital account.

According to the BOPM5 “*workers' remittances* cover current transfers by migrants who are employed in new economies and considered residents there,” and goes on to define a migrant as “a person who comes to an economy and stays there, or is expected to stay, for a year or more.” This definition also stipulates “*workers' remittances* often involve related persons.” The BPM Textbook further adds that *workers' remittances* are “transfers made by migrants who are employed by entities of economies in which the workers are considered residents,” but also notes “transfers made by self-employed migrants are not classified as *workers' remittances*, but as current transfers” (91).

The BOPM5 definition of *workers' remittances* distinguishes—and hinges on a distinction—between differences in migrant labor and residency status. In fact, IMF makes another distinction with regards to what constitutes a migrant based on their residency status in its definition of *compensation of employees*. As noted above, *compensation of employees*, along with *workers' remittances*, are the two main BOPM5 current account categories cited in reference to remittances. However, while *workers' remittances* refer to transfers, *compensation of employees* refers to remuneration for work, and is defined as “wages, salaries, and other benefits earned by individuals—in economies other than those in which they are residents—for work performed for and paid by residents of those economies.” Seasonal workers, for example, are subject to fall under the compensation category, as are employees such as embassy staff.

This distinction raises the question as to what constitutes a resident as opposed to a non-resident. The BOPM5 does not define workers or migrants,<sup>13</sup> although the rule of thumb has been that any individual who has resided in the country for 1 year is classified as a resident. However, even when applying such a rule, it is increasingly difficult to distinguish between residents and nonresidents considering the contemporary landscape of human mobility. In Asia, Africa, and the Latin American and Caribbean context, for example, some individuals may hold a residency status in a country other than their home country, work seasonally there, but yet physically reside most of the time in the home country. These individuals are transnational migrants, who by virtue of their reality live in more than one country, and may often work in more than one country.

The BOPM5 uses a third typology, also frequently cited in reference to remittances called *migrants' transfers*. *Migrants' transfers*, a component of the capital account, are “contraries to the flow of goods and changes in financial items that arise from the migration of individuals from one economy to another,” and like *workers' remittances* are classified as transfers. However, including *migrants' transfers* in remittances calculations is misleading since they involve assets that remain in the same hands—those of the migrant who has moved his or her assets from one country to another. The concept of remittances employed here is one that involves the intention of wealth transfer, and *migrants' transfers* do not fall into this interpretation. In fact, the UN Advisory Experts Group in National Accounts (AEG),<sup>14</sup> at its third annual meeting in July 2005, supported recommendations to remove *migrants' transfers* from the capital account, because no change of ownership occurs (SNA/M1.05/13.1 and SNA/M1.05/13.2).

This and other initiatives aimed at improving the definition of remittances largely stem from efforts of an international working group formed at the behest of the G-7 Finance Ministers during the June 2004 Sea Island Summit, and coordinated by the World Bank's Development Data Group and the IMF's Statistics Department. The International Technical Meeting on Measuring Migrant Remittances brought various stakeholders—including the IMF, Organization for Economic Co-operation and Development (OECD), United Nations Statistics Division (UNSD), World Bank, and central bank officials—together in January 2005. The group has agreed that the balance of payments is an “appropriate framework for improving the estimation and reporting of remittance data.” Furthermore, the consensus was that revisions to the definition of remittances, as well as methodologies associated with quantifying these flows, should focus more on “household to household” transactions, deemphasizing “concerns about worker and migrant concepts” (IMF 2005).

In this vein, the Technical Subgroup on the Movement of Natural Persons (also known as Mode 4<sup>15</sup>) has assumed adjusting its terms of reference so that remittances can be defined and measured “independently of temporary worker issues” (IMF 2005). Mode 4, which is chaired by the UNSD and reports to the Inter-agency Task Force on Statistics of International Trade in Service, is coordinating its work with the IMF's revision of the BOPM5

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<sup>13</sup> “The activities of an individual—whether he or she is regarded as a resident or a migrant—do not affect the aggregate transactions of the compiling economy with the rest of the world. Therefore, difficulties on this score will not, in principle, be a source of net errors and omissions in the balance of payments. Even so, efforts should be made to observe the distinction between nonresident workers and migrants” (BPM5, 272).

<sup>14</sup> AEG comprises 20 country experts in national accounts from all regions of the world.

<sup>15</sup> According to the IMF's Manual on Statistics of International Trade in Services, GATS Mode 4 “covers the presence of foreign workers in the market abroad. These can be employees working for foreign affiliates classified as services suppliers, and those sent abroad by a services supplier to provide a service. It also covers self-employed persons providing services. Borderline cases are discussed to clarify their treatment” (BOPCOM98/1/5).

and makes recommendations to the IMF Committee on Balance of Payments Statistics. During the third AEG meeting, Mode 4 advanced the following items:

- (i) eliminate the concept of “migrant” from the balance of payments (BOP) and systems of national account (SNA)<sup>16</sup> frameworks and instead use exclusively the concept of resident;
- (ii) replace the BOPM5 component “workers’ remittances” with the component “personal transfers” to bring the BOP transaction in line with the 1993 SNA item “household transfers”; and
- (iii) introduce two new BOP components, namely “personal remittances” and “institutional remittances”, to meet users’ needs (SNA/M1.05/15.2)

AEG members supported the Mode 4 recommendations, and therefore corresponding adjustments will be made. Definitional enhancements and adjustments are ongoing, and the G-7 expects a draft report on findings and recommendations by fall 2005. These recommendations recognize that it is important to use broader definitions of remittances than those traditionally employed, thus adjusting to the present times and preventing confusions or narrow understandings that would apply to one type of migrant only. Thus, “personal remittances,” reported in the standard BOP presentation as a memorandum item, is then defined as current and capital transfers in cash or in kind, made or received, by resident households to or from nonresident households, and “net” compensation of employees from persons working abroad for short periods (less than 1 year).<sup>17</sup> Migrants’ transfers would not be included (IMF 2005).

## **B. Characteristics of Remittance Senders**

### **1. Amount and Frequency**

Remittance sending behavior varies between countries in the Southeast Asia region. The average remittance transaction for Filipino and Indonesian migrants living and working in Hong Kong, China, is US\$300 on average and US\$289 on average for those working in Singapore. This amounts to slightly more than twice to the amount sent by their counterparts working in and remitting from Malaysia (Table 3.1).

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<sup>16</sup> The *1993 System of National Accounts* is a conceptual framework that sets the international statistical standard for the measurement of the market economy. It is published jointly by the United Nations, the Commission of the European Communities, the International Monetary Fund, the Organisation for Economic Co-operation and Development, and the World Bank.

<sup>17</sup> This concept refers to “compensation of employees” net of, i.e., less, taxes on income, social security contributions, and travel and passengers transportation related to the short-term employment.

**Table 3.1: Average Amount Sent Each Remittance (US\$)**

Host Home	Hong Kong, China		Japan		Malaysia		Singapore	
	Average	Average	Lowest 40%	Average	Lowest 40%	Lowest 40%	Average	Lowest 40%
Indonesia	332	830	467	284	181	176	151	70
Malaysia	--	961	280	385	241	--	--	--
Philippines	268	567	374	294	181	192	132	70

Source: Survey of immigrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

Filipinos and Indonesians working in Japan, however, remit more than twice as much as their counterparts in Hong Kong, China, and Singapore. The same trend is evident among those whose average remittance transaction falls at or under the lowest 40<sup>th</sup> percentile.

Indonesians working in Japan, Hong Kong, China, and Singapore tend to remit more than Filipinos, but the reverse is true for those working in Malaysia. However, the Indonesians' higher average amount remitted is counterbalanced by the frequency with which they remit. Indonesians tend to remit much less frequently than Filipinos, in some cases half as many times, as illustrated in Table 3.2 below.

**Table 3.2: Annual Average Number of Transactions a Migrant Makes**

Host Home	Hong Kong, China	Japan	Malaysia	Singapore
Indonesia	11	5	6	3
Malaysia	--	4	--	6
Philippines	15	11	10	14

Source: Survey of immigrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

Among the remittance receiving countries profiled, Filipinos remit the most frequently. Nearly all Filipinos in Hong Kong, China, and Singapore and 67% of Filipinos in Japan remit at least once a month. Of the other corridors profiled, only Indonesians remitting from Hong Kong, China, approximate a monthly transaction frequency. Sixty seven percent of Indonesians working in Hong Kong, China, remit at least once a month, contrasted with just 14% of Indonesians in Japan who remit monthly.

Migrants in Hong Kong, China regardless of country of their origin, tend to remit more frequently than their counterparts in Japan, Malaysia and Singapore.

## 2. Expenditures

When asked how the remittance is spent by the recipient (generally the parents, as demonstrated above), Filipino migrants in the countries profiled most frequently mentioned food, education and clothing as the top three expenditures, in that order. Filipino migrants in Hong Kong, China, Japan, and Malaysia were consistent in their responses, while Filipinos in Singapore prioritized education above food, and housing rather than clothing.

With Indonesian migrants, expenditures vary depending on the country from which the migrant is remitting. Like their Filipino counterparts, Indonesians remitting from neighboring countries Malaysia and Singapore most frequently mentioned food, clothing, and education as the top three remittance expenditures. However, Indonesians in Japan were more prone to mention education, followed by savings and then food as the most important remittance expenditures. Indonesians remitting from Hong Kong, China, meanwhile, most frequently mentioned savings, followed by education and business investments rounding out the top three expenditures. Higher variability in the case of Indonesian remitters does not reveal that Indonesian remitters necessarily spend less on basic expenditures such as food and clothing, but rather that in the case of Indonesian remitters from Japan and Hong Kong, China, their remittance is more spread out among expenses incurred by the recipient.

**Table 3.3: Top Three Expenditures According to Senders**

Host Home	Hong Kong, China	Japan	Malaysia	Singapore
Indonesia	1st savings (39%)	education (43%)	food (99%)	food (87%)
	2nd education (36%)	savings (40%)	clothing (98%)	clothing (66%)
	3rd business (30%)	food (34%)	education (93%)	education (47%)
Malaysia	1st --	education (35%)	--	food (90%)
	2nd --	savings (30%)	--	clothing (66%)
	3rd --	food (26%)	--	housing (49%)
Philippines	1st food (78%)	food (74%)	food (92%)	education (77%)
	2nd education (73%)	education (57%)	education (80%)	food (75%)
	3rd clothing (45%)	clothing (56%)	clothing (75%)	housing (50%)

Source: Survey of immigrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

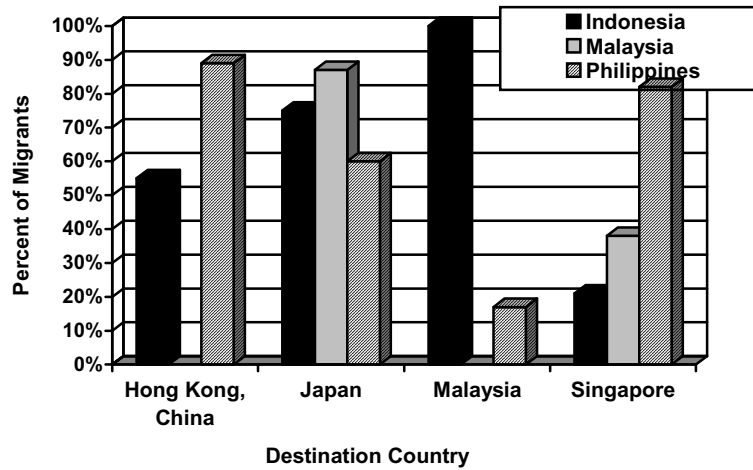
### 3. Contact with Country of Origin

Contact between migrants and family members back home is varied by country and nationality. Filipinos tend to have more contact with their home country family members than Indonesians or Malaysians. On average, approximately 73% of Filipinos (ranging from 55% in Japan to 92% in Hong Kong, China) have contact with a family member at least once a week. Indonesians, on average, have the least amount of contact with home country family members. Approximately one in three of all Indonesians in the countries profiled contact their family member at least once a week.

While just 8% of Indonesians working in Malaysia contact their family members at least once a week, 92% have traveled back to Indonesia at least once either in 2005 or in 2004. Likewise, nearly all Malaysians (97%) working in neighbor country Singapore have returned home at least once during the same time frame, compared with just 42% of Indonesians working there. Filipinos working in Malaysia are the least likely among their counterparts in Hong Kong, China, Japan, and Singapore to travel home, with just 30% making the trip at least once in 2005 or 2004.

Of those who travel home, more than three quarters of Indonesians on average take at least US\$3000 home with them, with the exception of Indonesian workers traveling home from Singapore (21%). While just 17% of Filipinos working in Malaysia take at least US\$3000 home when traveling back to their country of origin, it is migrants overall working in Singapore who least frequently take a minimum US\$3000 home with them (Figure 3.1).

Figure 3.1: Percent of Migrants who Brought US\$3000 or Less on their Last Visit Home



Source: Survey of immigrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

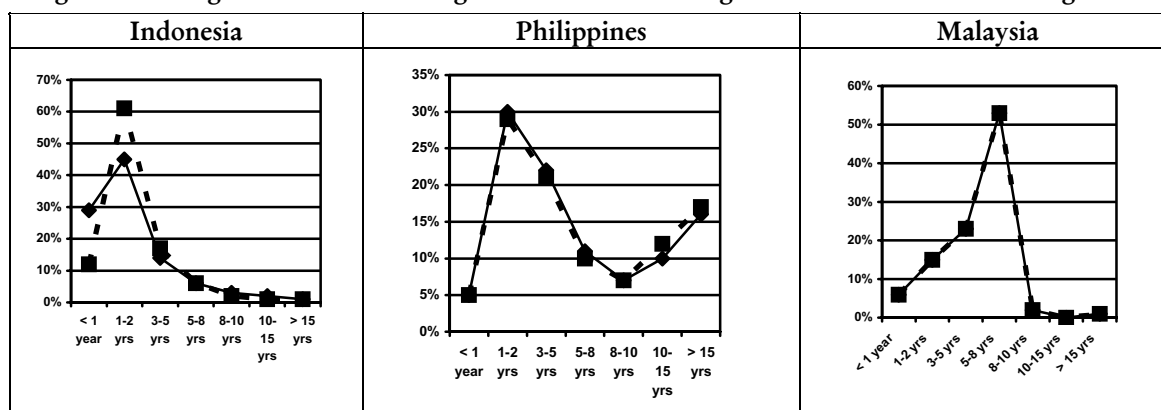
### C. Characteristics of Receiving Households

Like the preceding section, the following takes the description of migrant sending households one step further by looking closely at their remittance receiving experiences, remittance spending behavior, and how this potentially relates to the type and level of contact they have with their family member working overseas.

#### 1. Amount and Frequency

According to survey data collected from remittance recipients, there is a direct correlation between the length of time a family member has been living and working overseas, and the length of time remittances are being sent/received. It appears that the remittance sending behavior of Southeast Asian migrants remains consistent over time and does not diminish (or increase) the shorter (or longer) the migrant stays overseas (Figure 3.2).

Figure 3.2: Length of Time Receiving Remittances and Length of Time Relative to Living Abroad



Source: Survey of remittance recipients, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

## 2. Expenditures

When asked about the principal reason for receiving remittances, 65% of Filipinos, 79% of Indonesians, and 60% of Malaysians reported receiving money from family members working overseas to cover basic family needs, including food, clothing, and shelter.

Remittance recipients in the Indonesia, Malaysia and the Philippines all rank food and education among the top three expenditures for the funds they receive. Forty nine percent of Filipino and 81% of Malaysian recipients reported saving a portion of their remittance. Satisfying housing needs rounded out the top three expenditures for Indonesian recipients (Table 3.4).

Table 3.4: Remittance Expenditures According to Recipients

Country Rank	Indonesia	Malaysia	Philippines
1st	Food (72%)	Savings (81%)	Food (60%)
2nd	House (55%)	Education (64%)	Education (57%)
3rd	Education (53%)	Food (62%)	Savings (49%)

Source: Survey of remittance recipients, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

There was more variation among respondents when asked whether or not funds are used to pay loans. Just 4% of Filipino respondents use remittance funds to repay loans, compared with nearly a quarter (22%) of Malaysian and almost half (48%) of Indonesian respondents. The questionnaire administered to remittance recipients did not ask about the specific nature of the loans being repaid, however, other sections of this report allude to the potential impact that agency repayment fee obligations among Indonesian workers have on their remittance transactions.

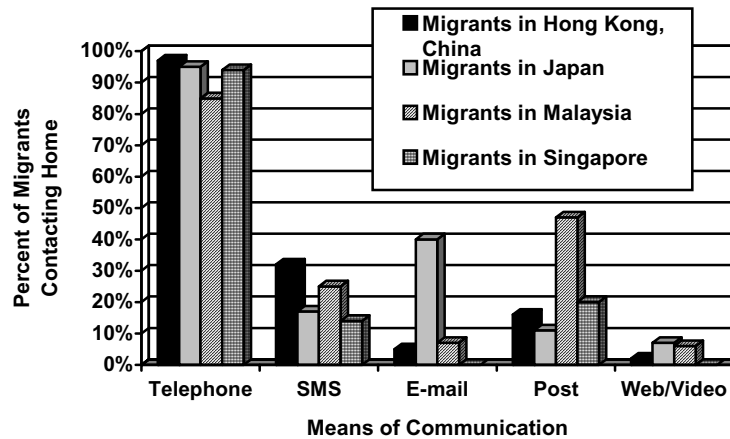
## 3. Contact with Family Members Overseas

Insofar as contact with family members living and working overseas, recipient responses are mostly consistent with results from surveys administered to remittance senders.

On average, one in two Filipinos and likewise 50% of Malaysians have contact with their family members at least once a week, compared with just a quarter of Indonesians.

Remittance receiving households most frequently hear from their overseas family members by telephone. After the telephone, most migrants in Japan (regardless if they are Filipino, Indonesian, or Malaysian) use e-mail as a means of communication, whereas migrants in Hong Kong, China, are more likely to use short message service (SMS) as a second choice (Figure 3.3).

**Figure 3.3: How Migrants Contact their Family Members**  
(average between Filipinos, Indonesians and Malaysians)

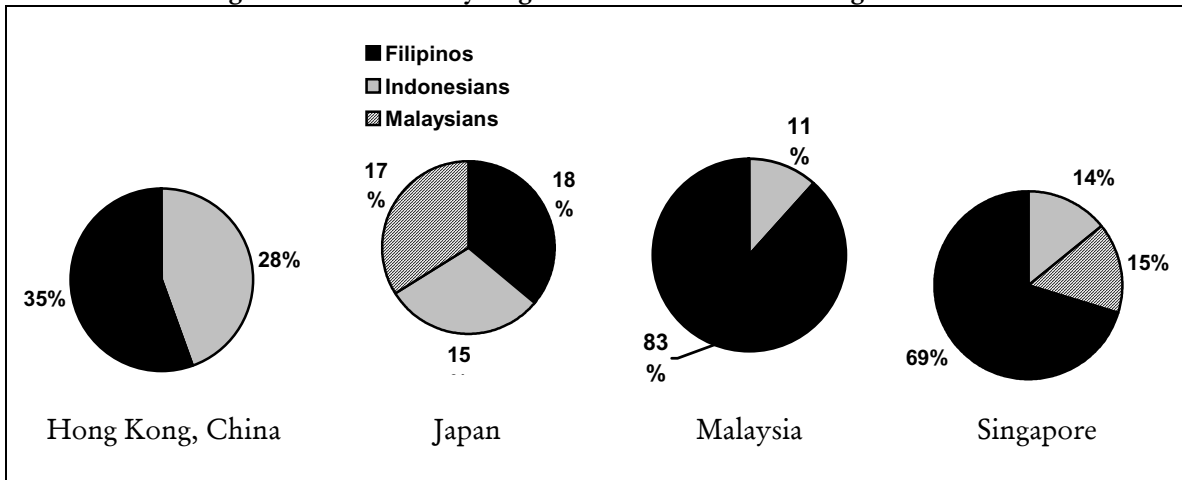


Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers Remittance Study, Asian Development Bank.

Unlike Hong Kong, China, and Japan not all migrants in Malaysia and Singapore concur on their secondary communication method. Most Indonesians in Singapore (37%) and Malaysia (49%) rely on the post—after the telephone—to communicate with family members back home. Most Filipinos in Singapore (69%) and Malaysia (83%), however, will use SMS after the telephone to communicate with their relatives in the Philippines.

Figure 3.4 illustrates the use of SMS by different foreign workers, depending on their country of residence.

Figure 3.4: SMS Use by Migrants in Remittance Sending Countries



Source: Survey of migrant sender, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

The overall engagement that immigrants have with their families is relatively significant. We created an index of engagement based on 10 questions.

Who

- has a bank account?
- has a mortgage?
- has a small family or commercial business?
- has a loan to maintain personal business?
- has a student loan?
- has a pension plan?
- lends money for family investments?
- stays in regular contact with families?
- leaves with the family half the cash one brought in the last visit?
- supports or contributes to hometown associations or clubs that help one's home country

The majority of respondents were actively involved in at least three activities with their home country, and a smaller percentage was very involved in more than four. Table 3.5 shows those very engaged in their home country. Filipinos appear as the most involved with their relatives back home.

Table 3.5: Level of Engagement (%)

Host Home	Hong Kong, China	Japan	Malaysia	Singapore
Indonesia	28	14	42	3
Malaysia		9		7
Philippines	37	22	38	20

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

Note: this table reflects percent of people who were engaged in four or more activities

#### D. Estimates of Values

Estimating the volume of money sent from one group to a country of origin is difficult. Prevailing methodologies offer limited benefits unless the remittance recipient country carefully monitors worker transfers from abroad. Moreover, in many cases the central bank units of the sending or receiving entities do not account for the geographic origin of the flows. The most typical methodology central banks use to measure remittances and record them as unilateral transfers within the BOP is to obtain daily reports from those licensed remitters. An additional and complementary method consists of random household surveys to estimate the ratio and profile of remittance recipients. Finally, some central banks monitor the inflow and/or outflow of foreign currency and estimate their transactional origin (whether in foreign investment, remittance, aid, trade, or any other international financial activity).

Unfortunately central bank officers acknowledge the difficulties in accurately measuring remittances. In this report the volume of remittances is estimated by using survey data for sending countries and weighted it to the immigrant population sending and the frequency of sending. The surveys conducted in Southeast Asia are statistically representative of the immigrant population and allow for an approximation of the total sent. The estimation employed looked at the percent of immigrants who send remittances, the range sent, and regularity.

Thus, the weighted average is

$$REMITTANCES_{ij} = \sum \{ [(Sent_{ij} \times Freq_{ij}) \times Dist_{.ij}] \times Migr_{.ij} \}$$

REMITTANCES<sub>ij</sub> = Total remittances from host country i to home country j

Sent<sub>ij</sub> = Average amount sent

Freq<sub>ij</sub> = Frequency of sending)

Dist.<sub>.ij</sub> = Percent distribution of that group

Migr.<sub>.ij</sub> = Migrant sending population

For ease of reading, the tables below display only the average amounts remitted, the total weighted averages, and regularity in sending and applied to 90% and 70% of immigrants. Our surveys show that 90% or more of immigrants send remittances; however, we used a 70% estimate to control for cases of overreporting. However, because the surveys use official figures about migrants, these estimates need to be considered as a baseline because they do not consider the undocumented population (no matter how small or large it can be) working in those countries. Thus, an unweighted average is also estimated.

$$REMITTANCES_{ij} = TIMESSEND_{ij} * SENDAVG_{ij} * MIGR_{ij}$$

WHERE,

REMITTANCES<sub>ij</sub> = Total remittances from host country i to home country j

TIMESSEND<sub>ij</sub> = Average number of times sending of remittances from host country i to home country j

SEND<sub>AVG<sub>ij</sub></sub> = Average amount sent from host country i to home country j  
MIGR<sub>ij</sub> = Migrant population in host country i from home country j.

## 1. Estimates of Remittances Sent from Japan

As the previous sections have shown, the majority of immigrants in Japan remit at least US\$4,000 a year. Except with the Philippines, which remit monthly, these remitters send on a quarterly or semester basis; however, the total annual volumes are similar because the averages vary: the less frequent they send the more they send. Thus, with an estimated minimum of 150,000 immigrants remitting we estimate US\$1 billion in remittances going to three countries.

**Table 3.6: Japan, Average Amount Sent, Frequency of Sending and Migrant Population**

Country of Origin	Average Amount of Remittance Sent (US\$)	Average Frequency of Sending	Migrant Population	90% Migrant Population	70% Migrant Population
Indonesia	830	5	23,000	20,700	16,100
Malaysia	961	4	9,000	8,100	6,300
Philippines	567	11	185,000	166,500	129,500
<b>Total</b>	<b>671</b>	<b>9</b>	<b>217,000</b>	<b>195,300</b>	<b>151,900</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

**Table 3.7: Estimated Volume of Remittances from Japan (US\$)**

Country of Origin	90% Est. Volume	70% Est. Volume	Weighted Average
Indonesia	86,126,080	66,986,951	79,441,570
Malaysia	28,420,294	22,104,673	15,087,395
Philippines	1,014,012,040	788,676,031	927,495,542
<b>Total</b>	<b>1,128,558,414</b>	<b>877,767,655</b>	<b>1,022,024,508</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

## 2. Remitting from Hong Kong, China

A common feature among Filipino and Indonesian immigrants in Hong Kong, China, is their frequency of remitting. However, like the counterparts in Japan, Filipinos send smaller amounts. Overall the quantity sent is lower than what is sent from Japan. One reason being that income and salaries in Japan are higher: per capita income in Japan is US\$45,029, against US\$25,456 for Hong Kong, China. The same applies to the differences in income immigrants earn in the respective countries. What is strikingly different is that the volume sent as a ratio of total income is far greater among immigrants in Hong Kong, China, than in Japan, Singapore, or Malaysia.

**Table 3.8: Income, Remittances, and Ratio of Remittances to Income**

Sending Country	Country of Origin	Annual Personal Income (US\$)	Money Sent per Year (US\$)	Ratio
Japan	Indonesia	22,232	3,850	0.4
	Malaysia	14,738	1,945	0.1
	Philippines	19,097	6,064	0.4
Hong Kong, China	Indonesia	4,700	3,246	0.8
	Philippines	5,200	4,086	0.8
Singapore	Indonesia	2,072	782	0.4
	Malaysia	11,413	1,930	0.2
	Philippines	9,094	3,786	0.8
Malaysia	Indonesia	4,076	874	0.2
	Philippines	2,654	1,354	0.5
<b>Total</b>	Indonesia	6,804	2,241	0.5
	Malaysia	11,907	1,931	0.2
	Philippines	10,776	4,639	0.7
	<b>Total</b>	<b>9,186</b>	<b>3,248</b>	<b>0.5</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

Given these average values, estimated amount sent annually from Hong Kong, China, to the Philippines and Indonesia is at least half a billion to eight hundred million US dollars. Tables 3.9 and 3.10 show the estimates in remittances.

**Table 3.9: Average Amount Sent, Frequency of Sending and Migrant Population in Hong Kong, China**

Country of Origin	Average Amount of Remittance Sent (US\$)	Average Frequency of Sending	Migrant Population	90% Migrant Population	70% Migrant Population
Indonesia	332	11	142,000	127,800	99,400
Philippines	268	14	108,000	97,200	75,600
<b>Total</b>	<b>299</b>	<b>13</b>	<b>250,000</b>	<b>225,000</b>	<b>175,000</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

**Table 3.10: Estimated Volume of Remittances from Hong Kong, China**

Country of Origin	90% Est. Volume	70% Est. Volume	Weighted Averages
Indonesia	459,474,417	357,368,991	227,250,902
Philippines	376,651,521	292,951,183	298,124,465
<b>Total</b>	<b>836,125,937</b>	<b>650,320,174</b>	<b>525,375,367</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

### 3. Remitting from Singapore

In the case of Singapore, immigrants send in similar frequencies to those of Japan. These frequencies translate in an estimated volume of five to seven hundred million US dollars.

**Table 3.11: Average Amount Sent, Frequency of Sending and Migrant Population in Singapore**

Country of Origin	Average Amount of Remittance Sent (US\$)	Average Frequency of Sending	Migrant Population	90% Migrant Population	70% Migrant Population
Indonesia	284	3	60,000	54,000	42,000
Malaysia	385	6	165,000	148,500	115,500
Philippines	294	14	90,000	81,000	63,000
<b>Total</b>	<b>323</b>	<b>7</b>	<b>315,000</b>	<b>283,500</b>	<b>220,500</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

**Table 3.12: Estimated Volume of Remittances from Singapore (US\$)**

Country of Origin	90% Est. Volume	70% Est. Volume	Weighted Average
Indonesia	42,876,091	33,348,070	70,816,500
Malaysia	316,929,387	246,500,634	315,708,661
Philippines	331,796,694	258,064,095	120,100,109
<b>Total</b>	<b>691,602,171</b>	<b>537,912,800</b>	<b>506,625,270</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

Estimating remittance volumes for Malaysia is more complicated. These estimates focus only on work permit holders, permanent residents, and employment pass holders. Day laborers, who are estimated to amount to 50,000 are also individuals carrying money back home, but are not included in this estimate. However, by virtue of their daily cross-border activity, Malaysians constitute the largest foreign worker group in Singapore, but still reside in Malaysia while working in Singapore. These groups return to their country with the earnings from Singapore, which either deposit in banks or keep in cash.

While technically these earnings are not qualified as remittances, the physical transfer of Singapore dollars into Malaysia is not negligible and does have a very real and positive impact on the Malaysian economy.<sup>18</sup>

#### 4. Remitting from Malaysia

Like Singapore, measuring remittance sending from Malaysia is complicated because the Filipino population in the country is dispersed and with significant undocumented populations using informal mechanisms. We used 400,000 as a figure of Filipinos, but this number may be half of that reported by other sources. These immigrants send the lowest average though in similar frequencies. The estimated volume is between one and one and a half billion US dollars.

<sup>18</sup> See the country report on Singapore, Appendix 7.

**Table 3.13: Average Amount Sent, Frequency of Sending and Migrants in Malaysia**

Country of Origin	Average Amount of Remittance Sent (US\$)	Average Frequency of Sending	Migrant Population	90% Migrant Population	70% Migrant Population
Indonesia	151	6	400,000	360,000	280,000
Philippines	132	10	1,000,000	900,000	700,000
<b>Total</b>	<b>147</b>	<b>7</b>	<b>1,400,000</b>	<b>1,260,000</b>	<b>980,000</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

**Table 3.14: Estimated Volume of Remittances from Malaysia (US\$)**

Country of Origin	90% Est. Volume	70% Est. Volume	Weighted Average
Indonesia	326,842,105	254,210,526	1,000,000,000
Philippines	1,219,040,248	948,142,415	2,000,000
<b>Total</b>	<b>1,545,882,353</b>	<b>1,202,352,941</b>	<b>1,002,000,000</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

## 5. Regional Flows

Comparing the volumes from various countries the range varies from three to four billion US dollars—the Philippines receiving about 50% of that volume. It is important to note that in all cases migrant sending groups are consistent in the frequency of sending. This is particularly telling in the case of Filipinos who consistently said they sent 11–13 times a year. Moreover it is worth noting that except from the case of Hong Kong, China, immigrants sent about half their earnings back home.

**Table 3.15: Regional Comparison of Remittance Sending by Migrants**

Country of Origin	Average Amount of Remittance Sent (US\$)	Average Frequency of Sending	Migrant Population	90% Migrant Population	70% Migrant Population
Indonesia	376	7	625,000	562,500	437,500
Malaysia	455	5	174,000	15,6600	121,800
Philippines	372	13	1,383,000	1,244,700	968,100
<b>Total</b>	<b>384</b>	<b>9</b>	<b>2,182,000</b>	<b>1,963,800</b>	<b>1,527,400</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.

**Table 3.16: Regional Flows to Three Selected Remittance Recipient Countries in Southeast Asia (US\$)**

Country of Origin	90% Est. Volume	70% Est. Volume	Weighted Average
Indonesia	915,318,692	711,914,539	1,377,508,972
Malaysia	345,349,681	268,605,307	330,796,057
Philippines	2,941,500,502	2,287,833,724	1,347,720,116
<b>Total</b>	<b>4,202,168,875</b>	<b>3,268,353,569</b>	<b>3,056,025,145</b>

Source: Survey of migrant senders, Regional Technical Assistance No. 6212: Southeast Asia Workers' Remittance Study, Asian Development Bank.